



THE UNITED REPUBLIC OF TANZANIA
NATIONAL AUDIT OFFICE



REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE
FINANCIAL STATEMENTS AND COMPLIANCE AUDIT OF NATIONAL SPORTS
COUNCIL FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021



Controller and Auditor General,
National Audit Office,
Audit House,
4 Ukaguzi Road,
P.O. Box 950,
41101 Tambukareli,
Dodoma, Tanzania.
Tel: 255 (026) 2161200,
Fax: 255 (026) 2117527,
E-mail: ocag@nao.go.tz
Website: www.nao.go.tz

March 2022

AR/PA/NSC/2020/21

Mandate

The statutory mandate and responsibilities of the Controller and Auditor-General are provided for under Article 143 of the Constitution of the URT of 1977 and in Section 10 (1) of the Public Audit Act, Cap 418[R.E 2021].

Vision

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

Mission

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

Motto: “Modernizing External Audit for Stronger Public Confidence”

Core values

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

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

We do this by:

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

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

TABLE OF CONTENTS

ABBREVIATIONS	iii
1.0 GOVERNANCE REPORT FOR THE YEAR ENDED 30 JUNE 2021.....	1
2.0 STATEMENT OF RESPONSIBILITIES BY THOSE CHARGED WITH GOVERNANCE.....	12
3.0 DECLARATION OF HEAD OF FINANCE OF NATIONAL SPORTS COUNCIL	13
4.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL	14
5.0 FINANCIAL STATEMENTS	18

ABBREVIATIONS

CAG	Controller and Auditor General
CPA	Certified Public Accountant
HCMIS	Human Capital Management Information System
IESBA	International Ethics Standard Board of Accountants
IPSAS	International Public Sector Accounting Standards
ISSAIs	International Standard of Supreme Audit Institutions
NSC	National Sports Council
PSSSF	Public Service Social Security Fund
SDF	Social Development Fund
TZS	Tanzanian Shillings
URT	United Republic of Tanzania

1.0 GOVERNANCE REPORT FOR THE YEAR ENDED 30 JUNE 2021

The Executive Committee presents their report together with the audited financial statements for the year ended 30 June 2021 which disclose the state of affairs of the National Sports Council. The report has been prepared in accordance with Tanzania Financial Reporting Standard (TFRS) No. 1.

1.1 ESTABLISHMENT

National Sports Council was established under the National Sports Council of Tanzania Act No. 12 of 27 April 1967 and as amended by Act No. 6 of 1971.

1.2 VISION

National Sports Council aspires to stimulate and lead Tanzanians towards increased participation in sports, to the extent of their interests and abilities, and contribute to achieve sports excellence as well as national development.

1.3 MISSION

To assume the responsibilities for ensuring the provision of a quality and innovative sports delivery system for enhanced performance, by improving sports management and development processes.

1.4 CORE VALUES.

- **Ethic** - Established system of moral principles and tactics in the organization.
- **Excellence in performance** - Organizational performance management that results in Delivery of ever-improving value to customers and stakeholders which contributing to improvement of overall of organizational effectiveness.
- **Character and Education** - Implementing the system of relationship between physical education and knowledge, values and skills necessary for success in life.
- **Teamwork** - The application of collective efforts to be undertaken by each member for the achievement of organizational objectives.
- **Dedication and commitment** - The high-level of fulfilling obligation of the organization.
- **Respect** - The total or inclusive consideration of each client in an organization.
- **Encourage** - The Application of highly prized virtue in an organization to encourage all sport stakeholders.

- **Community and Solidarity** - The establishment of unite sense in an organization and its client.
- **Transparency** - The openness of goals and policies the organization to beneficiaries.
- **Fairness** - The culture of equality in the organization system.
- **Funny and Joy** - Embracing the values that drive innovation, build a restless spirit to do more of everybody in the organization.

1.5 PRINCIPAL ACTIVITIES

The principal activities of the Council as stipulated in Section 4 of the National Sports Council Act of 1967 (amended 1971) are:

- a) To develop, promote and control all forms of sports on a national basis in conjunction with voluntary amateur sports organizations or associations by providing:-
 - (i) Training;
 - (ii) Grants-in-aid to national associations or organizations;
 - (iii) Stadia, playing fields and other facilities; and
 - (iv) Sports equipment and other sports items as may be for the accelerated development of sports.
- b) To encourage and facilitate co-operation among various National associations;
- c) To approve international and National sports competitions and festivals organized by national and other associations;
- d) To organize, in consultation with the national associations, national, international and other sports competitions and festivals as a means of exchanging experience and fostering friendly relations with other nations;
- e) To stimulate general interest in all sports by their organization at all levels; and
- f) To plan a general policy of sports promotion.

1.6 UPDATE ON MAIN ACTIVITIES DURING THE YEAR

- a) Forty Eight (48) physical education teachers were trained;
- b) Coordination and supervision of 2 school games- UMISSETA and UMITASHUMTA;

- c) Forty (40) sports administrators were trained on leadership, effect of corruption and anti-doping in sports;
- d) Eight (8) National teams were supported (Football, Volleyball, Athletics, Netball, Paralympics, Amputee Football and traditional games);
- e) Coordination of sports development activities (7 National Sports Association elections coordinated and supervised); and
- f) A National High performance Strategic Plan was prepared and inaugurated.

1.7 COMPOSITION OF THE EXECUTIVE COMMITTEE

The Executive Committee is headed by the Chairperson. The Chairperson of the committee is appointed by the President and the rest of the Council members are appointed by the Minister for Information, Culture, Art and Sports.

The Executive Committee takes overall responsibility for the Organization, including responsibility for identifying key risk areas, considering significant financial matters, and reviewing the performance of Organization plans and budgets. The Council is also responsible for ensuring that a comprehensive system of internal control policies and procedures is operative, and that the Organization complies with sound corporate governance principles.

The tenure of The 14th Council which made the composition of The Executive committee, ended its service on 7 February 2021. Before the nomination and inauguration of the 15th Council, all board meetings and its duties are spearheaded by The Permanent Secretary for The Ministry of Culture, Art and Sports.

The Executive Committee is required to meet at least four (4) times a year. Before the expiry of the tenure, during the year 2020/21 the Council met 2 times and 1 adhoc meeting. The remaining 2 ordinary meetings were organized and headed by The Permanent Secretary Ministry of Culture Art and Sports, due to the reason that the board had already completed its 3 years term. The management of day to day activities of the Council is under the Executive Secretary assisted by Senior Management.

The following matters were discussed;

- a) Discussion and approval of High Performance Sports Strategic Plan;
- b) Receive and discuss the Financial Statements of NSC and The CAG reports for F/Y 2019/20;
- c) Discussion on the status of implementations of the directives which was given by the Minister when the 14th Council was inaugurated;
- d) Discussion on the Performance Contract for 2021- 2025 which was sent to The Office of Treasury Registrar;

NATIONAL SPORTS COUNCIL (NSC)

- e) Receive a report on the 2020 amended NSC Regulations and that of The Registrar of Sports Associations;
- f) Review and discuss the Budget for the year 2021/22; and
- g) Receive reports on the status of collection of own source funds, report on plans for procurement of a new Motor Vehicle, Report of the Internal Auditor, Report of preparation of using MUSE Accounting system and HCMIS.

Table 1: Members of the Outgoing Executive Committee

S/N	Name	Age	Position	Qualification	Appointment Date	Nationality
1.	Leodegar Tenga	64	Chairman	BSC Mech Eng., MBA	08/02/2018 - 07/02/2021	Tanzanian
2.	Neema Y. Msitha	36	Acting Secretary	MA. Education	08/02/2018 - 07/02/2021	Tanzanian
3.	Beatrice Singano	44	Member	MBA	08/02/2018 - 07/02/2021	Tanzanian
4.	Dr. EdicomeCornelShirima	60	Member	PhD. Nuclear Chemistry	08/02/2018 - 07/02/2021	Tanzanian
5.	SalminKaniki	37	Member	Masters of PublicAdministration	08/02/2018 - 07/02/2021	Tanzanian
6.	John Ndumbaro	58	Member	BA. Education	08/02/2018 - 07/02/2021	Tanzanian
7.	Juma Ikangaa	63	Member	Msc. Community & Economics Dev.	08/02/2018 - 07/02/2021	Tanzanian
8.	Prof. MkumbukwaMandondoMtambo	61	Member	Phd. Veterinary Medicine.	08/02/2018 - 07/02/2021	Tanzanian
9.	RahemaSefuMadenge	56	Member	Msc. Community & Economics Dev.	08/02/2018 - 07/02/2021	Tanzanian
10.	YusuphSingoOmar	47	Member	MA. Education	08/02/2018 - 07/02/2021	Tanzanian

Source: National Sports Council Governance Report

In order to ensure a high standard of corporate governance, the outgoing Council had five (5) sub-committees performing specific duties that complemented each other with the aim of realizing the intended council objectives. Below are the sub-committees which executed the under-mentioned duties and their composition:

Finance, Research, Planning and Development Committee

The objectives of the Finance, Research, Planning and Development Committee are to ensure that the Committee provides relevant and quality management strategies and ascribes to economy, efficiency and efficacy in mobilization of Council resources. The Research, Planning

and Development Committee reports to the Executive Committee. The following are names of members who served in the Council's Research, Planning and Development Committee during the financial year ended 30 June 2021.

Table 2: Members of Finance, Research, Planning and Development Committee

S/N	Name	Position	Age	Qualification	Date Appointed	Nationality
1.	Ms. Rehema Madenge S.	Member	56	Msc. Community & Economic Development	30/05/2019	Tanzania
2.	Mr. George Msonde R.	Secretary	44	Postgraduate Diploma in Planning	30/05/2019	Tanzanian
3.	Mr. Yusuph Singo Omari	Chairman	47	MA. Education	30/05/2019	Tanzanian
4.	Mr. John Ndumbaro	Member	58	BA. Education	30/05/2019	Tanzanian

Source: National Sports Council Governance Report

The Finance, Research, Planning and Development Committee did not meet during the year 2020/21.

Disciplinary, Arbitration and Appeals Committee.

Disciplinary, Arbitration and Appeals committee assist on all matters relating to staff appointment, promotion, discipline, retention and recruitment. Also the subcommittee deals with arbitration in matters relating to leadership and sports disputes. The members of this Committee, who serve the Council, are as follows:

Table 3: Members of Disciplinary, Arbitration and Appeals Committee

S/N	Name	Position	Age	Qualification	Date of Appointment	Nationality
1	Leodegar Tenga	Chairman	64	BSC Mech Eng.- MBA	08/02/2018	Tanzanian
2	Neema Y. Msitha	Acting Secretary	36	MA. Education	30/05/2018	Tanzanian
3	Mr. Jumalkangaa	Member	63	Msc. Community & Economic Development	30/05/2018	Tanzanian
4	Ms. Rehema Madenge S.	Member	56	Msc. Community & Economic Development	30/05/2018	Tanzania
5	Mr. Yusuph Singo Omari	Member	47	MA. Education	30/05/2018	Tanzanian
6	Mr. John Ndumbaro	Member	58	BA. Education	30/05/2018	Tanzanian

Source: National Sports Council Governance Report

The Disciplinary, Arbitration and Appeals Committee did not hold any meeting during the financial year ending 30 June 2021, due to the facts that no dispute event happened.

Technical Committee

Technical Committee has the responsibility of ensuring that Council provides quality and innovative sports delivery system. It also has the duty of ensuring enhanced performance, improved sports management and development processes. The members of this subcommittee, who serve the Council, are as follows:

Table 4: Members of Technical Committee

S/N	Name	Position	Age	Qualification	Date of Appointment	Nationality
1.	Mr. Jumalkangaa	Chairman	63	Msc. Community & Economic Development	30/05/2018	Tanzanian
2.	Ms. Neema Msitha	Secretary	36	MA. Education	30/05/2018	Tanzanian
3.	Dkt. Edicome Cornel Shirima	Member	60	PhD Nuclear Chemistry	08/02/2018	Tanzanian
4.	Mr. John Ndumbaro	Member	58	BA. Education	30/05/2018	Tanzanian

Source: National Sports Council Governance Report

The Technical Committee reports to the Executive Committee however, during the year 2020/21 the sub-committee did not meet.

Audit Committee

Audit committee ensures that the Council has sufficient internal controls over the use of Council's resources. The members of this Committee, who serve the Council, are as follows:

Table 5: Members of Audit Committee

S/N	Name	Position	Age	Qualification	Date of Appointment	Nationality
1.	Mr. Salmin Kaniki	Chairman	37	Masters of Public Administration	30/05/2018	Tanzanian
2.	George O. Francis	Secretary	44	Msc. Accounting and Finance	30/05/2018	Tanzanian
3.	Ms. Beatrice Singano	Member	44	Masters of Business Administration	30/05/2018	Tanzanian
4.	Dr. Edicome Cornel Shirima	Member	60	PhD Nuclear Chemistry	30/05/2018	Tanzanian

Source: National Sports Council Governance Report

The Audit Committee reports to the Executive Committee. The Audit Committee met three (3) times during the year 2020/21 to discuss the Quarterly Internal audit reports. Also it discussed The External Audit Report for the financial year 2019/20. The discussion based on how to improve Internal Controls of the Council in accordance with regulation No. 32 (1) of the Public Financial Regulations, 2001.

1.8 CORPORATE GOVERNANCE

National Sports Council is committed to the highest standards of corporate governance. Its governance structure is flexible enough to adopt changes in the internal and external environment and the Council strives to regularly review its processes, rules and regulations and structure with a view to ensuring the best performance of the Council and overall management of its operations. The Council adheres to global standards and practices of good corporate governance. The Council has established and maintains an internal audit unit, tender board, and procurement management unit.

1.9 MANAGEMENT

The day-to-day Management of National Sports Council is under the Executive Secretary who is assisted by a Management Team composed of units and departments.

Executive Secretary

- Internal Audit;
- Procurement Management Unit;
- ICT Unit;
- Sports Development Division;
- Registration Of Sports Clubs, Federation/Association Unit;
- Corporate Services Division.

Sports Development Division

- Sports Support Service Section;
- Sports Supervision Section.

Registration of Sports Clubs, Federation/Association Unit

- Registration of Sports Clubs and Association Section

Corporate Services Division

- Administration & Human Resources Management Section;
- Finance & Accounts Section;
- Planning and Marketing Section.

1.10 INTERNATIONAL AND LOCAL RELATIONS

During the year 2020/21 NSC continued to maintain its relationship with various stakeholders including, the general public, local and international organizations.

1.11 FUTURE DEVELOPMENT PLANS

The Council is planning to develop a sports centre where, apart from office buildings, indoor and outdoor sports activities for children, youth, women, people with disabilities and the aged will be accommodated. At present the Council is in the process of seeking a land in Dodoma for that purpose.

1.12 RESULTS FOR THE YEAR

During the year ended 30 June 2021, the Council recorded a surplus of TZS 254,679,172 (30 June 2020: TZS 37,744,830).

The Management continue to strive to increase revenue collection by reviewing the NSC Act in order to give the Council legal powers to increase revenue base and reduce dependency on Government Subvention. Apart from Government subvention, during the year 2020/21 NSC collected TZS 351,780,252 from other sources of funds as compared to the year 2019/20 where it collected TZS 126,229,883. The increase was contributed by the changes in National Council Regulations which included a change of income from gate collection from 1% to 3% thus increasing income from gate collections.

1.13 RISK MANAGEMENT AND INTERNAL CONTROL

The Executive committee accepts final responsibility for the risk management and internal control systems of National Sports Council. It is the responsibility of management to ensure that adequate internal financial and operational control systems are developed and maintained on an ongoing basis in order to provide reasonable assurance regarding:

- Effectiveness and efficiency of operations;
- Safeguarding of NSC's assets;
- Compliance with applicable laws and regulations;
- Reliability of accounting records;
- Operational sustainability under normal as well as adverse conditions; and
- Responsible behaviours towards all stakeholders.

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. There is always a risk of non-compliance of such measures by staff. Whilst no system, of internal control can provide absolute assurance against misstatement or losses, the National Sports Council system is designed to provide the Council with reasonable assurance that the procedures in place are operating effectively.

1.14 SOLVENCY

The Governing Body confirms that applicable accounting standards have been observed and that the financial statements have been prepared on a going concern basis. The Governing

Body has reasonable expectation that the National Sports Council has adequate resources to continue its operational existence for the foreseeable future.

1.15 RELATED PARTY TRANSACTIONS

Details of transactions with related parties are disclosed in Note9 of the financial statements.

1.16 EMPLOYEE WELFARE

Management and Employee's Relationship

(i) Relationship

There were continued good relations between employees and management for the year 2020/21. There were no unresolved complaints received by management from the employees during the year.

(ii) Employment

The Council gives equal access to employment opportunities and ensures that a person is appointed to any given position free from discrimination of any kind. The Council has 23 employees: 9 females and 14 males, there were no changes compared to last year 2019/20.

Medical Assistance

All members of staff with a maximum number of four beneficiaries (dependants) for each employee were availed medical insurance guaranteed by NSC. Currently these services are provided by National Health Insurance Fund.

(iii) Employees Benefit Plans

During the financial year 2020/21, the employee pension benefit is TZS 18,346,150 (2019/20: TZS 17,755,000) as contributions to publicly administered pension plans (i.e. Public Service Social Security Fund (PSSSF) on mandatory basis which qualifies to be a defined contribution plan.

(iv) Persons with Disabilities

It remains the Council's policy to accept disabled persons for employment for those vacancies that they are able to fill. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Council continues and appropriate training is arranged. It is the Council's policy that training, career development and promotion of disabled persons is identical to that of other employees.

(v) Training Facilities

In order to improve employee's technical skills and effectiveness, during the year 2020/21, NSC spent TZS 33,729,800 for staff training. (In the year 2019/20 TZS 1,890,000 was spent for that purpose). Two Human Resource Officers, One Accountant and One Auditor attended a seminar on HCMIS in Dodoma. A total of six staff, (Two Accountants, One Planning Officer, Procurement Officer, an ICT Officer and One Internal Auditor) attended MUSE training in Morogoro. Two Communication Officers attended trainings on Graphic designing and Public Communications. One Personal Secretary attended TAPSEA Seminar in Arusha. One Office Assistant attended a seminar on preparations for retirement in Tanga. And One Accountant attended a seminar on treatment of PPE Impairment. These training programs have been and are continually being developed to ensure employees are adequately trained at all levels. All employees have some form of annual training to upgrade skills and enhance development.

1.17 GENDER BALANCE

The NSC recognizes gender balance matters. Recruitment and promotion processes provide for equal opportunity to both men and women. The Council constitutes both men and women. As at 30 June 2021 NSC had the following distribution of employees by gender:

Gender	2020/21	2019/20
Male	14	14
Female	<u>9</u>	<u>9</u>
Total	<u>23</u>	<u>23</u>

1.18 HIV/AIDS POLICY

The Council recognizes the seriousness of the HIV/AIDS epidemic and its negative impact on the capacity to realize National Sports Council vision and objectives. The Council has adopted HIV/AIDS policy, which aims at raising HIV/AIDS awareness to its employees.

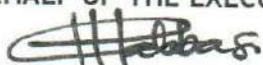
1.19 POLITICAL AND CHARITABLE DONATIONS

The Council did not make contribution to any Political Party during the year under review. Donation of TZS 8,967,680 (2019/20: TZS 10,742,775) was made to Sports National Federation/ Associations by way of providing funds to them, training kits or assisting to cover election expenses.

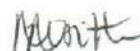
1.20 AUDITORS

The Controller and Auditor General is the Statutory Auditor of the National Sports Council by virtue of Article 143 of the Constitution of the United Republic of Tanzania (URT) and as amplified in Section 32 (4) of the Public Audit Act, Cap 418(R.E 2021). However, in accordance with Section 33 (1) of the same Act, M/s Global Finance and Business Solutions was authorized to carry out audit of the National Sports Council on behalf of the Controller and Auditor General for the financial statements of the year ended 30 June 2021.

ON BEHALF OF THE EXECUTIVE COMMITTEE



.....
Permanent Secretary
Ministry of Culture, Art and Sports
Chairperson of the Council
Date ...1. MARCH, 2022



.....
Neema Y. Msitha
Executive Secretary
Date ...1. MARCH, 2022

2.0 STATEMENT OF RESPONSIBILITIES BY THOSE CHARGED WITH GOVERNANCE


As required under section 15(1) of the Public Corporation's Act (amendment) 1992, the Executive committee is responsible for the preparation and fair presentation of the financial statements, comprising the statement of financial position at 30 June 2021, and the statement of financial performance, the statement of changes in net assets and cash flow statement for the year then ended, statement of comparison of budget and actual amounts and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Public Sector Accounting Standards and in the manner required by the required under section 8 of the National Sports Council of Tanzania Act No. 12 of 1967, as amended by Act No. 6 of 1971.

The Executive Committee confirms that suitable accounting policies have been used and applied consistently, reasonably, and prudent judgments and estimates have been made in the preparation of financial statements for the year ended 30 June 2021. The Board also confirms that applicable International Public Sector Accounting Standards (IPSAS) have been followed and that the financial statements have been prepared ongoing-concern basis. Executive committee is also responsible to; designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The Executive committee Members have made an assessment of the council's ability to continue as a going concern and have no reason to believe the council will not be a going concern in the financial year ahead.

Approval of the Financial Statements

The financial statements of the Council, as indicated above, were approved by Permanent Secretary for Ministry of Culture, Art and Sport on 28 September 2021 and are signed by:



 Dr. Hassan Abassi
 Permanent Secretary
 Ministry of Culture, Art and Sports



 Neema Y. Msitha
 Executive Secretary
 National Sports Council

Date 1 MARCH 2022

Date 1 MARCH 2022

3.0 DECLARATION OF HEAD OF FINANCE OF NATIONAL SPORTS COUNCIL

The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act. No. 33 of 1972, as amended by Act No.2 of 1995, requires financial statements to be accompanied with a Statement of 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 Management to discharge the responsibility of preparing financial Statements of an entity showing the true and fair view of the entity in accordance with international accounting standards and statutory reporting requirements. Full legal responsibility for financial statements rests with the Executive committee as under Council Members' Responsibility statement on an earlier page.

I, CPA, Alinanuswe E. F. Mwamundela, being the Accountant of the Council hereby acknowledge my responsibility of ensuring that Financial Statements for the year ended 30 June 2021 have been prepared in compliance with applicable accounting standards and statutory requirements.

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

Signed by..........

Position: Accountant

NBAA Membership No.: GA 5755

Date:.....1 MARCH, 2022.....

4.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Chairperson of the Executive Committee,
National Sports Council,
P.O. Box 20116,
DAR ES SALAAM.

4.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Opinion

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

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

Basis for Opinion

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

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

Key Audit Matters

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

Other Information

Management is responsible for the other information. The other information comprises the Councilor's Report and the Declaration by the Head of Finance but does not include the financial statements and my audit report thereon.

My opinion on the financial statements does not cover the other information, and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

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

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

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

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

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

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

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

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

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

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

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

In addition, Section 10 (2) of the Public Audit Act, Cap 418 [R.E 2021] requires me to satisfy myself that the accounts have been prepared in accordance with the appropriate accounting standards.

Further, Section 48(3) of the Public Procurement Act, 2011 (As amended in 2016) requires me to state in my annual audit report whether or not the audited entity has complied with the procedures prescribed in the Procurement Act and its Regulations.

4.2 REPORT ON COMPLIANCE WITH LEGISLATIONS

Compliance with the Public Procurement Laws

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

I performed a compliance audit on procurement of works, goods and services at National Sports Council for the financial year 2020/21 as per the Public Procurement Laws in Tanzania.

Conclusion

Based on the audit work performed, I state that, except for the matters described below, procurement of goods, works and services of National Sports Council is generally in compliance with the requirements of the Public Procurement Laws in Tanzania.


i) Insufficient Tender Board Quorum

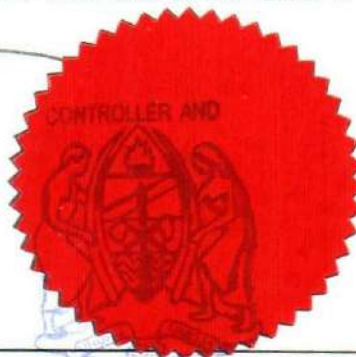


As per Section 2(1) of the Second Schedule of the Public Procurement Act, 2011(amended 2016) the tender board shall consist of Chairman, six members who are heads of departments or persons of similar standing within the same procuring entity and who shall be appointed by the accounting officer. On the contrary, I observed that from October 2018 - March 2021 the Council's tender board had a Chairperson and four members only, while from March, 2021- June, 2021 the NSC had Chairperson and two members only.

ii. Improper Composition of Procurement Management Unit

Section 37(1)-(2) of the Public Procurement Act, 2011 (amended 2016) stipulates that there shall be established in every procuring entity a Procurement Management Unit staffed to an appropriate level. The PMU shall consist of procurement and other technical specialists together with the necessary supporting and administrative staff. On the contrary, I observed that the Council's PMU has only one procurement staff who also act as head of unit.


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



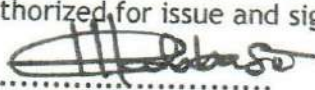
NATIONAL SPORTS COUNCIL (NSC)

5.0 FINANCIAL STATEMENTS

5.1 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

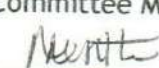
ASSETS	NOTE	2020/21	2019/20
CURRENT ASSETS		TZS	TZS
Cash and Cash Equivalents	6	211,751,335	22,676,158
Trade and Other Receivables	7	132,965,512	46,299,038
Inventory	8	-	653,968
TOTAL CURRENT ASSETS		<u>344,716,847</u>	<u>69,629,164</u>
NON CURRENT ASSETS			
Property, Plant & Equipment	10	76,931,309	87,806,537
Intangible Assets	11	<u>10,300,000</u>	<u>10,300,000</u>
TOTAL NON CURRENT ASSETS		<u>87,231,309</u>	<u>98,106,537</u>
TOTAL ASSETS		<u>431,948,156</u>	<u>167,735,701</u>
EQUITY AND LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	12	76,750,109	67,216,826
TOTAL LIABILITIES		<u>76,750,109</u>	<u>67,216,826</u>
NET ASSET		<u>355,198,047</u>	<u>100,518,875</u>
Financed by:			
Capital Reserve	29	155,000	155,000
Accumulated Surplus		355,043,047	100,363,875
TOTAL NET ASSET		<u>355,198,047</u>	<u>100,518,875</u>

The accompanying notes are integral part of the financial statements which were authorized for issue and signed on behalf of the Executive Committee Members by:



 Dr. Hassan Abassi
 Permanent Secretary
 Ministry of Culture, Art and Sports

Date... 1. MARCH, 2022



 Neema Y. Msitha
 Executive Secretary
 National Sports Council

Date... 1. MARCH, 2022

NATIONAL SPORTS COUNCIL (NSC)

5.2 STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2020/21 TZS	2019/20 TZS
REVENUE			
Revenue from non-exchange transaction:			
Government Subvention	13	704,716,000	673,374,215
Revenue Grant	14	500,000	-
Other Income	14	<u>351,780,252</u>	<u>126,229,883</u>
Total Revenue		<u>1,056,996,252</u>	<u>799,604,098</u>
EXPENSES			
Motor Vehicle Running Expenses	17	15,912,416	18,693,575
Staff Expenses	15	458,889,600	405,715,060
Travelling and Transport Expenses	18	77,788,783	41,393,210
Office and General Expenses	16	34,747,053	33,177,434
Audit Fees	12	15,840,000	16,000,000
Other Expenses	19	179,950,301	230,247,519
Depreciation	10	<u>19,188,927</u>	<u>16,632,470</u>
Total Expenses		<u>802,317,080</u>	<u>761,859,268</u>
SURPLUS FOR THE YEAR		<u>254,679,172</u>	<u>37,744,830</u>

Notes form part of these financial statements.

NATIONAL SPORTS COUNCIL (NSC)

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

	Capital Reserve	Accumulated	Total
	TZS	Surplus / (Deficit)	TZS
	TZS	TZS	TZS
<u>Year ended June 30 2020:</u>			
Balance as at 01.07.2019	155,000	62,619,045	62,774,045
Surplus During the Year	-	<u>37,744,830</u>	<u>37,744,830</u>
Balance as at June 30, 2020	155,000	<u>100,363,875</u>	<u>100,518,875</u>
<u>Year ended June 30 2021:</u>			
Balance as at 01.07.2020	155,000	100,363,875	100,518,875
Surplus During the Year	-	<u>254,679,172</u>	<u>254,679,172</u>
Balance as at June 30 2021	<u>155,000</u>	<u>355,043,047</u>	<u>355,198,047</u>

Notes form part of these financial statements.

NATIONAL SPORTS COUNCIL (NSC)

5.4 CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2021

CASH FLOWS FROM OPERATING ACTIVITIES:	NOTES	2020/21	2019/20
RECEIPTS		TZS	TZS
Government Grants	13	704,716,000	673,374,215
Other Receipts	21	343,871,026	122,161,166
Total		1,048,587,026	795,535,381
PAYMENTS			
AFCON Deposits	22	-	385,384,124
Motor vehicle running expenses	23	15,258,448	18,175,070
Staff expenses	24	458,889,600	405,715,060
Office and general expenses	25	31,112,492	31,708,767
Other expenses	26	170,926,744	230,247,520
Travelling and transport expenses	27	73,117,100	38,796,280
Payment to Staff and Other Debtors	35	80,907,695	4,324,117
Payment to Suppliers	34	25,943,115	81,510,323
Total		856,155,194	1,195,861,259
Net Cash Flow from Operating Activities		2	(400,325,878)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Acquisition of property & equipment	28	(3,356,656)	(12,698,429)
Net Cash Flow used in Investing Activities		(3,356,656)	(12,698,429)
Net Cash increase/(decrease) in Cash and Cash Equivalent		189,075,176	(413,024,308)
Cash and Cash Equivalents at the Beginning of the Year		22,676,158	435,700,466
Cash and Cash Equivalents at the End of the Year	6	211,751,334	22,676,158

Notes form part of these financial statements.

NATIONAL SPORTS COUNCIL (NSC)

5.5 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2021

Revenue	Original Budget	Adjustments	Final Budget	Actual Amounts	Performance Difference	% Variance	Ref Note 20.
	2020/21	2020/21	2020/21	2020/21	2020/21		
Government Subvention (OC)	350,000,000	-	350,000,000	350,000,000	-	0%	a
Government Subvention (PE)	1,051,540,560	(227,108,560)	824,432,000	354,716,000	(469,716,000)	(132)%	b
Other Income	100,000,000	-	100,000,000	343,871,027	243,871,027	71%	c
Total Income	1,501,540,560	(227,108,560)	1,274,432,000	1,048,587,027	225,844,973		
Expenses							
Salaries	1,051,540,560	(227,108,560)	824,432,000	354,716,000	(469,716,000)	(132)%	d
Other expenses	450,000,000	-	450,000,000	477,945,040	27,945,040	6%	e
Total Payments	1,501,540,560	(227,108,560)	1,274,432,000	832,661,040	(441,770,960)		
Surplus/(Deficit)				215,925,987	(215,925,987)		

NATIONAL SPORTS COUNCIL (NSC)

RECONCILIATION OF ACTUAL AMOUNTS ON A COMPARABLE BASIS AND ACTUAL AMOUNTS IN THE FINANCIAL STATEMENTS

OTHER INCOME (NON CASH)	NOTE	91,765,881
OTHER EXPENSES (NON CASH)		53,012,696
SURPLUS/ (DEFICIT) FOR THE YEAR	20.1	<u>254,679,172</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 2021

1. GENERAL INFORMATION

The National Sports Council of Tanzania (the "Council") was established by Government of Tanzania under the National Sports Council of Tanzania Act No.12 of 27 April 1967 and as amended by Act No.6 of 1971. The operational objectives of the council are to develop, promote, encourage, facilitate, supervise and control all forms of a mature sports in the country both at national and international levels. The address of its registered office is:

National Sports Council
P.O. Box 20116,
Dares Salaam.

2. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) and its interpretations adopted by International Public Sector Accounting Standards Board (IPSASB).

(b) Basis of preparation

The financial statements have been prepared on the historical cost basis except for the financial instruments at fair value through surplus or deficits measured at fair value. The Council's budget is prepared on cash basis.

The preparation of financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

(c) Functional and presentation currency

These financial statements are presented in Tanzania Shillings (TZS) which is the Council's both functional and presentation currency. The rounding up of figures in the financial statements has been limited to the nearest shilling.

3. GOING CONCERN

The Council's accumulated surplus for 2020/21 is TZS 355,043,047 compared to accumulated Surplus of TZS 100,363,875 for the financial year 2019/20. As at 30 June 2021 current assets exceeded current liabilities by TZS 267,966,738 with current ratio of 4:1, which is above the ideal ratio of 2:1.

The Council is dependent upon subvention from the Government through the Ministry of Finance to pay for the personnel emoluments, to run sports development projects and other office operations. The Management continues to strive to increase revenue collection by reviewing the NSC Act in order to give the Council legal powers to increase revenue base and reduce dependency on Government Subvention, thus the financial statements have been prepared on the basis of accounting policies applicable to a **going concern entity**.

4. NEW STANDARDS, AMENDMENTS, AND INTERPRETATIONS

INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARDS (IPSAS)

No new standards issued that have effects on financial statement of the council.

5. SIGNIFICANT ACCOUNTING POLICIES

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

a. Revenue recognition

Revenue is recognized to the extent that it is probable that the service potential associated with the transaction / asset will flow to the entity and that the revenue can be measured reliably.

i) Revenue from Non-exchange transactions

Revenue from Non-Exchange Transactions (Transfers) are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

ii) Grants/ Government subvention

Revenue from Non-Exchange Transactions includes Government subventions and assistances received from the government and other donors. Grants are accounted for when there is a reasonable assurance that the grants will be received. Revenue recognition is based on an assessment of whether an asset or a liability has been created. For capital grants without conditions attached, revenue is recognized immediately in the statement of financial

performance. If conditions are attached, a liability is recognized as capital funds in the statement of financial position and is reduced and revenue recognized as the conditions are satisfied.

b. Foreign currency translation

The financial statements are presented in Tanzania Shillings (TZS), which is the Council's functional and presentation currency. Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the date of the statement of financial position. All differences are taken to the statement of financial performance. Non-monetary items that measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

c. Cash & Cash Equivalents

Cash and cash equivalents are short term highly liquid investments that are readily convertible to known amount of cash and which are subject to insignificant risk of changes in value. Cash and cash equivalents are carried in the Statement of Financial Position at face value. For the purpose of Statement of Cash flow, cash and cash equivalents comprise of cash in hand and deposit on call/specific short time without any encumbrances.

d. Receivables

Receivables are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Allowances for irrecoverable amount are established when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of the receivable.

e. Budget information

The annual budget is prepared on the cash basis, that is, all planned costs and income are presented in a single statement to determine the needs of the entity. As a result of the adoption of the cash basis for budgeting purposes, there are no basis, timing or entity differences that would require reconciliation between the actual comparable amounts and the amounts presented as a separate additional financial statement in the statement of comparison of budget and actual amounts.

f. Property, plant and equipment

Property and equipment are initially recorded at historical cost. Subsequently, the assets are measured at cost model. The assets are stated at historical cost/fair value excluding day to

NATIONAL SPORTS COUNCIL (NSC)

day servicing, less accumulated depreciation and accumulated impairment in value. Historical cost includes expenditure that is directly attributable to the acquisition of item. Additional costs are included in the assets carrying amount or recognized as a separate asset as appropriate only when it is probable that future economic benefits associated with the item will flow to the Council and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized.

All other repairs and maintenance are charged to the income statement during the financial year in which they are incurred.

Assets are depreciated using straight line method to write off the cost of each asset over its estimated useful life at a given rate per annum.

Property and equipment acquired during the year are depreciated from the date when they are available for use and cease to be depreciated at earlier of the date that asset is classified as held for sale and the date that the asset is derecognized.

Assets are depreciated based on their projected economic life shown below:

Particular	Years
Buildings	75
Motor Vehicles	5
Office Furniture Fittings & Equipment	5
Electronic Equipment & Accessories	4

g. Employee Benefits

Short Term Benefits

Short-term benefits are monetary and non-monetary benefits as covered in employment contract and scheme of service. An expense is recognized as the entity benefits from services provided by employees.

Post -Employment Benefits

The NSC contributes to Public Service Social Security Fund (PSSSF) 15% of employees' gross emoluments each month. The NSC collects both contributions and remits to the Pension Funds every end of the month. The Pension Funds will bear the pension obligation of the staff after the members' retirement from active employment with NSC.

h. Impairment of assets

The Council recognizes an impairment loss for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash

NATIONAL SPORTS COUNCIL (NSC)

generating units). Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that are subject to amortization are tested for impairment whenever events in circumstances indicate that the carrying amount may not be recoverable.

f. Provisions

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

g. Intangible assets

Intangible assets are stated at cost less amortization. The council used cost model to value its intangible assets as at 30 June, 2021. Intangible assets are amortized over their expected useful lives on the straight-line method at the rate of 12.5% per annum.

j. Trade & Other Payables The liabilities payables are carried at cost, which is measured at the fair or contractual value to be paid in respect of goods or services supplied to the Board, whether billed or not (accrued basis).

k. Related Party

Related parties comprise of key management personnel which include all directors and Board Members of the Council as indicated on Note 9.

l. Comparative figures

Due to the adoption of the International Public Sector Accounting Standards (IPSAS) for the time during the period from the previous financial reporting framework, comparative figures have been re-aligned to the new reporting framework presentation requirements.

6. CASH AND CASH EQUIVALENTS	2020/21	2019/20
	TZS	TZS
Head Office- Expenditure A/c	5,308,158	6,666,264
Sport Dev. Fund- Revenue A/c	15,000	15,000
Sport Dev. Fund- Expenditure A/c	1,380,990	634,014
BOT Balances- H/Q transfers	148,499,171	8,542,785
BOT Balances- SDF transfers	56,548,015	6,818,095
TOTAL	<u>211,751,334</u>	<u>22,676,158</u>

NATIONAL SPORTS COUNCIL (NSC)

7. RECEIVABLES AND PREPAYMENTS

	2020/21	2019/20
	TZS	TZS
Staff Debtors- Loan	350,000	350,000
Staff Debtors Impairment	(350,000)	-
Staff Debtors- Imprest	31,500,520	31,041,620
Head Office/ SDF	(0)	601
Min of Inf Culture Youth & Sports	14,172,800	14,172,800
Prepayments	80,094,395	-
Government Grants Receivable	2,368,780	-
Other Receivables	4,829,017	734,017
TOTAL	132,965,512	46,299,038

8. INVENTRORY

	2020/21	2019/20
	TZS	TZS
Petrol and Oils	-	653,968
TOTAL	-	653,968

9. RELATED PARTY TRANSACTIONS

Details of transactions with related parties during the period were as follows;

	2020/21	2019/20
Salaries	79,140,000	79,140,000
Benefits	2,990,000	4,140,000
Directors fees	24,987,500	29,550,000
	107,117,500	112,830,000

Key management personnel are described as those persons having authority and responsibility for planning and decision making for National Sports Council. These are managers including council members and Acting Chief Secretary.

10. PROPERTY PLANT AND EQUIPMENT

	MOTOR VEHICLES	FURNITURE FITTINGS & EQUIPMENT	ELECTRONIC EQUIPMENT & ACCESSORIES	BUILDING	TOTAL
COSTS	TZS	TZS	TZS	TZS	TZS
At 1 July 2020	66,148,500	23,376,436	69,837,377	38,250,000	197,612,313
Additions	-	-	10,227,256	-	10,227,256
Impairment Loss	-	(1,005,207)	(908,350)	-	(1,913,557)
At 30 June 2021	66,148,500	22,371,229	79,156,283	38,250,000	205,926,012
DEPRECIATION					
At 1 July 2020	50,251,804	13,642,242	41,359,881	4,551,849	109,805,775
Charge for the year	3,968,737	2,430,991	12,334,13	455,060	19,188,926
At 30 June 2021	54,220,541	16,073,233	53,694,020	5,006,909	128,994,701
NET BOOK VALUES					
At 30 June 2021	11,927,95	6,297,996	25,462,264	33,243,091	76,931,310
At 30 June 2020	15,896,696	9,734,194	28,477,496	33,698,151	87,806,537

NATIONAL SPORTS COUNCIL (NSC)

	MOTOR VEHICLES	FURNITURE FITTINGS & EQUIPMENT	ELECTRONIC EQUIPMENT & ACCESSORIES	BUILDING	TOTAL
COSTS	TZS	TZS	TZS	TZS	TZS
At 1 July 2019	66,148,500	18,131,436	58,902,948	38,250,000	181,432,884
Additions	-	5,640,000	10,539,429	-	16,179,429
At 30 June 2020	<u>66,148,500</u>	<u>23,771,436</u>	<u>69,442,377</u>	<u>38,250,000</u>	<u>197,612,313</u>
DEPRECIATION					
At 1 July 2019	46,283,067	11,606,251	31,187,199	4,096,789	93,173,306
Charge for the year	3,968,737	2,430,991	9,777,682	455,060	16,632,470
At 30 June 2020	<u>50,251,804</u>	<u>14,037,242</u>	<u>40,964,881</u>	<u>4,551,849</u>	<u>109,805,776</u>
NET BOOK VALUES					
At 30 June 2020	<u>15,896,696</u>	<u>9,734,194</u>	<u>28,477,496</u>	<u>33,698,151</u>	<u>87,806,537</u>

NATIONAL SPORTS COUNCIL (NSC)

11. INTANGIBLE ASSETS

	2020/21 TZS	2019/20 TZS
COSTS		
At 1 July 2020	10,300,000	10,300,000
Additions	-	-
At 30 June 2021	10,300,000	10,300,000

Intangible asset represents cost of accounting and registration package purchased during the year 2019/20. The training of the software and application was completed in the financial year 2020/21. Since it is an online application, hosting of the files and the package is in progress at eGA. Amortization of the software will be done from July 2021 since the NSC has started to use the software by registering the sports stakeholders.

12. TRADE AND OTHER PAYABLES

	2020/21 TZS	2019/20 TZS
Audit fees payable	15,840,000	16,000,000
Creditors/ Suppliers	18,067,001	9,834,401
Deposits	2,941,435	2,941,435
Staff Creditors	9,819,683	8,559,000
Tanzania Basket Federation (TBF)	26,307,761	26,307,761
Accrued charges	200,000	-
Stale Cheque	3,574,229	3,574,229
TOTAL	76,750,109	67,216,826

13. GOVERNMENT SUBVENTION

The council receive support from the government in the form of personnel emoluments and other charges. During the year the council received total of TZS 704,716,000.

	2020/21 TZS	2019/20 TZS
Government Subvention- O.C	350,000,000	319,187,000
Government Grants- Salaries	354,716,000	354,187,215
TOTAL	704,716,000	673,374,215

NATIONAL SPORTS COUNCIL (NSC)

14. OTHER INCOME

	2020/21	2019/20
	TZS	TZS
Annual Subscription Fee	25,392,000	8,195,500
Application form/ Election fee	5,225,000	1,622,000
Registration fee	15,885,000	8,940,000
Receipt from full Registration	640,000	-
Certificate fee	8,640,000	5,440,000
Collection from Agency	31,427,342	-
Constitution Amendment	50,000	-
Certified Copy fee	100,000	-
Verification of Register	50,000	-
Other Fees	315,000	2,725,000
Income from Donation	9,499,000	58,082,575
One percent (1%) on gate collection	30,596,523	38,065,108
Three percent (3%) on ticket	47,877,290	-
Miscellaneous Income	176,083,097	3,159,700
SUB TOTAL	351,780,252	126,229,883
Revenue Grant*	500,000	-
GRAND TOTAL	352,280,252	126,229,883

*Revenue grant

This is a TV given to the council in a form of grant by one of the council's stakeholders.

15. STAFF EXPENSES

	2020/21	2019/20
	TZS	TZS
Salaries	354,716,000	355,100,000
Wages	5,160,000	4,344,000
Travelling on Leave	4,070,800	7,248,560
Staff Housing & Utility Allowances	2,990,000	4,140,000
Funeral Expenses	-	300,000
Seminars & Training Expenses (Staff)	33,729,800	1,890,000
Tuition Fees	1,000,000	-
Membership Allowance/Fee	225,000	112,500
Special Allowance	38,280,000	16,730,000
Honoraria	500,000	-
Uniforms	700,000	-
Entertainment Allowance	3,500,000	4,200,000

NATIONAL SPORTS COUNCIL (NSC)

	Outfit Allowance	-	300,000
	Subsistence Allowance	700,000	-
	Disturbance Allowance	2,118,000	-
	Sitting Allowance	11,200,000	11,350,000
	TOTAL	458,889,600	405,715,060
16.	OFFICE AND GENERAL EXPENSES		
		2020/21	2019/20
		TZS	TZS
	Telephone	654,000	140,000
	Postages and Telegrams	223,900	400,500
	Cleaning Expenses	4,095,000	1,561,000
	Stationery/ Office Consumables	10,286,092	6,099,634
	Printing	2,993,300	549,150
	Food & Beverage	10,100,600	11,863,850
	Auditing Expenses	545,000	8,750,000
	Repair and Maintenance- Electronic equipment	680,000	795,000
	Repair and Maintenance- Office	220,000	535,000
	Office Utensils	170,000	157,000
	General Expenses	3,044,561	2,254,800
	Gifts and Prizes	1,734,600	71,500
	TOTAL	34,747,053	33,177,434
17.	MOTOR VEHICLE RUNNING EXPENSES		
		2020/21	2019/20
		TZS	TZS
	Repair and Maintenance	5,138,763	10,570,220
	Petrol and Oils	3,045,968	3,864,882
	Diesel	7,727,685	4,258,473
	TOTAL	15,912,416	18,693,575
18.	TRAVELLING AND TRANSPORT EXPENSES		
		2020/21	2019/20
		TZS	TZS
	Per Diem- Domestic	56,680,000	30,090,000
	Ground Travel	11,609,700	7,827,600
	Air Travel Ticket- Domestic	1,827,400	959,680
	Per Diem- Foreign	7,671,683	2,515,930
	TOTAL	77,788,783	41,393,210

NATIONAL SPORTS COUNCIL (NSC)

19. OTHER EXPENSES

	2020/21	2019/20
	TZS	TZS
Donations	8,967,680	10,742,775
Directors fee	24,987,500	29,550,000
Contribution to Consolidated Fund	15,000,000	16,328,296
Executive Committee expenses	12,968,820	15,522,000
Other Committee expenses	8,690,000	11,118,000
Sports Training & Conference Expenses	930,000	11,874,500
Impairment Loss	1,913,557	-
Revaluation fee	1,980,000	3,130,000
Election Expenses	9,433,000	1,980,000
Bank Charges	1,008,080	1,959,473
Facilitation of National teams	-	15,807,661
Sports Development Services	54,626,724	9,167,400
Debtors impairment	350,000	-
Condolence	1,200,000	-
Extra Duty Allowance	33,245,000	26,590,000
Communication & Internet	3,149,940	3,238,400
Subscription to Other Local/ International Institutions	1,500,000	1,025,414
Advertisement	-	200,000
Women athletics	-	72,013,600
TOTAL	179,950,301	230,247,519

20. ANALYSIS ON THE STATEMENT OF BUDGET AND ACTUAL AMOUNTS

20.1 RECONCILIATION OF ACTUAL AMOUNTS ON A COMPARABLE BASIS AND ACTUAL AMOUNTS IN THE FINANCIAL STATEMENT

ADD: OTHER INCOME (NON CASH)

Revenue Grant	500,000
Annual Subscription	4,095,000
Miscellaneous Income	3,814,225
Motor Vehicle (Prepayment- Not expense in Financial Statement)	80,000,000
Electronic equipment's (Asset- Not expense in Financial Statement)	3,356,656
Net Operating Income	91,765,881

LESS: OTHER EXPENSES (NON CASH)

Petrol and Oils	653,968
-----------------	---------

NATIONAL SPORTS COUNCIL (NSC)

Audit fees	15,840,000
audit expenses	200,000
Repair and maintenance- Office	220,000
Utensils	170,000
Sports development services	6,760,000
Per diem Foreign	4,671,683
General Expenses	3,044,561
Depreciation	19,188,927
Impairment Loss	2,263,557
TOTAL OTHER EXPENSES (NON CASH)	<u>53,012,696</u>

20.2 VARIANCE ANALYSIS ON THE STATEMENT OF BUDGET AND ACTUAL AMOUNTS

The reasons behind the noted variances on the statement of comparison of the budget and actual amounts are explained as follows:

- (a) The OC was fully received during the year 2020/21 i.e. TZS 350,000,000.
- (b) The variance of 13242% on Government grants and subsidies amounting to TZS 469,716,000 is due to the failure to obtain employment permits to fill available vacancies and late promotions.
- (c) Other Income received is higher by 7092% (TZS 243,871,027) compared to budget due to changes in the council regulations where gate collection rate was updated from 1% in the previous years to 3%. Also fully utilization of GePG collection system(Previously customers were reluctant of going to Bank and stay on the queue for long time).
- (d) The reasons behind un attainment of the paid salary goal by 13242% is due to the fact the permit for new employment was not out as of 30 June 2021 and the promotions were lately approved towards the end of the year 2020/21.
- (e) Other Expenses increased by 585% due to increase of activities on Sports development services such as support for election of associations' leaders, sports kits/balls for UMITASHUMTA & UMISETA and athletic which were not budgeted.

NATIONAL SPORTS COUNCIL (NSC)

NOTES SUPPORTING THE CASH FLOW STATEMENTS FOR THE YER ENDED 30 JUNE 2021

21. OTHER RECEIPTS

	2020/21	2019/20
	TZS	TZS
Annual Subscription Fee	21,297,000	8,195,500
Application form/ Election fee	5,225,000	1,622,000
Registration fee	15,885,000	8,940,000
Receipt from full Registration	640,000	-
Certificate fee	8,640,000	5,440,000
Collection from Agency	31,427,341	-
Other Fees	515,000	2,725,000
Income from Donation	9,499,000	57,348,558
One percent (1%) on gate collection	30,596,523	37,890,108
Three percent (3%) on ticket	47,877,290	-
Miscellaneous Income	172,268,872	-
TOTAL	343,871,026	122,161,166

22. AFCON DEPOSITS

There was no payment from AFCON deposit during the Year 2020/21. In the year 2019/20 TZS 385,384,124 was paid.

23. MOTOR VEHICLE RUNNING EXPENSES

	2020/21	2019/20
	TZS	TZS
Repair and Maintenance	5,138,763	10,570,220
Petrol and Oils	2,392,000	3,346,377
Diesel	7,727,685	4,258,473
TOTAL	15,258,448	18,175,070

24. STAFF EXPENSES

	2020/21	2019/20
	TZS	TZS
Salaries	354,716,000	355,100,000
Wages	5,160,000	4,344,000
Travelling on Leave	4,070,800	7,248,560
Staff Housing & Utility Allowances	2,990,000	4,140,000
Funeral Expenses	-	300,000
Seminars & Training Expenses (Staff)	33,729,800	1,890,000
Tuition Fees	1,000,000	-
Membership Allowance/Fee	225,000	112,500

NATIONAL SPORTS COUNCIL (NSC)

Special Allowance	38,280,000	16,730,000
Honoraria	500,000	-
Uniforms	700,000	-
Entertainment Allowance	3,500,000	4,200,000
Outfit Allowance	-	300,000
Subsistence Allowance	700,000	-
Disturbance Allowance	2,118,000	-
Sitting Allowance	11,200,000	11,350,000
TOTAL	458,889,600	405,715,060

25. OFFICE AND GENERAL EXPENSES

	2020/21	2019/20
	TZS	TZS
Telephone	654,000	140,000
Postages and Telegrams	223,900	400,500
Cleaning Expenses	4,095,000	1,561,000
Stationery/ Office Consumables	10,286,092	5,939,434
Printing	2,993,300	549,150
Food & Beverage	10,100,600	11,221,850
Auditing Expenses	345,000	8,750,000
Repair and Maintenance- Electronic equipment	680,000	1,330,000
Office Utensils	-	157,000
General Expenses	-	1,588,333
Gifts and Prizes	1,734,600	71,500
TOTAL	31,112,492	31,708,767

26. OTHER EXPENSES

	2020/21	2019/20
	TZS	TZS
Donations	8,967,680	10,742,775
Directors fee	24,987,500	29,550,000
Contribution to Consolidated Fund	15,000,000	16,328,296
Executive Committee expenses	12,968,820	15,522,000
Other Committee expenses	8,690,000	11,118,000
Sports Training & Conference Expenses	930,000	11,874,500
Revaluation fee	1,980,000	3,130,000
Election Expenses	9,433,000	1,980,000
Bank Charges	1,008,080	1,959,473

NATIONAL SPORTS COUNCIL (NSC)

Facilitation of National teams	-	15,807,661
Sports Development Services	47,866,724	9,167,400
Condolence	1,200,000	-
Extra Duty Allowance	33,245,000	26,590,000
Communication & internet	3,149,940	3,238,400
Subscription to Other Local/ International Institutions	1,500,000	1,025,414
Advertisement	-	200,000
Women athletics	-	72,013,600
TOTAL	170,926,744	230,247,521

27. TRAVELLING AND TRANSPORT EXPENSES

	2020/21	2019/20
	TZS	TZS
Per Diem- Domestic	56,680,000	28,590,000
Ground Travel	11,609,700	7,567,600
Air Travel Ticket- Domestic	1,827,400	959,680
Per Diem- Foreign	3,000,000	1,679,000
TOTAL	73,117,100	38,796,280

28. FIXED ASSET PURCHASE

Cash purchases	
Laptop Pavilion - NSC/DSM/LP/04	2,537,000
Shredder Machine cc 2040 - NSC/SHRD/02	819,656
Subtotal	3,356,656
Credit purchases	
HP Desktop Computer - NSC/DSM/ACC/HP-DC/04	2,088,600
Laptop Dell 5891 - NSC/DSM/LP/05	2,832,000
HP Printer - NSC/DSM/ACC/HP-PR/SD/01	1,450,000
Subtotal	6,370,600
Non conditional grant	500,000
Total fixed assets purchases	10,227,256

Cash purchases of non current assets for year ended 30 June 2020

Desktop computer-nsct/dsm/pln/del-dc/01	1,557,600
Laptop 5481	3,245,000
Printer -nsct/dsm/acc/hp-pr/02	1,379,420
Shredder machine cc 2040	876,409

NATIONAL SPORTS COUNCIL (NSC)

File cabinet - nsct/dsm/rec/fc/01

5,640,000

Subtotal

12,698,429

29. CAPITAL RESERVE

Capital reserve TZS 155,000 represents the amount of fund received from the ministry for the set up and establishment of the council.

30. TAX STATUS OF THE COUNCIL

Under the second schedule of the Income Tax Act, 2004 of the United Republic of Tanzania, the Council is exempted from paying corporate taxes on the excess of income over expenditures.

31. CONTINGENT LIABILITY

The Management confirms that they are not aware of any contingent liability as at the date of this report. The Management also confirms that there are no commitments involving the Council as at the date of this report.

32. SUBSEQUENT EVENTS

At the date of signing the financial statements, the Management are not aware of any matter or circumstance arising since the date of the end of the reporting period, not otherwise dealt in these financial statements, which significantly affected the financial position of the Council and results of its operations.

33. COMPARATIVE FIGURES

No changes have been made to the comparative figures in the financial reports ended 30 June 2021.

34. PAYMENTS	2020/21 TZS	2019/20 TZS
Staff Creditors	3,357,615	32,040,142
Audit fees	16,200,000	27,802,000
Tanzania Basket Federation	-	6,974,700
Suppliers / Creditors	6,385,500	14,693,881
TOTAL	<u>25,943,115</u>	<u>81,510,723</u>

NATIONAL SPORTS COUNCIL (NSC)

35. STAFF AND OTHER DEBTORS PAYMENTS

S/N	NAME	2020/21 (TZS)	2019/20 (TZS)
1	Staff Debtors	813,300	4,324,117
2	Prepayments	80,094,395	-
Total		80,907,695	4,324,117