TANZANIA ASSOCIATION OF ACCOUNTANTS

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Money matters in any business require a professional

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Editorial

Asset and inventory management in Procurement Law: Recasting legal principles, operational practices

In this edition of our esteemed magazine, we have carried a feature article by a medical doctor, Beatrice Ngaraguza, discussing the hazards of sedentary lifestyles as she dwells on the risks involved.

The article is a must-read piece for those who want to stay active in the accountancy profession and other professions too.

Various researches point out that too much sitting – regardless of exercise—is hard on the heart.

The researchers say that excessive sedentary behaviour, defined as waking activity with low energy expenditure while an individual is sitting, reclining, or lying down, is linked to an increased risk of heart disease, particularly heart failure and cardiovascular death.

These risks, the researchers explain, can be significantly reduced by substituting sedentary time for other activities.

Many people in Tanzania and elsewhere spend the majority of their waking day sitting, not knowing that the potential consequences of sitting too much is harmful to their health.

According to the researchers, daily sitting time is associated with four risk common factors: cardiovascular diseases: atrial fibrillation, heart attack, heart failure, and cardiovascular death.

Medical doctors who have done various researches prove why sitting for long periods is associated with worse health outcomes, including heart disease, Type 2 diabetes, and cancer.

We in the accountancy profession must learn these facts the hard way because we spend the major part of our life while sitting without doing exercises.

It'll be a national tragedy for our accountants and auditors to die at an early age when they are badly needed for the country's socio-economic development.

We appeal to our accountants and auditors to perform at least 75 to 150 minutes of vigorous aerobic activity, or 150 to 300 minutes of moderately intense aerobic activity, every week, along with two days of strengthening exercises.

As medical experts advise, it's always better to sit less and move more to reduce heart disease risk, and that avoiding excessive sitting is especially important for lowering risk of heart failure and cardiovascular death.

Our hope is that those in the accountancy profession would heed Dr Ngaraguza's advice to leverage movement behaviours to improve cardiovascular health.

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Cost of double taxation treaty: The good, the bad, the ugly aspects

By **CPA Godvictor Lyimo** - *TAA President*

Most of the Double Taxation Treaties (DTTs) are old and as most of them are structured would contain taxation clauses that limit Tanzania's taxing powers in favor of economically developed treaty partners.

Just to take few examples, the DTTs cap withholding tax rates that can be levied on interests, dividends, and royalties. Most of the recent DTTs have rates that are higher than the 10 % rate set in Tanzanian income tax law. The South African DTT, which was signed in 2005, sets withholding tax rates at 10 % and caps future justifications of the income tax law.

DTTs limit Tanzania's taxation of profits derived from different business operations. If well negotiated, DTTs can create an increased volume of business transactions and effectively maximize revenues, however, if improperly negotiated, it is also possible for DTTs to minimize or create room for avoidance of taxation on income sourced in Tanzania.

Developing countries invest time and other scarce resources to negotiate and conclude double taxation treaties (DTTs) with developed countries. They also accept a loss of tax revenue as such treaties typically favour residence-based over source-based taxation and developing countries are typically net capital importers. The incurred costs can only pay off if developing countries can expect to receive more foreign direct investment (FDI) in return and maximize on returns thereafter from the inflow. However, some studies have shown that DTTs are only effective in the group of middle-income countries and not lowincome developing countries.

Developing countries sign double taxation treaties (DTTs) in order to attract more foreign direct investment (FDI) however they end up succumbing to restrictions on their ability to tax corporate income from foreign investors, which can only pay off if more FDI is the reward.

The question that is often asked is does DTTs attract more FDIs to developing countries? Despite the number of DTTs signed by Tanzania, there exists little evidence on the question if one was to examine the trade volumes with countries Tanzania has DTTs with. This is surprising given that the question is of great importance to Tanzania just as it is for many other developing countries.

There are reasons to presume that DTTs can increase FDIs. Double taxation occurs if a multinational company (MNC) pays tax on the same corporate income earned from economic activity in a foreign country twice. Once to the tax authorities of the foreign country, which is host to the economic activity, and once to the tax authorities of the home country, in which the company is domiciled. By burdening economic activity in a foreign country twice, double taxation can represent an obstacle or barrier to foreign investment, thus distorting the efficient allocation of scarce financial resources across countries

yet, DTTs can also dampen FDI in as much as they reduce tax avoidance, tax evasion and other legal taxsaving strategies such as transfer pricing by multinational companies (MNCs). The 2003 Revision to the Commentary to the treaty model of the Organization for Economic Co-operation and Development (OECD) explicitly mentions prevention of tax avoidance as an objective of DTTs. However, this has to be seen in the context of increased opportunities for tax avoidance made possible by the growing and increasingly complex web of DTTs among countries in the first place.

As a country, we need to be more strategic in concluding DTTs while ensuring there is direct economic benefits accruing into the Tanzania economy. It is surprising to note that most of Tanzania's largest investments originate from countries with which Tanzania does not have DTTs with.

While the country is working hard to increase FDI it is important to ensure that all concluded DTTs are beneficial and if not review the tax rates and taxation rights of those DTTs and cancel all harmful DTTs.

There is need to continue building capacity and a greater understanding of DTTs and possibly adopting a standard tailor-made model DTT which favors the taxing rights of Tanzania as a source country.

There are two model treaties for DTTs available, which are regularly updated and on which treaty partners mostly base their treaty if they wish to do so. One from the OECD, the other one from the United Nations.

Not surprising, the OECD model treaty clearly favors residence taxation, which benefits developed countries since it is mainly developed country investors who invest in developing countries, not the other way around and residence taxation favors countries with net positive foreign asset positions. The UN model treaty, on the other hand, provides more room for source-based taxation, which is more beneficial to developing countries for the same reason. Critics argue, however, that the UN model treaty is not sufficiently different from the OECD model treaty and is still biased against developing country interests

Also, the vast majority of DTTs are based more on the OECD model. It is thus important to note that as a country investing in alternative measures to attract FDI has so far been the best option. Thanks to the Sixth Phase Government under the stewardship of Her Excellency Mama Samia Suluhu Hassan whose economic diplomacy drive has yielded significant FDIs into Tanzania without compromising the country's taxation rights.

Few would argue that double taxation represents the major impediment to foreign direct investment in developing countries. And yet, all other things being equal, the avoidance of double taxation can make a country more attractive to foreign investors who often have a choice among multiple locations. Investors like stability and the legal and fiscal certainty that comes with a DTT that can re-assure foreign investors that profits from their investment are not doubly reduced by taxation in both host and residence country.

A balance is therefore paramount in winning the game.

For aspiring accountants, the sky is the limit to grow

By ***CPA Dr. Fred Msemwa***

Accountancy is one of the oldest professions dating back 10,000 B.C when the need for someone to keep financial records and someone else to check these financial records prepared by the former was first sought.

Through my practice as an accountant, auditor and serving in various corporate boards as well as working as Chief Executive Officer (CEO) for many years, I've come to learn interesting things about professions.

One of lessons learnt is the realisation that the professional certificates we're holding, be it in any profession, may be compared to tickets granting us permission to enter the dancing or any entertainment hall.

The extent of enjoyment will not depend on the quantum of amount of money you have paid to enter the dancing hall but your dancing skills, your attitude in harnessing the entertainment opportunities as they present before you.

As accountancy professionals (here accountancy means accountants, auditors etc), we hold qualifications enabling one to practice independently or be employed in the corporate world. Similar to the dancing hall analogue, chances that we will get more out of qualifications we hold does not directly depend on the level or number of qualifications we hold but some other criteria which may sometimes seem to be important.

Experience shows that the sky is the limit for young and aspiring accountants and auditors to grow their career be it in the private practice or climbing the corporate ladder as employees.

There are several favourable professional traits and attitudes that seem to be possessed by professionals who spend less time to attain professional and career success. It is now becoming increasingly evident that professional accountants, who have clear career goals, follow the principle of to work extra mile, build trust and have higher emotional intelligence have higher chances of attaining career success.

Career goals

John C Maxwell, globally reputed for leadership development, once said "to reach your full potential you must grow. And to grow you must be highly intentional about it". While attaining the highest professional certification is a good achievement and it shows your potential, knowing where do you want that qualification to take you to is even more important.

If you are employed, have a clear picture of what you would wish to attain and how you will climb the corporate ladder. Don't leave the responsibility to plan for your career growth to Human Resources Department as this is your core responsibility. You have to know what you want and which type of skills are needed for you to climb the corporate ladder.

On the other hand, if you are running a professional firm, you might need to know the growth level you aspire to attain and draw a blue print to guide you as you travel in your professional journey. Most of us started our career without exactly knowing a myriad of opportunities that this noble accountancy profession presents to us.

The comfort lies on the fact that it is not late to re-adjust and rectify our mistakes by refreshing and setting career goals even if some years have been wasted. The bad thing is to continue working without any future career goal even after knowing that we need one.

Principle of going extra mile

To simplify, this means doing more than what is required or expected from us by to whom one is accountable to. If you are employed, you become accountable to your employer, and more specifically to your immediate supervisor at work. If you always do your work in a manner that goes beyond what your boss expects then you are passively practising this principle.

This can take the form of completing your work ahead of the set deadline and attaining the required quality or even above the expected quality. Similarly, if you are running a professional firm, you could be delivering professional assignments to clients within agreed timelines and required quality and even competitive pricing. By following the Principle of Going Extra Mile, you are poised to meet and exceed stakeholders' expectations.

Exceeding stakeholders' expectations sets you apart from the competition, be it a consideration for promotion for those who are employes or renewal of contracts for existing professional assignments. In connection with that, exceeding stakeholders' expectations builds your reputation and brand making it possible to receive new job or professional assignments opportunities.

Building trust

No one likes to work with a person who is not trustworthy. We build trust by being reliable, fair, consistent and dependable. Employers like to work with employees who can be trusted; can deliver on their promises, can exercise fairness and can behave in a manner that is predictable. Similarly, reliability, fairness, consistency and fairness in business dealings are key ingredients if one has to build a successful accountancy or audit professional practice. Building trust should be at the centre of career development and should not stop.

Emotional intelligence (EI)

This means the ability to manage your own emotions and understand emotions of people surrounding you. There are five key element on emotional intelligence namely; self-awareness, self-regulation, motivation, empathy and social skills. People with high EI are able to understand their feelings and reasons behind those feelings. They go further to understand the impact of such feelings to them as well as people who might be around them. It is difficult to manage feelings of others.

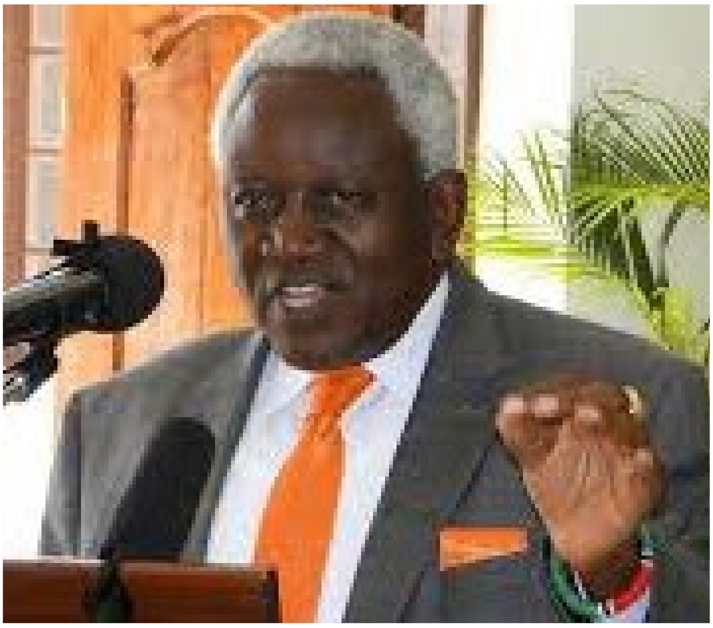
However, if you understand reasons behind their emotions it can help to know how to interact with them. People with high Emotional Intelligence have good interpersonal skills which are also critical ingredients at work places as they enable someone to work without making impulsive decisions.

Effective leaders are normally emotionally intelligent and view things objectively. They work with empathy and avoid creating conflicts which may erode on team work and productivity. To summarize, excelling in the corporate world or attaining entrepreneurial success in business all seem to possible by following certain principles. Having a blue-print by way of setting goals and actions on how to attain them is always a pivotal requirement.

One has also got to go extra-mile by meeting expectations of to whom is accountable be it the employer or customer. Furthermore, one should seek to build trust and learn to be emotionally intelligent to be an effective leader.

> "Excelling in the corporate world or attaining entrepreneurial success in business all seem to possible by having a blue-print by way of setting goals and actions on how to attain them.

• Fred Msemwa works as CEO of Watumishi Housing Investment (WHI) and serves in several Boards including CRDB Bank. He is also the founding Chairman of CRDB DRC and Chairman of AGAPE CORPORATION with diversified interest in education, media, real estate and agriculture.



Role, status of accountancy in serving public interest

By **FCPA Ludovick S. L. Utouh**

Introduction

Like other reputable professions nationally and globally, Accountancy is a paid occupation, which arises from a prolonged training culminating into a formal qualification which is recognised and regulated by a professional body or bodies in ensuring the public interest is protected from unethical conduct of members of the profession.

The complex set of professional knowledge and skills required to make the accountancy profession worth its name, status and recognition by the public is acquired through formal training plus practical exposure.

The profession normally includes the possession of unique and positive characteristics including knowledge, expertise and a robust code of ethics to guide the individual members and the profession itself.

For the profession to survive, thrive and continue to be relevant, it needs to continuously keep itself current in all aspects of the socio-economic, political, environmental, and technological fabrics of human life in light of the major changes taking place nationally and globally. In so doing, the profession will assure itself remaining relevant and its services continuing to be demanded by the public in spite of the fast-changing development scenario.

Governance of the accountancy profession

Accountancy like other professions is governed and regulated by professional bodies which are either state-legislated -- the likes of the National Board of Accountants and Auditors (NBAA) -- or are member-organized associations -- the likes of the Tanzania Association of Accountants (TAA).

In Tanzania the profession has a combination of state and member-organized regulatory bodies/associations. The regulatory organs are involved in shaping the profession by ensuring that it truly serves the public interest. The profession, in addition to the NBAA and TAA, has other member-based associations -- the likes of Tanzania Association of Women Accountants (TAWA), which oversees the interests of women accountants; the Institute of Internal Auditors (Tanzania Chapter), which oversees the interests of internal auditors (public as well as private), Association of Government Accountants, which oversees the interests of accountants working in the government and the Association of Tax Practitioners, which oversees the interests of tax practitioners in the country.

Functions and responsibilities of professional bodies

The professional regulatory bodies/associations among their varied functions and responsibilities are the following: development and monitoring of professional programmes ; updating of required professional skills; conducting professional examinations; doing professional certification of members; prescribing the professional code of conduct and ethics; conducting researches with the aim of advancing the objectives of the profession and acting as the think tank in the development of the profession.

Pre-requisites for a profession

In order for accountancy to qualify to be called a profession, the following pre-requisites should be in place: the professional services to be offered to the public; the acceptability by the public of the professional services offered by the profession; the appropriate education (knowledge) and experience (skills) required by the members of the profession; the certification (registration) process of the members of the profession; the existence of a code of conduct for member's adherance; the existence of rules and regulations to guide the operations of the profession and availability of continued professional education (CPE) programmes. In Tanzania, one can not claim to be an accountant/auditor unless he or she meets the prescribed professional qualifications.

Roles and functions of the accountancy profession

The profession revolves on the knowledge and skills obtained in studying Accounting, Auditing, Finance, Management Accounting, Financial Management, Taxation and other supporting subjects like Law, Procurement, Economics, Management, Information Technology etc.

Through this knowledge, a professional accountant is prepared to effectively assume any managerial responsibilities in either public or private sector organizations. Professional accountants/auditors are subjected to such rigorous curriculum such that once one qualifies, one could easily be employed or engage in self employment.

The public demand for the accountancy profession's services is still high, therefore it is the responsibility of the individual professionals in the profession to identify the available engagement opportunities. Given the rigour of the training, the accountants/auditors are subjected to, those successful professionals could find themselves engaged in any of the following function/activities ;

- Financial reporting function - involves the collection, recording, analysis, intepretation and presentation of an entity's financial operation information
- Regulatory and Reporting function – ensures there is compliance with the financial reporting framework
- Auditing – this could involve the external, internal, performance, forensic (investigative) audits
- Taxation this could involve tax planning and filling of tax returns
- Accountancy Trainers – this function involves those professionals involved and committed in training and developing

the accountancy professionals

- Managerial appointments - appointments as Chief Executive Officers of private as well as public sector entities
- Board appointments - appointment as chairpersons or board members of both public as well as private sector entities
- Board Committee appointments - Board committees of Audit & Risk, Finance & Planning, Human Resource etc need the expertise of professional accountants/ auditors.
- Fight against corruption – Professional accountants play a major positive role in reducing corruption in society , along with other key players who supports strong government structures. The accounting profession acting in the public interest is an important part of the cure of corruption. The accounting profession is a necessary part of strong national governance architecture that confronts corruption in partnership with willing governments and strong business undertakings as it is re-affirmed by the IFAC's Motto of, "More Accountants – Less Corruption".
- Safeguarding of integrity of financial reporting - the professional accountant often finds himself being at the frontline of safeguarding the integrity of financial reporting in an organization. While it is generally the responsibility of management for the financial information produced, it is the responsibility of professional accountants to ensure the accuracy and quality of the financial reporting produced.
- Contribution in the overall stability of organizations - professional accountants in their various forms of activities they undertake, play important roles that greatly contribute in the overall stability and progress of the organizations they work for and the general public. Competent professional accountants in business or government should assist in developing their entity's corporate strategy, provide advice and help organizations to reduce costs, improve organization's top line and manage organization's risks,
- Compliance to financial reporting framework - professional accountants are responsible for ensuring that financial reporting , external as well as internal audit and taxation is done in compliance with the country's regulatory and reporting requirements hence resulting in promoting good governance.
- Conducting researches in support of PFM change advocacy - In order for NBAA/TAA to be strong in advocating for legal/policy change in the country's PFM system, they have to invest in undertaking researches to back up their arguments for policy changes.
- Entepreneurship (Self employment) – this is the situation where the professional accountant/auditor uses the knowledge and experience acquired to venture into business activities which will generate income for the entepreneur. Most professionals who have decided to follow this approach have ended being successful and have ended being creators of employment opportunities.

Role, status of accountancy in serving public interest

For the accountancy profession to remain relevant, it will have to harness and adapt on the advancement of technology. An accountant of today should be conversant and be able to effectively interogate client's management information systems (MIS), be able to apply existing and future data collection tools, conduct analysis and interpretation of financial data, use and adaptation of technological tools including an understanding of how Artificial Intelligence (IA) will impact the wotk of the accountant. To cup it all, professional accountants both in public as well as in the private sector must be ethical in all their dealings for them to be able to effectively serve the public.

The profession's role in good governance

Good governance in the public sector is an approach of a government that is committed to creating a governance system founded in justice and peace that protects individual human rights and civil liberities. According to the United Nations (UN), good governance being practiced in an any country can be measured by the following eight factors which are participation; rule of law; responsiveness; consensus oriented; equity and inclusiveness; effectiveness and efficiency; transparency and accountability.

Going by the eight measuring factors of the UN , we can identify four factors which specifically relate to the role of the accountancy profession. These factors are; participation; transparency; effectiveness and efficiency and accountability. These four factors are further explained as follows:

Participation – this refers to what is known as participatory governance whereby there is active involvement of citizens in a country's governance structures and systems. Citizens are allowed to contribute in decisions that impact their lives eg the national budget. It provides citizens the opportunity to inform, influence, monitor and evaluate public decisions, processes and actions.

Transparency – this refers to the situation where citizens understand and have access to the means and manner in which decisions are made. Such information must be provided in an understandable and accessible format which should be made public (disclosure). In the preparation of financial statements in line with acceptable accounting standards (whether international or local), accountants are contributing to the transparency factor of good governance. The credibility of the financial statements so prepared is assured through the proper auditing of these financial statements by a professional auditors.

Effectiveness and efficiency – this is demonstrated through having a sustainable collection and use of public resources to meet the needs of the public and/or serving the public interest. Sustainability refers to the creation of value for money in the use of public resources for current and future generations. It also refers into setting internal control structures/systems that are sustainable.

Resources whether public or private are normally scarce as always the demand for them outweighs their availability. In such situations therefore, available resources need to be wisely spent aiming at creating value in achieving effectiveness and efficiency on their use.

Accountability – refers to individuals and institutions being accountable to the citizens and one another. Accountability can be defined as an obligation of an individual or organization to account for its activities, accept responsibility for them, and to disclose the results in a transparent manner.

The accountancy profession has a crucial role to play in the realization of accountability in the private as well as the public sectors. The audit function for example (internal and external) together with the ensuing recommendations arising therefrom, significantly contributes to the accountability and effectiveness and efficiency factors. Also, the taxation function done by professional accountants contributes to both effectiveness and efficiency, rule of law and accountability factors.

Conclusion

The operational set up of the profession in the country is adequate and appropriate for a vibrant profession. The NBAA being the state legislated professional body for the accountancy profession should strive to ensure to maintain a strong unified profession in the country.

While congratulating the NBAA for having come up with a procedure of recognizing well prepared financial statements through its yearly Best Presented Financial Statements Awards, it should think of extending this awards to the other segments of the profession eg Best Internal Audit reports.

In addition, the profession should have a mechanism of knowing the non–performers in the profession and deal with them accordingly e.g. members assisting their clients to evade taxes. Further, the profession should have a mechanism in place to defend and protect its members who stand firm in the execution of their professional responsibilities, ending up being victimized. The profession should work out a mechanism of routing out the non-professional accountants posing as bonafide professionals against the requirements of the Auditors and Accountants Registration Act 1972 (as amended). Lastly, the profession should be more proactive in influencing policy changes affecting the country's financial management systems (PFMs).

• FCPA Ludovick S. L. Utouh is the Executive Director- WAJIBU Institute of Public Accountability & (Rtd) Controller and Auditor General of the United Republic of Tanzania.

TRA embraces 2024/25 financial year fiscal reforms for development

The Finance Act of 2024 introduces a series of amendments aimed at reforming various laws related to the collection of government revenue, with an objective of adjusting taxes, duties, levies, fees, and other written laws concerning public revenue management. For the fiscal year 2024/25, the government's total budget stands at TZS 49.35 trillion, reflecting an 11.2% increase compared to the previous year's budget.

The Tanzania Revenue Authority (TRA), as an autonomous government agency, is tasked with collecting TZS 30.40 trillion, up from last year's target of TZS 28.30 trillion, marking an increase of TZS 2.1 trillion or 7.42%. The fiscal policies guiding this budget focus on accelerating economic growth, controlling inflation, increasing domestic revenue, and maintaining sufficient foreign exchange reserves.

These amendments are expected to bolster TRA's ability to collect taxes from new sources or through revised tax rates. Notably, TRA's first-quarter performance report shows it has already surpassed its target, collecting TZS 7.79 trillion against a target of TZS 7.42 trillion. This success can be attributed to the directives of President Samia Suluhu Hassan, which promote voluntary tax payment, foster cooperation between the tax authority and taxpayers, and improve the business environment.

Additional factors contributing to TRA's performance include stronger relationships between taxpayers and the authority through regular engagement, enhanced customer service, the automation of TRA's systems, and increased tax education for the general public. These efforts emphasize the importance of taxes in national development, encouraging citizens to demand receipts and comply with tax obligations.

TRA expressed gratitude to taxpayers for their voluntary compliance and committed to maintaining transparent communication regarding tax matters and any legislative changes.

Key amendments in the 2024/25 fiscal year include changes to the Income Tax Act. For instance, Section 4(8) now exempts tea processors from paying Alternative Minimum Tax (AMT) if they incur consecutive losses. This exemption is valid from July 1, 2024, to June 30, 2027. Generally, corporations with unrelieved losses for three consecutive years are subject to a 0.5% tax on their annual turnover.

Further amendments include changes to Section 11, which now requires expenditures incurred for income production to be supported by fiscal receipts, except in cases where the service provider is a non-resident without a permanent establishment in Tanzania. Taxpayers must also ensure that their names and Taxpayer Identification Numbers (TIN) appear on receipts to ensure proper accounting.

Section 19(2) has also been modified, increasing the slow-down loss ratio of chargeable income from 30% to 40% for year four. Additionally, Section 56(5) now exempts resident entities from income tax in cases of ownership changes.

The amendments to Section 64(8)(a) add conditions for charitable organizations, particularly those providing education and environmental protection. Entities seeking registration as charitable organizations must apply for and receive a ruling from the Commissioner under the Tax Administration Act.

Section 82 now broadens the scope of withholding tax to include payments for the rental of construction equipment or machinery, imposing a 10% tax. However, interest payable by resident financial institutions to non-resident financial institutions is exempt under specific conditions.

New Sections 83(B) and (C) introduce a 5% withholding tax on payments made to digital content creators and a 3% withholding tax on payments related to digital asset exchanges. Additionally, royalty payments to resident sports entities, such as the Tanzania Football Federation, are subject to a 5% tax.

Another notable amendment to Section 91 introduces a new deadline for submitting income returns for entities audited by the Controller and Auditor General. Government institutions must now file returns by March 31 each year, while others using the calendar year must file by June 30.

Capital Gain Tax (CGT) has also been reformed under Sections 90 and 92. A 3% tax is now applied to individuals who do not maintain records, based on the greater of land or building value, and non-resident individuals whose income consists solely of employment income are exempt from filing income returns.

Changes to the First Schedule Paragraph 2(5) adjust tax rates for individuals in passenger transportation, while amendments to the Third Schedule introduce an initial allowance of 50%, split into two equal portions.

Class A: Passenger Service Vehicles		
S/N	**Number of Passengers**	**Tax Payable**
1.	Up to 15	250,000
2.	16 to 30	650,000
3.	31 to 45	1,100,000
4.	46 to 65	1,600,000
5.	Above 65	2,200,000

The Value Added Tax (VAT) Act was also revised, exempting water treatment chemicals, bee-keeping equipment, road tractors, and other items from VAT. Additionally, VAT exemptions on double-refined edible oil and the supply of aircraft parts and VAR technology were extended.

Section 29 of the VAT Act introduces deemed de-registration for VAT for non-compliance with intending trader registration requirements. Non-compliant individuals must notify the Commissioner General within 90 days.

The Tax Administration Act introduces Section 24A, obligating cargo consolidators to adhere to customs and domestic tax laws, with penalties for non-compliance set at 30% of the cargo's customs value. Failure to use fiscal devices now carries a fine of 20% of the value of goods sold or services rendered, capped at TZS 4 million, or imprisonment for up to three years.

Section 51 addresses tax objections, stipulating that when a taxpayer files an objection and makes a partial payment, the remaining tax liability is suspended until the objection is resolved.

The Excise (Management and Tariff) Act has also been updated to impose a 10% excise duty on commercial betting advertisements. Additionally, imported under natured ethyl alcohol is subject to a TZS 7,000 per liter excise duty, while locally produced ethyl alcohol is taxed at TZS 5,000 per liter.

Amendments to the Electronic Tax Stamps Regulations mandate that manufacturers of excisable goods must install electronic tax stamps, with penalties for failing to activate stamps. Non-compliance is punishable by up to three years in prison or fines ranging from TZS 5 million to TZS 50 million.

The Export Tax Act now imposes a 10% export levy on sunflower oil and seeds. Additionally, the Imports Control Act introduces an Industrial Development Levy on select imported goods, excluding those originating from EAC partner states that meet the EAC Rules of Origin.

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S/N	H.S. Code	Description	Industrial Development Levy Rate
1.	7213.91.10 7213.91.90	Wire Rod	10%
2.	2203.00.10 2203.00.90	Beer	5%
3.	2204.10.00 2204.21.00 2204.22.00 2204.29.00 2204.30.00 2205.10.00 2205.90.00	Wine	10%
4.	2202.99.00	Energy Drink	5%
5.	2202.91.00	Non-alcoholic beer	5%
6.	3402.50.00 3402.90.00	Other organic surface-active agents, whether or not put up for retail sale	10%
7.	2523.10.00	Cement Clinkers	10%
8.	2523.29.00	Portland Cement	10%

TRA, through its Taxpayer Education and Communication Department, has committed to educating taxpayers on these changes through various engagements aimed at promoting voluntary tax compliance and facilitating a smooth transition to the new regulations.

Health hazards of sedentary lifestyle among accountants, auditors

By ***Dr. Beatrice Ngaraguza***

In today's fast-paced world, the demands of modern professions often lead to extended periods of inactivity.

This is particularly true for accountants and auditors, whose roles typically involve long hours of desk work, computer usage, and minimal physical movement. The sedentary lifestyle prevalent in these professions poses significant health risks, which warrant attention from both individuals and employers.

Understanding sedentary behaviour

Sedentary behaviour is defined as any waking activity characterised by low energy expenditure while in a sitting or reclining posture. For accountants/auditors, this can include tasks such as data entry, preparing financial statements, and client meetings.

While technology and automation have streamlined many processes, they have also contributed to an increase in sedentary activities.

Health risks associated with sedentary lifestyles

Heart diseases: Prolonged sitting has been linked to an increased risk of heart disease. Sedentary behaviour can lead to higher blood pressure, elevated cholesterol levels, and weight gain, all of which are risk factors for cardiovascular problems.

Obesity: The lack of physical activity can contribute to weight gain and obesity. Accountants/auditors often have irregular eating habits, often opting for quick, unhealthy snacks during busy periods, which further exacerbates weight issues.

Musculoskeletal disorders: Sitting for extended periods can lead to poor posture and musculoskeletal pain, particularly in the back, neck, and shoulders. This can result in chronic pain conditions that affect overall productivity and quality of life.

Diabetes Mellitus: Research indicates a correlation between sedentary lifestyles and the development of Type Two diabetes. The body's ability to regulate insulin and glucose levels can be impaired by prolonged inactivity.

Mental health Issues: Sedentary behavior has been linked to increased feelings of anxiety and depression. The isolation that can accompany desk work, along with the stress of deadlines and client demands, can exacerbate these mental health challenges.

Reduced life expectancy: Studies have shown that a sedentary lifestyle can lead to a higher risk of premature death. The cumulative effect of various health risks associated with inactivity can significantly shorten lifespan.

Strategies for Improvement

To mitigate these health risks, accountants can adopt several strategies:

Incorporate movement: Taking short breaks every hour to stand, stretch, or walk can help reduce the adverse effects of sitting. Simple actions like walking to a colleague's desk or taking the stairs can make a difference.

Ergonomic workspaces: Investing in ergonomic furniture, such as standing desks and supportive chairs, can improve posture and reduce discomfort.

Exercise regularly: Integrating regular physical activity into daily routines is crucial. Aim for at least 150 minutes of moderate exercise per week, which can include walking, cycling, or gym workouts.

Healthy eating: Maintaining a balanced diet with plenty of fruits, vegetables, and whole grains can help combat weight gain and its associated risks. Preparing healthy snacks in advance can discourage unhealthy eating habits.

Mindfulness and stress management: Practices such as meditation, walking, yoga or simply taking time to relax can help manage stress and improve mental health.

Company initiatives: Employers can play a vital role by promoting wellness programs, offering gym memberships, or organizing team activities that encourage movement.

Conclusion

The sedentary lifestyle common among accountants/auditors presents serious health risks that should not be overlooked. By understanding these risks and implementing strategies to promote a more active lifestyle, accountants/auditors can enhance their overall well-being and productivity. Both individuals and employers have a role to play in fostering a healthier work environment that prioritizes movement and wellness.

Dr Beatrice Ngraraguza, MD, Mph, is a medical doctor with a degree from Muhimbili University of Health and Allied Sciences(MUHAS) and Master's in Public Health from University of South Wales.she is passionated about addressesing public health challenges and currently works as a researcher at the National Institute for medical research (NIMR).

Impact of internal auditing on organisations

"Internal auditors play a key role in detecting and preventing fraud. They evaluate the adequacy of controls designed to prevent fraud and can uncover instances of fraud through their audits.

*By **CPA Mfaume Mbuma***

Internal Audit is a department within a company or corporation that oversees internal control systems and ensures that all procedures are in place to ensure good corporate governance. As an Internal Auditor, he/she should have to be independent to fulfill their responsibilities.

As an Internal Auditor, you should decide what subject to audit and when, what issues you raise, and what rating you will give.

If the internal audit department's independence is deemed to be impaired, then the auditor should notify the audit committee so that it can either accept the risk or ask for it to be managed differently.

In addition to that the same conclusions and recommendations should be reached by professional internal auditors reading the evidence on file. However, the auditors should ensure that objectivity is not impaired due to personal or business relationships.

Internal auditors refer to their ability to perform their duties with an unbiased and impartial mindset therefore, internal auditors should remain free from influences that could compromise their judgment or decision-making process, and all this is called objectivity.

Objectivity is a cornerstone of the internal audit profession, as it ensures that the auditors can assess processes, controls, and risks fairly and accurately, without any conflicts of interest or undue influence.

Therefore, if the internal auditors are independent and their mental attitude allows them to perform engagements in such a manner that they believe in their work product and that no quality compromises are made this will have a positive effect of the organization.

Below are some key impacts/effects of internal audit in an organisation;

1. Improved risk management

Internal audits of an organization help to identify and assess risks that could affect the organization's objectives. By regularly evaluating risk management processes, internal auditors ensure that management is aware of potential threats and advise management to take proactive measures to mitigate them.

2. Enhanced internal controls system

Internal auditors review and test internal controls of the organization to ensure they are effective and efficient, this process will help to identify control weaknesses or gaps and recommend improvements, thereby reducing the likelihood of errors, fraud, and financial misstatements.

3. Increased operational efficiency

Through their evaluations, internal auditors can identify inefficiencies or areas where resources are not being used optimally. Recommendations provided by auditors can lead to improved processes and better utilization of resources, ultimately increasing operational efficiency.

4. Compliance assurance

Internal auditing ensures that the organization complies with relevant laws, regulations, and internal policies. This is critical in avoiding legal penalties, financial losses, and reputational damage for example it is mandatory to have fire extinguishers in the workplace for any organization, if this is not in place the responsible authority for Tanzania is the Occupational Safety Health Authority (OSHA) will charge a fine.

5. Improved financial reporting

By reviewing financial transactions, accounting practices, and related internal controls, internal auditors help to ensure the accuracy and reliability of financial reports.

6. Fraud prevention and detection

Internal auditors play a key role in detecting and preventing fraud. They evaluate the adequacy of controls designed to prevent fraud and can uncover instances of fraud through their audits.

7. Strengthened corporate governance

Internal auditing supports good governance by providing independent and objective assessments of the organization's operations, controls, and risk management processes. This helps the board of directors and senior management make better-informed decisions.

8. Improved accountability

Regular internal audits foster a culture of accountability within the organization. Employees are more likely to adhere to policies and procedures, knowing that their actions are subject to review.

9. Support for strategic objectives

Internal auditors evaluate whether the organization's strategies and objectives are being met. They provide insights on how to better align operations with the strategic goals, ensuring the organization remains on track.

10. Continuous improvement

Internal audits provide feedback that leads to continuous improvement in processes, controls, and risk management. This ongoing process helps the organization adapt to changing environments and maintain its competitive edge.

In summary, internal audit staff are essential for safeguarding the organization's assets, ensuring compliance with laws and regulations, and enhancing operational efficiency. Their work assures stakeholders that the organization is well-managed and the risks are being effectively mitigated.

*• **CPA Mfaume Mbuma is a member of the TAA Governing Council***

Elevating Standards: Why ethical leadership, influence in Tanzania's accounting profession

By ***CPA Dr. David D Kiwia***

The accounting profession in Tanzania is more than a career; it''s a calling to serve the public interest and uphold the credibility of financial reporting.

To safeguard this public trust, the National Board of Accountants and Auditors (NBAA), as outlined in Section 29(1) of the 2023 Accountants and Auditors (Practising) By-Laws, mandates all registered accountants to adhere to the IFAC Code of Ethics for Professional Accountants.

This ethical framework is not just a regulation but a professional and social commitment to ethical conduct that strengthens trust within the Tanzanian society.

As a professional accountant, you are empowered to influence your workplace by embedding the core ethical values of the profession into everyday actions. In doing so, you not only fulfil your professional duty but also serve as a role model for others, reinforcing ethical behaviour across your organisation.

This article explores the foundational principles of the IFAC Code of Ethics and practical strategies to cultivate an integrity-driven culture in your workplace.

Five core principles of the IFAC code of ethics

The IFAC Code of Ethics is founded on five core principles, each essential to maintaining public trust and guiding ethical decision-making:

1. Integrity

Honesty and straightforwardness are the bedrock of professional and business relationships. Integrity demands that accountants act with transparency and truthfulness, avoiding any actions that might compromise their trustworthiness or that of their clients and organisation.

2. Objectivity

Professional judgments must remain impartial and free from conflicts of interest, bias, or undue influence. Objectivity is crucial in ensuring that all business decisions reflect an unbiased, ethical stance that prioritises the integrity of financial reporting and advisory.

3. Professional competence and due care

Continuous improvement of skills and knowledge is necessary to meet evolving industry standards. Accountants must ensure that clients or employers receive competent, informed service by staying updated on best practices, legislation, and industry techniques.

4. Confidentiality

Accountants must protect sensitive information acquired during their professional duties, refraining from disclosing it without explicit authorisation or a legal duty to do so. This principle not only builds trust but safeguards proprietary or private information from misuse.

5. Professional behavior

Accountants should comply with relevant laws and regulations, avoiding any actions that could discredit the profession. This principle extends beyond the workplace, as accountants are also expected to behave responsibly in their communities.

Applying these principles consistently reflects a commitment to ethical standards, setting an example that inspires colleagues, strengthens public confidence, and advances Tanzania's accounting profession.

Fostering ethics-based culture

Accountants, especially those in leadership roles, are uniquely positioned to shape the ethical culture of their organisations. According to Section 200.5 A3 of the Code, those in senior positions are expected to use their influence to embed an ethics-based culture by encouraging transparency, accountability, and adherence to ethical guidelines. This influence can take many forms, including:

- ***Ethics education and training programmes***

Accountants can advocate for the development of ethics training sessions within the organization to reinforce awareness and understanding of ethical obligations. These sessions can also be valuable for addressing specific ethical issues, thereby equipping employees with practical tools for managing ethical dilemmas.

- ***Establishing whistleblowing mechanisms***

Encouraging employees to voice concerns about unethical behavior is essential. By developing a whistleblowing policy, organizations demonstrate their commitment to addressing and resolving ethical concerns, thereby creating a safe space for employees to report misconduct.

- ***Implementing compliance policies and procedures***

Developing comprehensive policies to prevent legal and regulatory non-compliance can further promote an ethical environment. These guidelines set clear standards for acceptable behavior, making it easier for employees to adhere to ethical norms.

Promoting these initiatives demonstrates an accountant's commitment to fostering an ethical culture, ultimately creating a work environment where compliance with ethical standards is encouraged and supported.

Identifying and managing threats to compliance

The Code's conceptual framework emphasizes the importance of recognizing potential threats to ethical compliance. Section 120.6 A3 identifies five types of threats that may hinder adherence to ethical principles:

- ***Self-interest threat***

Occurs when personal financial or other interests interfere with an accountant's ability to act in the public interest.

- ***Self-review threat***

Arises when an accountant reviews or evaluates their own work, potentially compromising objectivity and accuracy.

- ***Advocacy threat***

Occurs when accountants promote a client's or employer's interests, which may compromise their ability to remain objective.

- ***Familiarity threat***

This arises from close relationships with clients, colleagues, or others, which may impair an accountant's professional skepticism.

- ***Intimidation threat***

Occurs when accountants are pressured or threatened, which may lead to biased or unethical actions.

Accountants must be vigilant in identifying these threats and take proactive steps to mitigate them. This may involve applying safeguards, such as seeking guidance from colleagues, establishing independent review processes, or even declining the engagement if necessary. While these decisions can be difficult-such as ending a client relationship or leaving a position-they reinforce the commitment to uphold ethical standards and protect the public interest.

Navigating organizational-professional conflicts

At times, an accountant's professional responsibilities may conflict with organizational pressures. For instance, an employer may prioritize goals that clash with ethical principles, potentially leading to conflicts. The IFAC Code acknowledges the challenge posed by intimidation threats, particularly in cases where the organization's directives do not align with professional ethics.

While fulfilling organizational objectives is important, ethical obligations must remain a priority. Upholding these values can be challenging, particularly when perceived as a lack of cooperation or loyalty. Nevertheless, adhering to the Code of Ethics demonstrates integrity and safeguards the profession's reputation. Preparing for such challenges by enhancing one's ethical knowledge can prove invaluable. The NBAA and African Hub of Business and Technology (AHBT)regularly offer ethics-focused training, empowering accountants to make informed decisions in the face of ethical conflicts.

Steps for accountants at all levels to become ethics influencers

1. Embrace ongoing ethical training

Engaging in ethics-centered professional development enhances one's ability to identify and manage ethical issues. NBAA provides regular training that fosters competence in ethical decision-making, which is essential for navigating complex ethical challenges in today's dynamic business environment.

> "In Tanzania's accounting profession, each individual has a role to play in upholding and advancing ethical standards. By demonstrating integrity, practicing continuous learning, and advocating for an ethics-based culture, accountants contribute to a profession that reflects the highest standards of trustworthiness and professionalism

2. Create supportive environment for ethical dialogue

Regardless of the size of your organization, initiating open discussions about ethics can have a positive impact. For smaller firms, developing a basic code of ethics can provide a framework for ethical decision-making. For larger organizations, an ethics code reinforces a commitment to integrity and facilitates trust when dealing with larger clients that require due diligence.

3. Utilize your influence at all levels

Influence is not confined to senior roles. Junior and mid-level employees can contribute by making ethics-related suggestions to their managers, such as developing a speak-up policy or creating regular team discussions on ethical issues. Encouraging colleagues to bring up concerns without fear of retribution fosters an open, transparent culture where ethical issues are addressed promptly and thoroughly.

Remember, ethical leadership isn't about accusing others but about promoting ethical clarity. Building a culture where ethical concerns are raised openly helps prevent unethical behavior from escalating and allows teams to address issues constructively. Finding allies within your organization, especially among those who value the profession's ethical standards, can make this process more effective and impactful.

Conclusion: Inspiring positive change through ethical conduct

In Tanzania's accounting profession, each individual has a role to play in upholding and advancing ethical standards. By demonstrating integrity, practicing continuous learning, and advocating for an ethics-based culture, accountants contribute to a profession that reflects the highest standards of trustworthiness and professionalism.

Key take aways:

1. Adhere to the IFAC code of ethics – Integrate the Code's principles into every decision, showcasing ethical conduct in all aspects of your work.

2. Lead by example – Model ethical behavior for your colleagues, setting a standard that reinforces the integrity of the profession.

3. Commit to ongoing ethical development – Strengthen your ethical knowledge to navigate challenges with confidence and competence.

4. Foster an ethical workplace culture – Promote transparency, accountability, and trust across all levels of your organization.

By acting as an "ethics influencer," you not only protect the reputation of the accounting profession in Tanzania but also contribute to a positive societal impact, upholding the integrity and trust that the public expects from accountants. Let us champion these values in our professional lives, building workplaces that stand as pillars of ethical excellence.

TAA strives to improve accountability in local government authorities

By ***Winifrida Ngaraguza***

The Tanzania Association of Accountants (TAA) is an essential tool which provides a forum to discuss the specific operational challenges facing Local Government Authorities (LGAs) in Tanzania Mainland. The association builds the capacity and improves efficiency of officials of LGAs in the discharge of their day-to-day responsibilities to improve service delivery to the people.

TAA's objective of capacity building to officials in local authorities is aimed broadening the revenue base whereby key stakeholders share experience and discuss operational challenges in managing LGAs. Discussions centre on the relevance and practicability of "Good governance" for quality service delivery.

Good governance in Local Government Authorities is a system that ensures accountability to the public, efficient and fair use of resources. This is to say, local authorities are transparent and consultative in decision-making.

Transparency and accountability in financial management are key pillars in local government governance, in particular in building and protecting people's loyalty to achieving the goals of eliminating poverty.

Local Governments in Tanzania Mainland have the responsibility to utilize and manage the financial resources to providing services to the respective communities to improve daily lives of citizens in councils, cities and municipalities.

Accountability in local government is important because it helps build trust between citizens and their government. It

helps ensure that the government is operating lawfully and ethically.

Financial management is a catalyst for development in local government. In the recent past years, Tanzania has witnessed persistent challenges in financial management and accounting for public funds in local government as presented by the office of Controller and Auditor General.

Recognizing the importance of good governance and accountability in the local government operations, TAA, in collaboration with the President's Office – Regional Administration and Local Governments (PO-RALG), has been organizing Local Government Accountability (LGA) seminars since 2018 as a tool to address the challenges and come up with solutions.

These seminars have become essential platforms for addressing crucial areas related to financial management, governance, and accountability of LGAs. For example, a seminar held in 2024 focused on several pressing issues, including the increase in funds disbursement to LGAs, resource management and fundraising, funds management, risk management, audit queries raised by CAG and how to respond on CAG report and roles of technology applications in revenue collection in LGAs.

A workshop held in 2024 placed strong emphasis on enhancing the ability of Regional and Municipal Administrative officials to implement innovative and accountable decision-making processes, LGAs encouraged on the application of technology for revenue collection, risk mitigation and financial controls to enable value for public money on the proposed areas of improving services. Participants included top officials from Regional Administration Secretaries to Municipal Chief Accountants.

Over the past seven years these workshops have been well organized and lead to impact the local government authorities. However, TAA has been working closely with other esteemed government institutions such as Ministry of Finance, Tanzania Revenue Authority (TRA), Public Procurement Regulatory Authority (PPRA) and other stakeholders with the view of fostering a better understanding by local government leaders on the business carried out by these accountability institutions. as well as providing on the spot responses to some of the challenges that local governments face.

The workshop addressed a wide range of topics, each critical to strengthening governance and accountability within LGAs. Key areas covered included digital transformation, the use of advanced financial tracking systems, resource mobilization, risk management, audit process, responding to CAG reports and the integration of inter-departmental regulations to streamline processes. The areas that Local Government Authority insisted is the use of the technology application to improve areas of revenues collections, funds management and CAG reports.

TAA is a members' representative body of all Accountants, Auditors and aspiring Accountants registered and working in Tanzania. It is an association of accountants and auditors practicing accountancy and audit services in Tanzania. TAA envisions to become "a world-class professional accountancy institution " and has a mission to provide services to and on be half of its members in various sectors aimed at facilitating their professional and social development while promoting public confidence in the services provided. Its main objective is to promote the accountancy profession in the country.

> "We as accountants have a great responsibility for the community we serve. Honesty and transparency should be our main pillars in our practice. Practicing as accountants is a great opportunity and is based on the great faith given to us by Tanzanians. We should treasure this privilege with all our strengths and humbleness

TAA Vice President, CPA Victorius Kamuntu says the Accountability Conference is an annual event which is purposely conducted to building the capacity of the middle level and senior officials in the local government authorities. Other key areas of focus include financial management ethics and other contemporary issues in local government practice.

CPA Kamuntu says the networking opportunity and papers presented by officials from TAA members, TAMISEMI, BOT, Financial consultancy and Ministry of Information, Communication and Technology, PPRA and other experts constitute a great help in providing guidance and experience that participants in their daily activities should practice. He says this is a great opportunity to share experience with other stakeholders from local governments with a view to not only attaining the requisite professional development but also providing better services to the people.

"We as accountants have a great responsibility for the community we serve. Honesty and transparency should be our main pillars in our practice. Practicing as accountants is a great opportunity and is based on the great faith given to us by Tanzanians. We should treasure this privilege with all our strengths and humbleness," CPA Kamuntu explains.

Workshop do contribute towards improvement of accountability and service delivery in LGAs. TAA's ambition is to see leaders learning, discussing and sharing experiences of the best ways that can enable them to effectively implement roles in time with laws and regulations of the country.

However, the workshop led to several critical outcomes, further strengthening the foundations of accountability. Local government authority has provided a platform from various expertise that share experiences among leaders, professionals, experts, local government authorities' leadership that has brought high impacts and improves areas for revenue collections, reporting improvements.

With the accountability workshop all participants get an opportunity to discuss areas to improve such as bylaws and share experiences.

**** Winifrida Ngaraguza is the TAA Chief Executive Officer***

Project close out procedures for activities funded by government

By ***CPA Gerry Lufingo***

An organization that receives grants direct from a donor normally a government agency, is referred to as a Prime recipient or Prime. Sometimes execution of an activity intended by a Donor can not be accomplished by a Prime organization alone, but the Prime will make effort to sub contract other organization(s) to execute part(s) of the intended activity in order to achieve the prescribed objective.

Organization(s) that enter into agreement with a Prime in order to accomplish intended activity is referred to as the Sub-recipient or subgrantee organization. All projects are time bound, and must be closed upon conclusion of its founding instrument (award/grant).

A Government/Government Agency, or private Donor will state clearly in the funding instrument (award/grant agreement) the terms and conditions for the award/grant, and specify ultimate date of ending the project. The close out procedures for activities funded by U.S. Government or Agency are described in the Federal Register of rules and regulations.

Thus, a federal agency or pass-through entity will close-out the Federal award when it determines that all applicable administrative actions and all required work of the Federal award have been completed by implementing entity.

There are several important steps to be taken by an organization implementing a project during the final phase of an award. Many of these steps take time and money, therefore, they must be planned, budgeted and started long before the end date of the award.

Some steps may be completed after the end date, but whenever possible it is advised to complete them beforehand as project funds may not be spent after the award end date and staff may move on to other projects. In the paragraphs below we described a time line for preparing to end a long term project funded by U.S. Government/Government Agency.

Timeline for project close out procedures:

This timeline highlights close-out tasks to be undertaken in the final 12 months of the award, plus key tasks that may be completed either before or after your award end date. Items on this timeline are relevant to both prime recipients and sub-recipients.

The prime recipient should work closely with the sub-recipients throughout the close-out process to make sure they understand and comply with their requirements. This timeline applies for projects that run for over three years. If your project runs for a period not exceeding three years, a relatively shorter timeline will be considered.

Activities to be done 12 months before project end date

Develop a workplan and budget for the project's final year that includes costs for all close-out related activities.

Activities to be done nine months before project end date

- Assess the need for continuing your project's services or interventions, and, if warranted, explore options for future funding. In consultation with implementing partners, community leaders, beneficiaries and donors, determine whether you will continue the project with funding from new sources, transfer management of the project or responsibility for services or interventions to a local partner who has alternate funding or just close out your activities because there is no ongoing need for the services.
- Develop a plan that describes the steps necessary for a smooth transition with deadline dates for each month.

Activities to be done six months before project end date

Conduct end of project evaluation and document your experiences, and lessons. This will help your Donor and local partners improve future activities. Determine whether your program needs a no cost extension. Begin discussions with your Agreement Officer's Representative (AOR) and/or Agreement Officer (AO).

Review your pipeline and burn rates to determine if you will have funds remaining at the end of your program. Please remember that your Donor officials will require an explanation if your budget variance exceeds allowable limit. Prepare and submit final Semi-annual project report.

Discuss employment opportunities and end-of-project transitions with staff early.

This should help to retain them as long as possible. Consult local labor laws to ensure you comply with all requirements.

Activities to be done three months before project end date

If you are operating on a quarterly advanced- funding basis please submit your final funding request or invoice to cover all final expenses. Submit a final invoice or advance payment request to USAID according to the arrangements laid in your award agreement.

Your final financial report in a prescribed format must be submitted no later than 90 days after award end date, and it may be subject to negotiated indirect cost rate agreement (NICRA) adjustments based on either your own or a federal audit. However, if you are not operating on a quarterly advanced-funding basis, review the practices of your Donor Financial Management deadlines.

List all contracts, leases, insurance policies and other items that will need to be cancelled or transferred, as well as important dates and contract provisions to be considered. Review the regulations regarding selling or using equipment outside of award- related activities.

Create a detailed description of what you propose to do with the equipment (Non expendable items (NXP) or unused supplies when the award ends.

The inventory list should include the following information:

- Description of the equipment
- Manufacturers serial number (identification number)
- Source of equipment, including the award number
- Where the title is vested
- Acquisition date
- Location and condition of the equipment
- Unit acquisition cost
- Current fair market value (rationale for assessment must be given)
- Vehicle registration number, make, year of manufacture, chassis and engine numbers (applicable for all motorized vehicles)

Suggested disposition plan for residual non-expendable property under the instrument including when equipment will be transferred to another project/partners/ warehouse

Submit a request for Agreement Officer's approval of your property disposition plan under the instrument.

Note that the Donor has the final say over equipment disposition. Submit this to your Donor Contracting/Agreement Officer who will either approve your proposals or provide further instructions as to what is to be done with the equipment.

If you do not hear from the USG (Donor) within 120 days of submitting the inventory report, you may sell the equipment and reimburse the USG (Donor) for its share normally ninety per centum of the proceeds. Administration of equipment and supplies during close out of projects funded by USAID is conducted in accordance with mandatory standard provision for non-U.S. Non-Government Organizations, (MSP for non-U.S NGOs number 17 of 1998)

Tracking accruals

If the accounting system is cash based, rather than accruals based, set up a special spreadsheet to track accruals during the last three months of your award to closely monitor remaining funds and outstanding costs. Document cost-share contribution. To ensure the cost-share requirement is met, document both in-kind and cash contributions. Some organizations attach a memo to their final financial report that summarizes their cost-share contribution, stating if it was or was not met and why. Finalize indirect cost rate. If the organization has been granted a provisional Indirect Cost Rate, it must be finalized before you submit your final invoice. Address this issue early with your AO. If the finalized cost rate is different from the provisional rate, you may have to reimburse the USG for overcharges.

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The New TAA Governing Council Members

CPA Godvictor Lyimo
President

CPA Victorious Kamuntu
Vice President

Winifrida Ngaraguza
CEO

CPA Hyasinter N Tarimo
Treasurer

Governing Council
CPA Dr David D Kiwia
(PhD-ACPA-PP)

Governing Council
CPA Godffrey
Mukulu

Governing Council
CPA James Moses
Dendula

Governing Council
CPA Lufingo Ezekiel
Kilamile

Governing Council
CPA Mathias
Chaula

Governing Council
CPA Mfaume
Mbuma

Governing Council
CPA Mkufya H.
Matope

Governing Council
CPA Mohamed
Mhina

Governing Council
CPA Nasra Bakari
Hussein

Governing Council
CPA Rejea
Matata

Governing Council
CPA Richard Mgendi
Kisika

Governing Council
CPA Suka MJ (MSc-IP)

Governing Council
CPA Yona
Bulangwahe

Governing Council
CPA Zakia Said, CPA (T),
PGDA (ACPA - PP)

Patience pays off for Winifrida Ngaraguza as she becomes TAA CEO

By ***Staff Writer, The Accountant***

For Winifrida Ngaraguza her dreams came true after her courage to pursue them. She realised after her school days that good things come to people who wait, but better things come to those who go out and get them.

"That's the secret of my success. I don't just wait for things to happen, but I make them happen. As a fast learner, I've strived to become a jack of all trades -- performing all sorts of duties," she says.

Winifrida Ngaraguza is the Chief Executive Officer of the Tanzania Association of Accountants (TAA), a professional body that unites and promotes accountants in the country.

"I'm committed to learning many things to enable me succeed in this competitive world. I like learning more about excellent customer service as an internal journey. Customers are willing to look around if they feel they can get better service. In their search for speed and efficiency, many customers will pay more to get professional and personalised service and avoid the time and frustration of poor, disorganised service," Winifrida explains.

The young TAA CEO was caught in a jubilant mood when she was promoted this year to her prestigious position after serving her organisation since 2016.

The road to her new position wasn't all that rosy as she had to struggle after completing her studies at Tumaini University (Dar es Salaam College) in 2010. She first secured a temporary job at the sales department of the Tanzania Telecommunications Company Limited (TTCL) and then later joined the Medical Stores Department in the public relations section.

From there, she moved to Tumaini Media, Amref Health Africa and Watumishi Housing Investment in search of glory. "Finally, in 2016 I landed here at TAA. I thank God that opportunities do not happen, but you must struggle to create them," she explains with highly strain of melancholy.

"I always tell my friends that learning is an important part of our lives. To add value to your profession and personal being, you must be a fast learner. If you know so many things, definitely you can easily become a marketable person," emphasises Winifrida.

> "I always tell my friends that learning is an important part of our lives. To add value to your profession and personal being, you must be a fast learner. If you know so many things, definitely you can easily become a marketable personnel

She says in this hostile world people who will succeed are the ones who work very hard. "Only diligent and hard-working people will succeed in the harsh environment of our planet. Complaints and blaming the government will take us nowhere."

Winifrida has advice to the many jobless young men and women: "I urge them to be patient and to think of self-employment. The mentality of waiting for jobs from the government is out-dated. This is a new era which requires us to be creative and innovative."

For Winifrida, Tanzanian youth must change their attitude towards work and forget the past when jobs were readily available both in the public and private sectors. Those days are gone, she confides.

"This is a new world where only the committed will survive against all odds. Those who wait for better lives without hard work are condemned to perpetual failure and suffering," she says.

Aside from her current leadership position, Winifrida dreams of becoming a big farmer as the occupation which pours backs into her mind again and again.. "I love farming and in the next three or so years I want to engage myself in serious farming," she explains.

In her extra-curricular activities, the young lady loves reading, cookery and watching various television programmes of her choice. "Cooking is my hobby while at home," she emphasises.

Success in life is rooted in people who have had tremendous influence in whatever undertaking. For Winifrida, she pays glowing tribute to her family – parents and siblings – who have helped her to reach where she is.

"But, first and foremost, I thank the Almighty God for the life He has given me. I don't find the exact words to express my admiration of God's will," she says in a lower tone.

In career development, Winifrida says she will not forget the mentorship she received from Dr Fred Msemwa, who discovered her inner talent. "He discovered in me there's something inborn and so he helped me through counselling on knowing the pillars of leadership," she explains.

She also heaps praise to her current boss, the TAA President CPA Godvictor Lyimo and the association's Vice-President CPA Victorius Kamuntu.

"These two TAA leaders have had tremendous trust in me in my responsibilities. They have guided me to reach where I am; simply winning their trust," she adds.

Born in the Tanzanian commercial capital of Dar es Salaam to parents Charles Ngaraguza and Jane Paul Kawesi, Winifrida received her education from Kimanga Primary School, Kibasila and Lwandai secondary and high school respectively, before she stepped her feet into the doors of Tumaini University where she completed her studies in 2010.

From Winfrida's example, we learn that success is the sum of small efforts, repeated day-in day-out as Robert Collier once said.

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Project close out procedures for activities funded by government

Activities to be done at project end date:

1. Do not incur costs to be charged to the award unless you have obtained prior approval for no cost extension. You are not allowed to incur any expenses after the award end date. You can request prior approval from your AO if you foresee the need to incur expenses after the award ends.

2. Begin financial close out, including demonstrating that you have met all the cost-share requirements and finalizing all award-related expenditures.

Activities to be done within 60 days after the project end date

If your sub-recipients did not close out before the end of the award, collect their reports now to ensure adequate time to incorporate their contributions into your final report. Send a letter formally ending your contractual relationship with your sub recipients.

Activities to be done within 90 days after the project end date

The prime recipient must submit final financial report within 90 Days post project end date in accordance with the terms of agreement covering the entire award period. Such report should be submitted in a prescribed format (for USAID funding recipients will apply form SF-425).

Ensure that your report demonstrates that you have met any and all cost-share requirements and that your accounting system confirms your cost share, in case of an audit. Unspent funds must be returned to the USAID (the Donor).

Submit final performance report, which focuses on final outcomes and lessons learned throughout the entire award period to your Agreement Officer Technical Representative (Donor contact person), and the Development Experience Clearinghouse, in accordance with the terms of your agreement.

Submit final inventory report in accordance with the terms of your agreement including;

1. A list of equipment costing US$5,000 or more with a useful life of one year or more purchased with the award funds;

2. Submit a final VAT (Foreign Tax) report. This is a statement of taxes paid and reimbursed through the end of your award in accordance with the terms of your agreement. Submit the report to your Agreement Officer Representative summarizing all foreign taxes paid to and reimbursed by the host government since the last tax reporting cycle. If you receive reimbursements at a later date, you must submit these funds to the USG.

3. Reimburse the USAID any remaining unspent funds within 90 days of the award end date. Conduct and submit the results of your annual audit as you normally would, but ensure the auditor also reviews the close out of your award. The final audit should cover the last year of your award. You may synchronize that audit exercise with the end of your organization's fiscal year and submit it as you would other audits in accordance with the terms of your agreement.

> "Obtain permission for sale of property. You must have prior approval from your Agreement Officer to sell equipment and large stocks of unused commodities purchased with Donor (USG) funds

Project close out: Other considerations

There are numerous tasks related to close out, covering every aspect of your organization's management, including finances and accounting, human resources, inventory and property management, programme management, record keeping, sub-recipient management, and other administrative issues.

In the following few paragraphs, we will discuss more required actions and other key considerations at project closeout. The items below are most likely to apply, but not necessarily all, recipients and their sub recipients will determine on what apply to them. Be sure to review the terms of your agreement to confirm which requirements apply to your award.

Liquidate funds

Though you cannot incur expenses after the award end date, you still may have outstanding obligations to pay invoices to vendors for costs incurred prior to the end date. You must pay all these expenses and reimburse the USAID any remaining funds within 90 days of the award end date.

Reconcile advances

If advances have been given to any staff or sub recipients, be sure to have them submit final expense reports and reimburse you if there are any remaining funds.

Close bank accounts

Close bank accounts that were set up specifically for this project when they are no longer needed.

Human Resources

Reassign or Terminate Personnel, depending on their contracts or funding availability. Review your staffing needs for programs operating after the close of your program and end the employment of staff you cannot retain. Be sure to follow local labor laws when ending an individual's employment.

Inventory/Property Management

Submit final inventory report – Submit with the final report, 90 days after the end of the award, a detailed list showing that items have been disposed of in accordance with your disposition plan as approved by USAID.

Review USG equipment and property use regulations. The USG has specific rules about the sale and use of USG-funded equipment and commodities. Be sure to review these restrictions closely to make sure your post-award plans for these items are compliant with the terms of your agreement.

Obtain permission for sale of property. You must have prior approval from your Agreement Officer to sell equipment and large stocks of unused commodities purchased with Donor (USG) funds

Leases

Terminate Leases (if appropriate). Terminate leases on rented office space that you do not plan to use after the award.

Program Management

Submit final performance report within 90 days after the end of the award. Ensure you submit reports to your Agreement Officer Representative and copy to a directed office, for example USAID Grantees reports are copied to the Development Experience Clearinghouse (http://dec.usaid.gov).

End-of-project evaluation

Consider contracting an end-of-project evaluation to start no later than six months prior to the end of your award.

Close out with the community

Meet with key stakeholders and beneficiaries in the communities where you are implementing programs to share information and gain feedback.

• CPA Gerry Lufingo is a registered Tanzania CPA and earned an MBA degree with honours from Business School at Jackson State University, Jackson Mississippi in United States. He has been a trainer in USAID and CDC financial rules and regulations including both the "Green Book" and GAGAS ("Yellow Book") for USG-funded sub-recipients organizations. Reachable at gerrylufingo@gmail.com

Events in Pictures

Accountants, Auditors and other stakeholders meeting on changes to the NBAA Bylaws organized by Tanzania Association of Accountants was held on 27th January, 2024 at Mzumbe University, Dar es salaam Campus to submit their opinions.

CPA Modrick Mjungu (standing) from the Presidents' Office, Regional Administration and Local Government in Tanzania speaking during the Workshop on Governance and Accountability for Local Government Authorities held on 28-30 Mei, 2024. All Municipalities from Tanzania Mainland participated during the event. Others are officials from TAMISEMI.

A cross-section of participants listen attentively during the training on NGOs Compliance.

The Accountant General CPA Leonard J. Mkude signing visitors' book at the Tanzania Association of Accountants office during the Accountancy Week on 19th March, 2024 organised by the Association where special training for Graduate Accountants was conducted.

Participants at a Budgetary Changes seminar held in Dar es Salaam in July 2024.

A group picture of TAA leaders and members who took part during an Annual General Meeting held at the CRDB Bank Conference Hall in Dar es Salaam on December 7, 2024.

TAA Vice-President Victorius Kamuntu in discussion with the association's CEO Winfirda Ngaraguza during the Annual General Meeting held in Dar es Salaam on December 7, 2024.

TAA Vice-President Victorius Kamuntu greets former First Lady, Anna Mkapa, during a women entrepreneurship training held in Dar es Salaam on June 25, 2024.

TAA CEO, Winfrida Ngaraguza, (second left), poses in a group picture with the Tanzania Revenue Authority Tax Management Officer, Alex James Mwambenja, (right), during a Budgetary Changes seminar for financial year 2023/2024.

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OUR MOTTO: DREAM BIG

Cyber security and the growing concern of businesses

By **CPA Sandra Chogo**

In preparing the Financial Statements, the management is responsible for assessing the entity's ability to continue as a going concern and disclose as applicable matters related to going concern.

The auditor's duty is to consider whether there are events or conditions that may cast significant doubt on the audited entity's ability to continue as a going concern.

For years the going concern assessment for organizations has been done mainly by considering the financial ability of an entity for a period of 12 months (one financial year). The other factors considered include the management's ability to run the institution.

Today many organizations are in the midst of digital transformation. Digital transformation is giving rise to new risks and challenges that in my opinion need to be included in the assessment of going concern.

One of such risk is cyber-attack. A cyber-attack can shut down an organization within second no matter its financial ability.

In 2021 according to Statista, 15% of the cybercrime victims worldwide had no option than to shut down their entire business.

As an auditor of government institutions, I usually pay less attention to the going concern of such institutions because I assume the government can never stop funding the entity ...so the going concern will always remain intact. Cyber-attacks are changing my thinking. Cyber security is now one of the top five risks an organization needs to solve urgently. A cyber-attack can affect the going concern of an entity no matter how much money it has.

Cyber-attacks set to become "un-insurable" says Zurich Chief as there is a growing concern among industrial executives about large-scale strikes.

EY Center for Board Agenda 2021 Report has reported cyber security oversight to be the number one. According to the Report, 6 in 10 organizations suffered a material or significant incident in the previous 12 months.

Think about the biggest cyber-attacks in history targeted to government operations: What will be the effects? As an auditor how will you feel if you had not assessed the cyber-security preparedness of the entity?

What is cyber space?

This is the digital space where things are done digitally/virtually.

We're used to the physical space where things are done manually and can be touched when there is a need to do so.

What is cybercrime/cyber-attack?

It is an attack in the cyberspace. This attack occurs due to weakness or absence of cyber securities in the space.

In the physical space an example of an attack can be a thief entering your house or office due to weaknesses in your doors.

The difference here is that most of the time with the physical attack; the thief is from the local area. A cyber-attack can come from any country globally making it more serious.

What is cyber security?

Cyber security is the security in the cyber space. It is the protection of software, Hardware and data of the organization for our case. It keeps organization data and software safe, secure and used for the intended purpose.

To be safe in the physical space we lock our doors, Door locks change frequently with changes in nature of crimes. We also have policeman,

Financial consequences of a cyber-attack

Ransomware attacks

This attack usually requires a payment of huge amount of money. The amount may be so huge such that the organization won't be able to continue as a going concern. The organization will have two choices. It can decide not to pay and start over by establishing new data from the scratch or pay for the attack and find funds for it to continue.

Fines, penalties

Fines and penalty for noncompliance to privacy, cyber laws and regulation result into payments which were not budgeted for.

ii) Court cases for breaching of customer data

Some customers may file claims at the court of law for breach of contract as personal data have been exposed.

Reputational loss

We don't hear attacks from Organizations because the disclosure of an attack compromises the reputation of the Organization.

Think of your bank reporting on a cyber-attack what will you do to your money in the bank? As a result of not reporting the magnitude of cases cannot be established so that we take it seriously.

Business interruption resulting to loss of revenue

Think of an attack to a Customer service window.

Increased insurance charges

Other consequences of a cyber-attack

Data encrypted

Depending on the intention of the attacker, a cyber-attack may result into organizations data be encrypted and we lose access to it either temporarily or permanently. The worse is that encryption can go up to our backups.

Loss of intellectual property may occur

Expose corporate strategies to competitors.

Marketing sensitive information being exposed to competitors

Loss of sensitive data

Loss of shareholder's value.

Depending on the extent of the attack, both the server and backups may suffer a cyber-attack making it impossible to recover data for the organization to continue as a going concern.

Why should we take it seriously?

1. We cannot escape Computer driven operations

No matter the risk, it is difficult to escape from Computer driven operations. Cyber-security ventures projected that cybercrime to cost the world $ 10.5 trillion annually by 2025 (CNBC)

2. Cyber risk is constantly evolving

This risk has not come to an end and it's constantly evolving. It's impossible to know what new threats could evolve next. New versions of existing threats emerge each day. Think of how serious an Artificial Intelligence geared attack would be.

3. It's a threat that organizations face but it is not fully known, understood by all.

Cyber security is an issue for the whole business. All employees are concerned but it is being left to the IT department alone. All employees need to be cyber-literate. The tone at the top should acknowledge it as a business risk and this will enable the strategies brought forth to be supported and bear fruits.

4. Lack of cyber-security experts

Many organizations assume any IT professional is also a cyber- security expert. This assumption is not true as the IT professional has many specialties in it. IT Professional has specialties such as data analysts, programmers, computer scientists, computer maintenance and cyber security etc. So it is important to have cyber-security experts in the cyber department. Cyber security specialists are few in number.

The "State of Cyber-security 2022" report from ISACA stated that 62% of organizations feel they are understaffed in terms of cyber-security professionals. Adding further insult to injury, that study found that 60% of organizations have trouble holding onto qualified cyber-security staff.

5. Employees lacking cyber awareness

In the physical space, who leaves doors open for thieves? The answer is any employee of the organization can leave the door open. The concept is the same for the cyber space. If employees are not trained to close doors and windows thieves won't find it difficult to enter. Well trained employee, prevent and detect cyber threat and hence reduce risks of attacks.

A security culture starts with awareness and includes everyone. Increased employee awareness about cyber-attacks was cited by cyber leaders who took part in the survey as the most positive influence on an organization's cyber-resilience approach in the next 12 months.

An organization's cyber capabilities grow with its employees' understanding of cyber risks and their personal role and responsibility in helping to manage them.

Lack of Cyber-security trainings to staffs make the threat more likely to happen to the organization. Trainings need to be continuous and not just a onetime event.

"Professionalized cybercriminal groups have continued to grow and create a higher volume of new attack types

6. Cyber regulation vs a cyber-attack

Cyber regulations are valuable, but the process of creating them takes time and they are outdated after a short period of time. It can take two years for a regulation to be developed. Standardization can take 18 months. As a result, even the Cyber risk has changed or evolved.

A cyber-attack takes seconds. The speed at which emerging technologies are implemented often outpaces our ability to build security measures around them. We need to go beyond simple compliance with regulations if organizations are to be cyber resilient.

7. A cyber-attack could cause harm before cyber-security experts have even worked out how the attack happened.

Professionalized cybercriminal groups have continued to grow and create a higher volume of new attack types. The time it takes to develop a response creates an opportunity cost for an organization's cyber-security experts. Cyber-security teams sometimes feel forced to ignore strategically important activities to address immediate tactical issues.

8. The parameters of Security that worked in the past are no longer relevant and we need to find new models to secure our networks.

Some of the relevant questions to ask ourselves

I) How often do we fund the IT department as per budgeted?

ii) How often does the organization's cyber-security preparedness undergo review and testing and who does the testing?

iii) Do we perform ethical hacking to our systems?

iv) Do we know our data? What's our sensitive data?

Conclusion

Digitalization, growth in internet and its web component has stimulated individual and business reliance in electronic processing in most of operations however cyber-security measures are not in place to increase security in cyberspace.

Employees, Management and the Board need to understand what a cyber-attack means for their Organization. Too many business leaders still underestimate the impact a cyber-attack can have on their operations, on their reputation and on their company as a whole.

It's important for the Management and the Auditors to assess and report on the status of the preparedness of the organization for the preventive and rescue preparedness in case of a Cyber-attack when assessing the going concern of an entity. A Cyber-attack can entirely affect the business going concern within a minute.

– CPA Sandra Chogo, 4IR, Blockchain and Cryptocurrency in Finance Consultant holds a certificate in Digital Currency CISCO certified, Cyber Security, Machine learning, Robotics in Finance Certificate @ACCA Auditor NAOT Technical Department

Asset and inventory management in Procurement Law: Recasting legal principles, operational practices

By ***CPA Paul Bilabaye***

The Public Procurement Act of 2023, along with its 2024 regulations, has not only repealed the 2011 Act but also introduced a fundamental shift in procurement philosophy. This shift moves away from the "Just-in-Time" concept and embraces a focus on inventory and asset management, marking a significant change in how procurement practices are approached and executed.

It is crucial to emphasize that the Public Finance (Management of Public Property) Regulation, 2024 provides a comprehensive framework that clearly defines the duties and responsibilities of accounting officers concerning acquisition, registration, maintenance, verification, transfer disposal of public property and inventory.

This paper explores the effect public procurement processes from the public sector accounting angle and its effect to both accountants and auditors.

Accounting for inventory

The "Just-in-Time" approach was more prominent in the repealed law, where user departments would raise their requirements, and once delivered the entire consignment would be issued to the respective department.

Only a few institutions maintained a certain level of inventory in their stores. It was common to exclude inventories under the custodianship of user departments, leading to an underestimation of both the quantity and value of year-end inventory.

It is important to note that Section 40(b) of the Act has placed inventory and asset management under the custodianship of the Procurement Management Unit. This shift means the unit is now responsible for advising on and establishing optimal inventory control levels, as well as overseeing inventory management.

Part Ten of the Procurement Regulations further complements this law by detailing the procedures to be followed for receiving inventory, recording it, conducting stocktaking, and issuing items for final consumption or disposal.

In addition, Part Three of the Public Finance (Management of Public Property) Regulation, 2024 outlines the responsibilities of the accounting officer regarding inventory acquisition, measurement, recognition as an expense, record-keeping, annual stocktaking, and other disclosure requirements.

These two laws converge on the critical role inventory management plays in determining the bottom line. The management of sales or production costs directly impacts a firm's profitability and ultimately affects what is returned to shareholders in the form of dividends. Moreover, these laws align with the requirements of both IPSAS 12 and IAS 2, which govern the accounting treatment of inventories.

Property (asset) management

Section 40(b) of the Procurement Act has transferred the responsibility of asset management to the Procurement Management Unit. Consequently, the unit is now tasked with overseeing asset management. This shift has led to the responsibility for managing the Fixed Asset Register in the public sector falling to supply chain professionals, while accountants depend on this data for the preparation of financial statements.

On the other hand part two of the Public Finance (Management of Public Property) Regulation, 2024, guides on the acquisition, registration and maintenance of the public property.

This regulation mandates accounting officers to oversee all aspects of property management, including its acquisition, where they are responsible for ensuring that all acquisitions are properly authorized and aligned with budgetary allocations.

They must also manage the registration of assets, ensuring that each item is accurately recorded and classified in official records to maintain transparency and accountability. Furthermore, the regulation outlines the responsibility for maintenance, requiring accounting officers to ensure that public property is regularly maintained, in good condition, and fit for its intended purpose.

The regulation also stresses the importance of periodic verification, where accounting officers are tasked with confirming the existence, condition, and accuracy of recorded property and inventory, preventing mismanagement or loss. When it comes to the transfer of assets, accounting officers are responsible for ensuring that all transfers of property are properly documented, authorized, and executed in line with legal and policy requirements.

The Government Asset Management Information System (GAMIS) has been developed and is currently operational. For the 2023/24 financial year, all non-current assets, along with their respective depreciation and amortization, were sourced from this system. The system fully complies with the accounting requirements for property, plant, and equipment, as well as other assets, under both IPSAS and IFRS standards.

Disposal of assets

The Public Procurement Act grants powers and functions to various key players regarding the disposal of public assets. However, the scope of the procurement law is limited to disposal by tender, assuming that the entity has obtained the necessary approval from the relevant authorities.

In contrast, Public Finance Regulation 22 stipulates that, "Except for minor items, a public sector entity must seek the approval of the Permanent Secretary before writing off or disposing of public property that is beyond economic repair, expired, dormant, obsolete, or unserviceable for any other reason."

This means that accounting officers are responsible for overseeing the disposal of public property, ensuring that any sale, donation, or disposal is conducted transparently and responsibly. They must ensure proper valuation, follow the approval processes, and maintain accurate records

Regulation 29(1) allows for the disposal of written-off public property through methods such as public auction, tender, demolition, destruction, or any other disposal method directed by the Permanent Secretary. As a result, the Public Finance Regulation offers more disposal options compared to the Public Procurement Law.

Conclusion

In conclusion, while the advancements in inventory and asset management in the public sector complement existing international standards, it is crucial for accountants and auditors to understand the impact of both the Public Procurement and Public Finance laws, along with their respective regulations. These laws have taken into account the specific operating environment in Tanzania, thereby enhancing the relevance and applicability of international standards within the country.

How important is combined assurance in banking industry

By ***Julius Kwigeza***

Introduction

The Institute of Internal Auditors has defined the Combined Assurance in an organisation as the process of internal (and potentially external) parties working together and coordinating their activities to communicate the effectiveness of risk management to stakeholders. When properly implemented, it can improve risk and governance oversight and control efficiencies, resulting in the optimization of overall assurance.

In the banking sector, the rapid adoption of digital innovations, the escalating threat of cyberattacks, and the growing emphasis on Environmental, Social, and Governance (ESG) factors have introduced complex challenges. These developments have intensified regulatory scrutiny, compelling banks to expand their assurance functions. To effectively manage these emerging risks and prevent management from being overwhelmed by numerous reviews, implementing a Combined Assurance approach has become essential. This strategy integrates various assurance activities, ensuring a cohesive and efficient risk management framework that aligns with the organization's objectives and regulatory requirements.

Levels of Defense in Combined Assurance

1. First Line of Defense: Operational and Business Team

- This line of defence for the case of a bank consists of the operation and business (commercial Team)
- This line of defence is primarily responsible in risk identifications, designing and implementation of the controls that will mitigate the identified risks, continuously monitor the effectiveness of controls to proactively identify, report to management and resolve any control gaps in business and operation processes

2. Second Line of Defense: Risk Management and Compliance

- This line of defence consists of the risk and compliance teams
- This line supports the first line by developing and implementing risk management strategies, frameworks, and policies.
- Teams within this defense include risk management, compliance, and quality assurance.

3. Third Line of Defense: Internal Audit and External Audit

- 3LOD provides an independent and objective assurance by evaluating the effectiveness of risk management and control processes.
- Reporting directly to the audit committee, this function ensures a fair and impartial assessment of the organization's risk environment.

> Internal Audit, as a champion of assurance enhancement, drives these efforts by enforcing best practices, fostering integration, and ensuring efficient resource utilization

Importance of Combined Assurance

1. Efficiency and Clarity

Combined Assurance reduces duplication and overlaps in internal and external audits, streamlining activities and enhancing resource utilization.

2. Enhanced Risk Management

Coordinated assurance activities provide a holistic view of organizational risks, helping to identify gaps and overlaps in control processes.

3. Strategic Alignment

By aligning assurance efforts with organizational objectives, Combined Assurance ensures that all activities contribute towards achieving strategic goals.

Role of Internal Audit in Enhancing Combined Assurance

1. Creating a Standardized Assurance Methodology

Internal Audit can assist the organization in developing a standardized assurance framework to guide the review methodologies across all lines of defense. This framework ensures consistency and enhances the quality of controls in both their design and implementation, ultimately strengthening risk management efforts.

2. Guest Auditors for Cross-Functional Insights

A mature internal audit function can implement a guest auditor program by inviting reviewers from other lines of defense to participate in audits.

This initiative fosters cross-functional understanding, enhances control skills across the organization, and promotes a culture of continuous improvement and transparency among the lines of defense.

3. Regular Collaborative Meetings

Regular meetings—held monthly, quarterly, or biannually—allow the internal audit team to gain a deeper understanding of the work performed by other lines of defense and facilitate knowledge sharing to strengthen the organization's control environment and culture. To safeguard the independence of internal auditors, these meetings should be chaired by senior personnel from the first line of defense. Combined Assurance meetings foster cohesive risk management strategies and promote a unified commitment to achieving the organization's goals.

Conclusion

In today's complex and dynamic banking environment, Combined Assurance plays a pivotal role in managing risks and strengthening accountability.

By fostering collaboration and communication across the three lines of defense, banks can establish a resilient and robust control environment.

Internal Audit, as a champion of assurance enhancement, drives these efforts by enforcing best practices, fostering integration, and ensuring efficient resource utilization.

This proactive approach ensures sustainable risk management and supports long-term organizational success.

Funding public infrastructure by securitisation of cash flows using special purpose vehicles

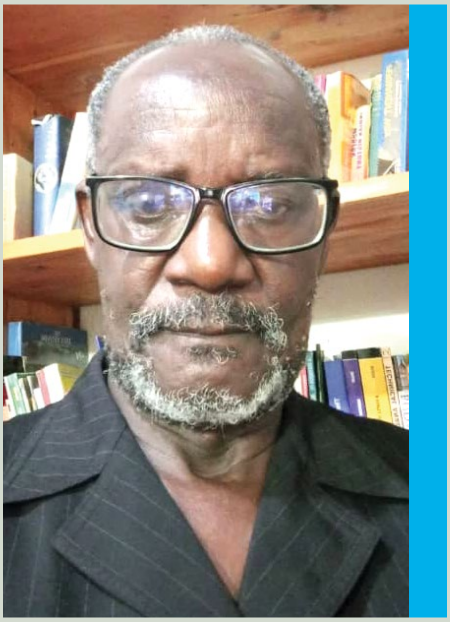
By ***CPA George Fumbuka***

Do you have a bank account? Have you ever asked for a loan? An overdraft facility? May be yes, may be not, but a common feature of all these situations is that the bank will ask for collateral, security upon your house, your fleet of vehicles, your godowns, all your landed properties. It is worse if you are Government:

> *Let us say you are the Mayor of Tanga, probably the most famous place in Tanzania. It has the oldest and the best secondary schools in Tanzanian (Tanga and Usagara High Schools respectively. It also has the most prominent football Stadium, Mkwakani Stadium and the oldest cinema, Majestic Cinema. It is the birthplace of home of TANESCO. Suppose the City Council on behalf of the people of Tanga, want to build a new Mkwakwani Stadium.*

On top of that the bank will ask for personal guarantees from you or, if borrowing as a Company, from all its directors. A typical over-collateralization ratio is 1.25 but can be as high as twice. In short, banks are no good for infrastructure projects, public or private. So, what to do?

Welcome to the Dar es Salaam Stock Exchange. Go to one of its member firm (brokerage companies) and work with them to float a bond, specifically called an Infrastructure



Bond. This is done by a process called Securitisation, using an entity called a Special Purpose Vehicle (SPV) or Real Estate Investment Trust (REIT). This is nothing new, it has been done before the Mlimani City Mall is a Securitisation, a REIT on the Botswana Stock Exchange, a special purpose vehicle.

So, what is a Special Purpose Vehicle?

To understand this concept let us assume Tanga Municipal Council has got a potentially good0-looking but greenfield project, costing TZS 54 billion. It now wishes to issue an Infrastructure Bond from the Dar es Salaam Stock Exchange, having failed to do so from normal bank borrowings for the following reasons:

1. Under the law, can Tanga Municipal Council borrow
2. If it can, can lenders trust the Council to service the loan?
3. What collateral – Mkwakwani Stadium? Mt. Kilimanjaro (for Hai Town Council)?

Can Tanga Municipal Council borrow?

Tanga Municipal Council is an agency of the Government, owned by it through the Treasury Registrar. At first sight, it cannot deal 1-on-1 on with private investors since no private person or bank or other entity can enforce a debt against the Government.

Can Tanga Municipal Council borrow? Yes, as provided for under Chapter 290 – Local Government Finance Act 1983:

> *14.(1) A local government authority may, from time to time, with the approval of the Minister given after consultation with the Minister responsible for finance, raise within the United Republic loans for such amounts, from such sources, in such manner, for such purposes and upon such conditions as the authority concerned may deem fit subject to subsection (2).*
>
> *(2) Loans raised under this section may be secured upon the revenue of the authority or by mortgage or charge of any land or premises in its ownership or disposition or may be secured both upon such revenues and by such mortgage or charge and shall be repaid within such period as the Minister may approve.*

Though Tanga Municipal Council is allowed to borrow as above, the Government has made commitments to the IMF and other stakeholders on the limit and the kind of borrowing it can make. Under the LART Act 1999, any defaults to or by a Government entity must be transferred to the LART Tribunal for recovery.

The point here is that as a Government agency, the Municipalities have no collateral to offer. It has water dams, offices, schools, the Serengeti or Mount Kilimanjaro (for the Moshi City council). In short, no bank will wish to take chances taking the Government to Court to enforce its debt!

Enter the Special Purpose Vehicle

Is this the end of the road for our Municipal Council? No, it is not. Capital markets practices do provide for a Special Purpose Vehicle (SPV), a Company or Trust established by the Sponsor (in this case Tanga Municipal Council) that would issue the Municipal Bond on the DSE to enable it get the required funds, as explained below.

Remember: The project must be viable, if not, stop!

By definition and by Company Law, the SPV must be sponsored by the Tanga Municipal Council and is therefore its subsidiary company. True, it shall operates as a separate company and possess separate legal personalty, but it is still under its full control.

Under normal circumstances, the financial statements of such a subsidiary would be consolidated with those of the Parent . No matter what the Mayor says, if the SPV's assets are consolidated into the audited financial statements of the Tanga Municipal Council, the creditors simply ignore the SPV and grab Municipal Council's assets: the office block; Mayor's residence; staff houses; motor vehicles; Tanga High School bus; the dam at Pangani River; and the water purification plant at Chumbageni

Indeed, even if they are not consolidated, the creditors KNOW that their money was used to build the Tanga waterworks, a smart lawyer will not be deterred. Indeed, the smart Lawyer will insist that these collaterals SHALL be available for liquidation if the bank loan remains unpaid.

So, is the SPV an accounting gimmick? A Barrister's subterfuge?

The capital markets industry and the DSE is particular are premised upon non-failure by the Issuer of listed securities. The above scenario would not work in the DSE and our application will never be approved by CMSA or BoT.

Fortunately, use of the SPV properly structured, would protect Tanga Municipal Council from the creditors if some conditions are met!!

To qualify as a separate nonconsolidatable entity, it has to be an SPV which:

1. Is a trust, corporation, or other legal entity distinct in law from its Sponsor, whose activities are limited by the legal documents establishing it to:

a. To issue the Bond, collect the IPO proceeds, close as per DSE Rules

b. Manage project construction, operations and revenue collection

c. Service the Bond and comply with all DSE post-listing requirements

> For our Accountants, those in industry or public practice, welcome to the DSE. Fortunately the Government has come up with an APF Strategy (for Alternative Project Financing that makes this possible, The CMSA has licensed the DSE and the Broker/Dealers under robust Bonds and REITS Regulations. This is good news for the Govt with its many projects but less resources not withstanding TRA's immense work.

It is understood that the ringfenced future cashflows from the completed Project

Are the only collateral for the Bond though the Custodian bank (see below) usually provides credit enhancement. With a properly structured SPV, the Sponsor will have no commercial decision-making powers to exercise of any business judgment to make: everything will already have been covered by a cast-iron foolproof contract assigning these powers to a third party. Everything is either forbidden or compulsory!

In the language of the capital markets industry, this process is called securitisation.

If the above conditions are met, the SPV's assets shall not be consolidated with Sponsor's' assets; it remains separate, beyond the reach of the Sponsor's creditors even of the Sponsor goes under liquidation. A clean audit opinion on both must be given under IFRS 10 or IPSAS 6, with copious disclosures under IFRS 12.

Structuring the Special Purpose Vehicle (SPV)

To avoid consolidation and demonstrate its own bankruptcy remoteness (see below), the SPV must be a thinly capitalised entity whose ownership and management are independent of the Originator. The SPV is by design thinly staffed, with its operations on "autopilot", outsourcing all its main functions. The SPV's main objective is to distinguish the Sponsor's other operations, as under:

(1) All its cashflows are ringfenced, bills paid by tigopesa or Control Numbers
(2) Operations – to a Servicer with experience, it could be the Sponsor
(3) Debt Service – to the Custodian Bank in (1) above, with credit enhancement
(4) Administrative matters – licenses, accounts, taxes, etc, - to an CPA Firm
(5) Corporate Actions and filings CMSA/DSE/BoT – to the Sponsoring Broker

These arrangements will ensure that the project will never fail, i.e., it is said to be bankruptcy remote. Although the Tanga Municipal Council (as the Parent, the Sponsor) and, indeed, the Government, has the final say if it wants, the Auditors financial statements of the SPV will not be consolidated with those of the Parent and the Statutory Auditor will give a clean audit report. With some Investors, the Bond has to be rated by reputable rating agency like Moody's, catering also for sovereign risk.

Conclusion

Welcome to the DSE, your Treasurers and Planners in TAMISEMI, UJENZI, HAZINA, and Tanga City Council. Welcome, Yanga and Mwendokasi. For our Accountants, those in industry or public practice, welcome to the DSE. Fortunately the Government has come with an APF Strategy (for Alternative Project Financing that makes this possible,

The CMSA has licensed the DSE and the Broker/Dealers under robust Bonds and REITS Regulations. This is good news for the Government with its many projects but less resources not withstanding TRA's immense work.

• CPA George Fumbuka is the Director and ADR, CORE Securities Limited

Accountants` perspectives in adopting environmental accounting practices

By ***CPA James Dendula***

Introduction

Following the announcement of International Financial Reporting Standards (IFRS) for Sustainability Reporting, IFRS S1 and IFRS S2, many companies must prepare sustainability reports based on the framework announced by the International Sustainability Standard Board (ISSB), effective from 1st January 2024.

Two standards have been issued, which includes IFRS S1: General Requirements for Disclosure of Sustainability-Related Financial Information and IFRS S2: Climate Related Disclosures.

These ISSB standards were issued to fill the gap in the industry that lacks one quality and a globally comparable sustainability information framework that could be used to compare this information between companies across the globe as there are many sector-wise and region-wise frameworks such as the Global Reporting Initiative (GRI), Carbon Disclosure Project (CDP) framework, Task Force on Climate-related Financial Disclosures (TCFD), and many others.

The numerous standards and framework were confusing stakeholders and investors when it comes to using this sustainability-related financial information in decision making. Therefore, these IFRS S1 and S2 and many to come are going to harmonize the reporting practices of companies about sustainability related financial information, similar role as for IAS and IFRSs.

As far as these standards are concerned, companies must prepare sustainability reports alongside their financial statement for the annual reporting period beginning 1st January 2024. This means during the issuing of financial reports of 2024, companies are also required to include sustainability disclosures in accordance with IFRS S1 and IFRS S2.

These standards are important as, information about sustainability-related risks and opportunities is useful to primary users because an entity's ability to generate cash flows over the short, medium, and long term is inextricably linked to the interactions between the entity and its stakeholders, society, the economy and the natural environment throughout the entity's value chain.

As such companies must show how they interact with society, the environment, and stakeholders for building a sustainable and compliant company. From that ground the author was motivated to write this article, with a clear focus on how companies interact with the environment. Studies show that companies can show their environmental "footprint" through adoption of Environmental Accounting Practices (EAP).

Environmental Accounting involves the identification, measurement, and reporting of an organization's environmental benefits and costs as a result of its interactions with the environment. Through the adoption of EAP it's possible for companies to report and comply with these latest sustainability reporting practices. As such the author finds it necessary to write on the accountants' perspective in adopting these practices.

The objective of this article is to highlight the perspective of accountants in adopting EAP. First, the author investigated the intention of accountants in adopting these EAP. Secondly, the author descriptively reports on accountants' attitudes toward the environment, and finally, the perception of accountants on the easiness of adopting these sustainability practices was also captured.

Methodology

Data were collected from 132 accountants, through the online survey distributed through WhatsApp groups. The questionnaire was divided into two sections, the first section collected information about the profile of respondents, and the second section focused on the variables of the study.

Out of 132 accountants, 34 are CPAs and the rest are non-CPAs, and 75% of them have experience of more than three years in their roles as accountants. These mean respondents were in a good position to respond and inform the study about the research objectives.

Intention to adopt environmental accounting practices

Accountants were asked related to their intention of adopting sustainability reporting practices, such as reducing carbon emissions, having a paperless office, investing in green technologies, using renewable energy, including environmental protection costs in their budgets, using environmental information in decision-making, preparing sustainability reports, financing green projects, using environmental KPIs in measuring performance and accounting for environmental costs in the books of accounts. The survey used a

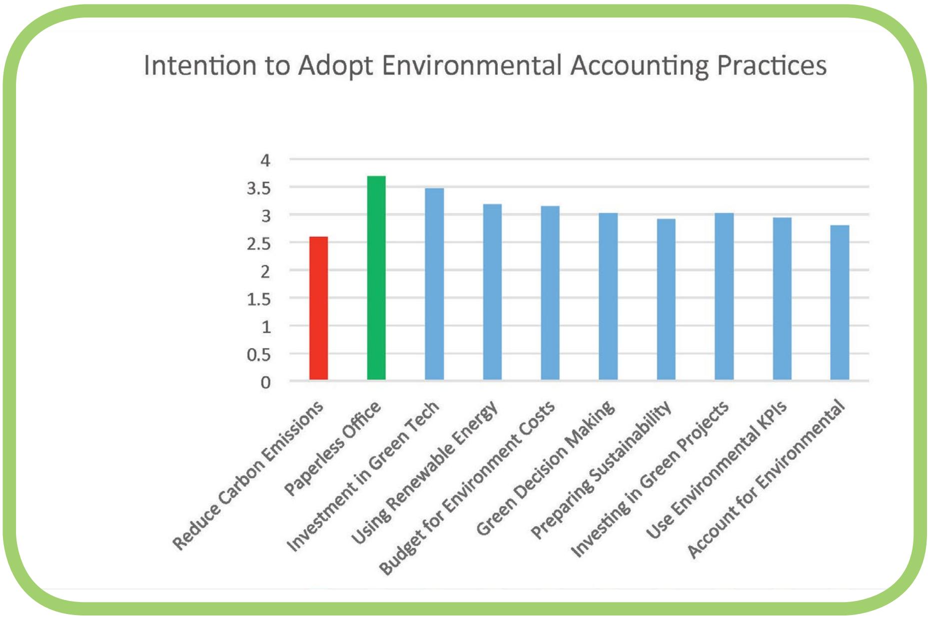


Figure 01: Intention to Adopt Environmental Accounting Practices.
Source: Researcher 2024

scale of 1 (not at all) up to 5 (to a great extent). The overall score is 3.07 meaning most of the accountants intend to adopt these practices in their organizations.

Based on Figure 01, it can be seen the accountants were more than ready to adopt paperless office (3.45), and less likely to reduce carbon emissions (2.6). This can be explained, as having a paperless office is easier and less expensive to do than reducing carbon emissions. About preparing sustainability reports, respondents had a score of 2.9, meaning the intention of preparing sustainability reports was low. This could be due to less companies are not preparing these reports, therefore, the inclination to prepare such reports is very low.

Environment Attitude

Environment attitude is defined as the collection of beliefs, affect and behavioral intentions a person holds regarding environmentally-related activities or issues. Accountants were asked to rate the level of disagreement or agreement about different environmentally related activities within their organization.

A scale of 1 to 5 was used, 1 being strongly disagree and 5 being strongly agree. The following six statements were asked concerning environmental attitude; -

Table 01: Environmental Attitude Scores

	Environmental Attitude Statements	Score
1	Environmental protection is beneficial to this organization.	4.17
2	It is the right thing for the company to report on environmental protection activities	4.20
3	Protecting the environment contributes to the sustainability of our organization and the world at large	4.20
4	Engaging in good environmental practices improves corporate image	4.31
5	Organizations have a responsibility to protect the environment	4.43
6	It is a bad thing to pollute the environment	4.40
	Overall Score	4.28

Based on Table 01, accountants have positive attitudes towards the environment, as on average most of the statements were agreed with a score of 4.28 (meaning that many accountants agreed to most of the statements). Moreover, accountants believed that their organizations have a responsibility to protect the environment as based on statement 5 score of 4.43. This indicates most accountants are aware that environment is important and that their organization should participate in protecting their environment.

Perceived Behaviour Control (PBC)

The concept of perceived behavioral control involves the belief about whether one can control his or her performance of a behavior. Accountants were asked to rate the following factors such as skills and knowledge, time to implement change, resources to adopt EAP, top management support, and sustainability reporting training, in increasing their perceived easiness of adopting EAP. Below figure 02, summarizes the scores (1 (strongly disagree) to 5 (strongly agree)).

Based on the above Figure 02, accountants believed top management support could ease their ability to adopt EAP, while sustainability reporting training is the least factor that could ease ability of accountants to adopt EAP. This could imply that many organizations have top management could play a vital role in implementing these sustainability standards and practices, while sustainability reporting training could ease their ability to adopt EAP, but it scored the least among the five factors.

Conclusion and recommendations

The study aimed to understand the perspective of accountants on the adoption of EAP. Most of the accountants showed a positive likelihood that they are willing to adopt these practices in their organization with a particular focus on adopting a paperless office. Moreover, their attitude towards the environment is very high and many accountants feel that their organizations have the responsibility of protecting the environment. Finally, many respondents declared that top management support is an important contributing factor to ease the process of adopting these sustainability practices.

It can be concluded that, for organizations to comply effectively and successfully with IFRS S1 and S2, the role of accountants is very important. Thus it is recommended that top management support should be given to accountants to ease the process of implementing these standards for their organizations. Consultants also could play a role in providing such training to accountants and organizations should provide resources to support the journey of becoming green and sustainable organizations for the betterment of the environment and the globe at large.

• CPA James Dendula is the Head of Training,| MOJA FINANCIAL CONSULTANTS

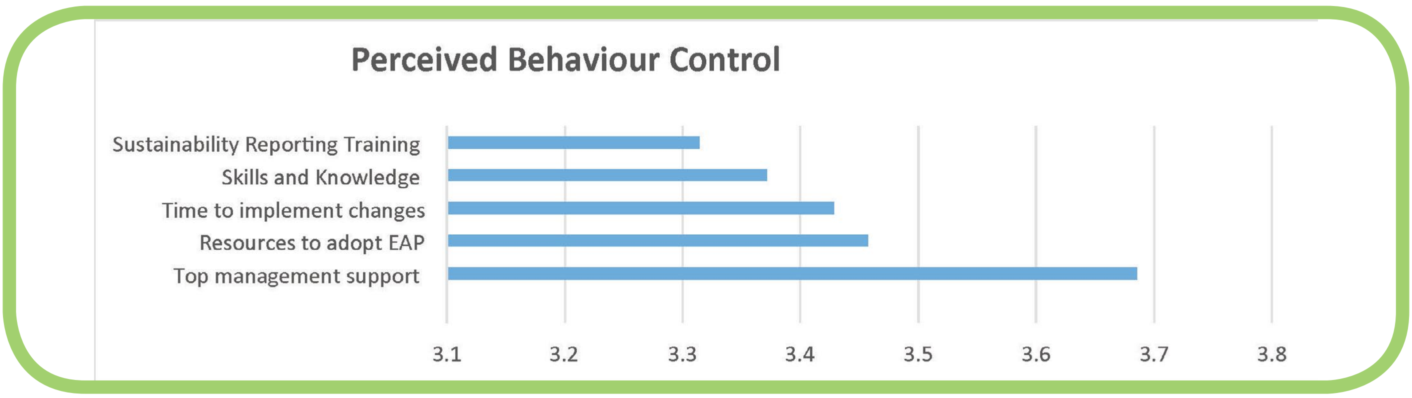


Figure 02: Perceived Behaviour Control Score

Introduction of plea bargain criminal justice system in Tanzania

By ***CPA George M. Seni, LLB, MBA, MA.LRA***

In our last TAA journal, we defined the 'plea bargain' to mean a "negotiated agreement between the prosecutor and the defendant"

The Black's Law Dictionary defines "Plea Bargain" as a negotiated agreement between the prosecutor and a criminal defendant whereby the latter pleads guilty to a lesser offence or to one of multiple charges in exchange for some concession by the prosecutor, usually a more lenient sentence or a dismissal of the charges .

Plea bargain in Tanzania has its roots in the broader global trend of legal reform aimed at improving efficiency within the criminal justice system. The practice allows defendants to plead guilty to lesser charges or receive reduced sentences in exchange for cooperation with the prosecution.

This can help expedite court processes and reduce the backlog of cases. The legal framework for plea bargaining in Tanzania gained formal recognition through the amendment of the Criminal Procedure Act in 2002, which introduced provisions for plea agreements.

"while plea bargain offers several benefits in terms of efficiency and resource management within Tanzania's criminal justice system, it also poses significant challenges that need to be addressed.

Genesis of Plea Bargaining in Tanzania

Post-Independence legal reforms: Following Tanzania's independence in 1961, the country underwent various legal reforms to enhance its justice system. However, challenges such as case backlogs, limited resources, and a growing population of accused persons necessitated alternative mechanisms to expedite legal proceedings.

Influence of common law systems: Tanzania, as a former British colonial entity, incorporates elements of common law, where plea bargaining is already an established practice. The adaptation of plea bargaining reflected a move towards aligning with internationally recognized legal practices to improve the efficiency of justice.

Massive arrests and detention done from 2016: The plea bargain was introduced in 2019 following massive arrests and detention of persons accused of economic and organized crimes and money laundering. The prosecution experienced enormous difficulties in proving their cases to the required standards and investigators could not accomplish investigations within reasonable time resulting into severe backlogs and overcrowding in remand prisons.

Implementation challenges: Although the legal framework was established, the practical implementation of plea bargaining remained inconsistent, facing challenges such as lack of training for legal practitioners, public mistrust, and concerns over coercion of defendants.

Advantages of plea bargain in Tanzania

Efficiency in the judicial system: Plea bargain reduces the number of cases that go to trial, which helps alleviate case backlog and speeds up the legal process.

Resource conservation: By settling cases more quickly, plea bargaining saves both judicial resources and costs associated with lengthy trials.

Victim consideration: Victims may benefit from quicker resolutions, even if it means the defendant may not face the full consequences of their actions.

Reduced sentences and charges: Defendants may receive lesser sentences or charges, which might encourage cooperation and lead to more favorable outcomes for those who might otherwise face harsh penalties.

Focus on rehabilitation: Plea bargain can facilitate a focus on rehabilitation rather than pure punitive measures, especially in cases involving lesser offenses.

Disadvantages of plea bargain in Tanzania

Potential for coercion: There may be instances where defendants feel pressured to accept a plea bargain, even when they might be innocent or when the evidence against them is weak.

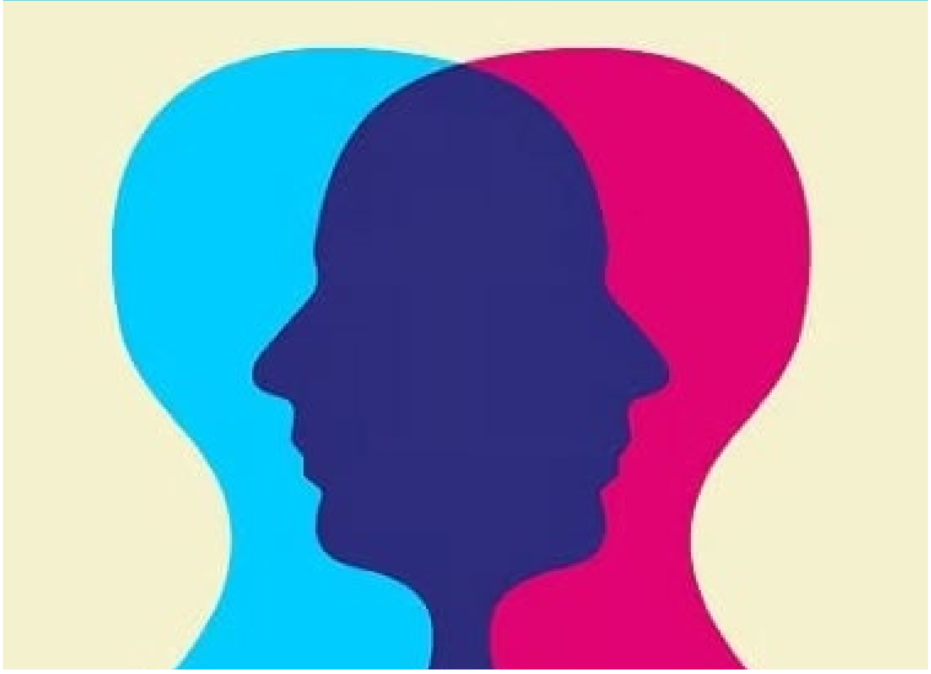
Injustice for victims: Victims may feel that justice has not been fully served if the offender receives a significantly reduced sentence.

Quality of legal representation: Inconsistent quality of legal representation can affect the fairness of plea agreements, potentially leading to unjust outcomes for defendants, especially those from disadvantaged backgrounds.

Public perception and trust: There can be a public perception that plea bargaining undermines justice, resulting in a lack of trust in the legal system.

Limited deterrent effect: If offenders perceive that they can negotiate lesser sentences, it may reduce the deterrent effect of the law, particularly for serious crimes.

In conclusion, while plea bargain offers several benefits in terms of efficiency and resource management within Tanzania's criminal justice system, it also poses significant challenges that need to be addressed. Ensuring fair practice, adequate legal representation, and maintaining public trust are crucial for the effective implementation of plea bargain in Tanzania.



Conflicts on interest: Why, their main sources

By ***CPA Issa Masoud Iddi***

(PGD: Sports Mgt, Msc: A&F, CPA-T, ADA)

A conflict of interest arises when an individual or organization has multiple interests or obligations that could potentially interfere with their ability to make impartial decisions. These conflicting interests can lead to biased judgement, favoritism, or unethical behavior. Conflicts of interest are common in various settings, including business, government, and personal relationships.

Main Sources of Conflicts of Interest

Some of the main sources of conflicts of interest include:

1. Financial interests:

- Personal Financial Gain: When individuals stand to benefit financially from decisions they make, such as owning stock in a company they regulate or recommending products they profit from.
- Incentives and Bonuses: Performance-related bonuses, commissions, or incentives that may influence decision-making, like a salesperson pushing products for personal gain.
- Dual Roles: Holding multiple financial roles, such as being a consultant for a firm while also being in a position to make decisions that affect that firm.

2. Family and personal relationships:

- Family Ties: Decisions that benefit family members (e.g., awarding contracts to relatives or hiring family members for positions).
- Personal Relationships: Favoritism toward colleagues, friends, or romantic partners can affect impartiality in hiring, promotions, or other decision-making areas.

3. Outside employment and activities:

- Dual Employment: Holding positions in two organizations that have competing interests, such as being a board member at two rival companies.
- Consulting Roles: Serving as a paid consultant for a company while holding a position where one is in charge of overseeing or regulating that company's activities.

4. Political or ideological bias:

- Political interests: When political ties or loyalties influence decisions, such as government officials making policies that benefit their party or supporters.
- Ideological conflicts: Strong personal beliefs or affiliations (e.g., religious, environmental, or social ideologies) may influence decision-making, potentially leading to biased outcomes.

5. Gifts and hospitality:

- Receiving gifts: Accepting expensive gifts, vacations, or other perks from stakeholders or companies that one may regulate or make decisions about.
- Corporate hospitality: Engaging in lavish corporate events, dinners, or travel funded by businesses that could potentially lead to preferential treatment.

6. Regulatory and legalcConflicts:

- Regulatory capture: When individuals in regulatory agencies have close ties to the industries they regulate, leading to decisions that favor industry interests over public welfare.
- Legal and contractual obligations: When lawyers, advisors, or consultants have conflicting interests due to previous agreements with competing clients or parties.

7. Access to confidential Information:

- Insider information: The use of confidential or proprietary information for personal gain, such as trading on stock information or sharing privileged knowledge that benefits a personal or financial interest.

8. Academic and research conflicts:

- Funding sources: Researchers whose studies are funded by companies or organizations with vested interests in the outcomes may be biased in their research findings.
- Publication bias: The desire to publish research that aligns with funding sources or personal biases, leading to selective reporting.

9. Time and resource constraints:

- Competing priorities: When someone holds multiple roles (e.g., being both a researcher and a practitioner), the time and energy spent on one could create a conflict with the duties owed in the other role.
- Resource allocation: When individuals or organizations control the distribution of resources (funding, grants, etc.) and have personal interests in how they are allocated.

10. Managing conflicts of interest:

These conflicts can lead to ethical dilemmas, diminished trust, or even legal violations if not properly managed or disclosed. Recognizing and addressing potential conflicts of interest is essential to maintaining fairness, transparency, and integrity in decision-making processes. Below are how to manage conflicts of interest when arises:

- **Disclosure:** Fully disclose any potential conflicts to relevant parties. Transparency is key to managing conflicts effectively.
- **Recusal:** Remove yourself from decisions or activities where a conflict of interest exists. This helps ensure that decisions are made impartially.
- **Segregation of duties:** Separate roles and responsibilities so that no one individual or entity has too much influence over a decision-making process.
- **Adherence to policies:** Follow established policies and guidelines designed to manage conflicts of interest. Many organizations have specific rules and procedures in place.
- **Ethical training:** Provide regular training on ethics and conflict of interest policies to ensure everyone understands how to identify and handle conflicts.
- **External oversight:** Implement external audits or reviews to ensure compliance with conflict of interest policies and to provide an additional layer of scrutiny.
- **Regular review:** Periodically review and update conflict of interest policies to address new or evolving situations.

By understanding and addressing conflicts of interest, individuals and organizations can maintain integrity, build trust, and ensure fair and unbiased decision-making.

• CPA Masoud is a Board Member of NBAA an Simba Sports Club

TAA supports graduates to secure employment

As the Tanzania labour market swells with jobless graduates of all professions, the Tanzania Association of Accountants (TAA) has come up with strategies to support young men and women in the accountancy field to realise their dreams. Those who have benefited from the TAA support are thankful that they have attained secure employment to earn a decent living and to make advances in their chosen profession. Below are four accountancy graduates who got job placement in the public sector:

Hamisi Haji

At a young age of 25, Hamisi Haji has secured employment at the High Court in Mbeya as an Accountant Grade II.

"My expectation is to reach to the height of the profession if all goes well," he says.

Haji graduated in 2022 with a B.A. in Accountancy and Finance in Business from Mzumbe University in Morogoro.

Coletha Gelas Killenga

She is a 27-year-old graduate of the Morogoro-based Mzumbe University who studied Accountancy and Finance in the Public Sector. She is lucky to have obtained a job as an Accountant Grade II at the Vocational Education and Training Authority (VETA).

"I'm still new to the job but I'm trying my best to catch up," she says excitedly, adding, "I'm determined to go far in this profession."

Goodluck Mchange

Youthful Goodluck Mchange, 28, says he is lucky to have secured employment as an Accountant Grade II with the High Court of Tanzania in Mwanza. He is a 2019 graduate of the Dar es Salaam-based Institute of Finance Management.

"My expectation is to climb up the ladder in this profession and to help other people who have chosen accountancy as their career. Furthermore, I want to help my organisation to achieve what it wants to achieve in the administration of justice," he explains.

David Binamungu

Employed as an Accountant Grade II at the High Court in Kigoma, 30-year-old David Binamungu is a 2018 graduate of the University of the West of England, Bristol, who possesses a Masters degree in Accountancy and a CPA.

Born at Mzumbe in Morogoro, Binamungu expects to become a leading figure in his chosen career.

Computer vision syndrome

By ***Dr. Beatrice Ngaraguza***

In our increasingly digital world, the reliance on screens has become ubiquitous, leading to a growing concern known as Computer Vision Syndrome (CVS).

This condition refers to a range of visual problems and discomfort that arise from prolonged use of computers, smartphones, and other digital devices.

As more people work remotely and engage in extended screen time, understanding CVS is crucial for maintaining eye health.

What's computer vision syndrome?

Computer vision syyndrome encompasses a collection of eye and vision-related issues that occur due to excessive screen time. Symptoms can vary widely, but they often include:

- Eye strain
- Dry eyes
- Blurred vision
- Headaches
- Neck and shoulder pain
- Difficulty focusing

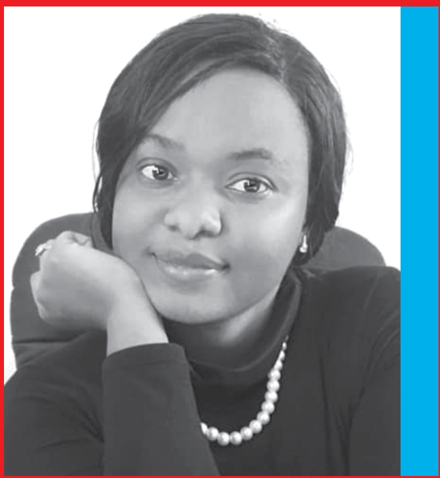
These symptoms result from the way our eyes interact with digital screens, which typically emit blue light and have a lower contrast than printed materials.

Causes of computer vision syndrome

1. Extended screen time: Spending long hours in front of screens without breaks can lead to fatigue and strain.

2. Poor ergonomics: Incorrect positioning of the computer screen or chair can contribute to physical discomfort and strain on the eyes.

3. Lighting conditions: Glare from overhead lights or windows can exacerbate visual discomfort.



"By adopting good habits and ergonomics, individuals can significantly reduce the risk of CVS and maintain healthier vision in a digital world. Taking proactive steps can enhance comfort and productivity, ensuring that our reliance on screens does not come at the cost of our eye health.

4. Inadequate blink rate: People tend to blink less when staring at screens, leading to dry and irritated eyes.

5. Uncorrected vision problems: Pre-existing vision issues, such as astigmatism or presbyopia, can worsen when using digital devices.

Symptoms of computer vision syndrome

- Eye atrain: A feeling of discomfort or fatigue in the eyes after extended screen use.
- Dry eyes: Insufficient moisture on the eye's surface can lead to irritation and redness.
- Blurred vision: Difficulty focusing on text or images on the screen.
- Headaches: Tension headaches may occur due to eye strain or poor posture.
- Neck and shoulder pain: Poor ergonomic setups can lead to musculoskeletal discomfort.

Prevention and management

1. Follow the 20-20-20 Rule: Every 20 minutes, take a 20-second break to look at something 20 feet away. This helps to reduce eye strain.

2. Optimize ergonomics: Adjust your workstation so that the screen is at eye level and about an arm's length away. Use supportive chairs to maintain good posture.

3. Use proper lighting: Ensure your workspace is well-lit, and minimize glare from windows and overhead lights.

4. Stay hydrated: Drink plenty of water to help keep your eyes moist and reduce dryness.

5. Regular eye exams: Schedule regular visits with an eye care professional to monitor eye health and update prescriptions as needed.

6. Consider computer glasses: Specialized glasses can help reduce glare and strain when using screens.

Conclusion

As technology continues to integrate into our daily lives, understanding and managing computer vision syndrome becomes increasingly important.

By adopting good habits and ergonomics, individuals can significantly reduce the risk of CVS and maintain healthier vision in a digital world. Taking proactive steps can enhance comfort and productivity, ensuring that our reliance on screens does not come at the cost of our eye health.

Dr Beatrice Ngraraguza, MD, Mph, is a medical doctor with a degree from Muhimbili University of Health and Allied Sciences(MUHAS) and Master's in Public Health from University of South Wales.she is passionated about addressesing public health challenges and currently works as a researcher at the National Institute for medical research (NIMR).

TANZANIA ASSOCIATION OF ACCOUNTANTS (TAA)

SAHIHI NA HAKI

T A A

In-house Training Programmes for Professional Advisory Services for the Year 2025

INTRODUCTION

Tanzania Association of Accountants through its members is expected to introduce an In-house Training programmes for various organizations/ Institutions that wish to make business/service strides and share experiences in the areas of Technical Skills Development, Financial Advisory Services, Soft Skills Training, Industrial-based Knowledge, Ethical Practices, Risk Management etc. The programme aims to equip staffs with skills that will enable organazation/institutions reach their goals under minimized running costs.

OBJECTIVE OF THE IN-HOUSE TRAINING

This Training aims to come up with specific solutions of startup organizations that are practising business/ services so that they can share experiences on business plans, operations and much more on what they aim to be in the business world.

TARGET ORGANIZATION

The target groups of this programmes are Public Institutions, Associations, NGOs, Registered Companies, International Organizations, Local Government and the Central Government.

PROCEDURES OF REQUESTING FOR IN-HOUSE TRAINING

Organizations / Institutions requiring In-house Training have to adhere with the following steps;

1. Prepare the proposal on areas that need to be trained, locate the number of participants and show resources that will be provided during the training.
2. TAA will provide an expert who will issue the sharing costs that the organization/Institution has to pay to the TAA.
3. Certificates of Attendance will be issued based on the number of days attended and the maximum number of hours to be awarded as Continuous Professional Education is 8 hours.
4. The qualified organization must sign a contract with the TAA based on the deliverables and expected output.

AREAS THAT ORGANIZATIONS MAY REQUIRE IN-HOUSE TRAINING

The following is a Summary on areas that any organization/institution may require In-house Training and that may save a lot of costs;

1. Technical Skills Development: Areas such as Financial Analysis and Reporting, Cash Flows, Project Set-up, Financing Model, Options based on the operations of organizations, Resource Mobilizations within Organizations etc.
2. Taxation and Compliances: Knowledge on updates of Key Tax Laws, Compliances with Financial Reporting Standards (e.g. IFRS, IPSAS) etc.
3. Preparations of Financial Manuals and Financial Regulations: With fast growing technology, Organizations need to update their Financial Manuals and Financial Regulations to serve as everyday tools for financial controls and other compliance areas within organizations.

With this training programmes, organizations/ institutions will be having well equiped staffs who can work confidently for its benefit and fast growth.

For other request on the clarity on the in-house training contact:
Chief Executive Officer
Tanzania Association of Accountants
P.O. Box 459, Dar es Salaam · Email: info@taa.or.tz
Mobile Numbers: +255 769 167 278 / 787 464 523

TRAINING AND EVENTS CALENDAR
FOR THE YEAR 2025

	DATE AND MONTH	NO OF DAYS/ Hours	CPD HOURS	LOCATION	TRAINING/WORKSHOP	PARTICIPATION FEE (TSHS)
					Seminar Tittle and Sub-Topics	
01	21st February, 2025	One Day	3CPD HOURS	Online	Webinar On Reporting Writing	• Members 10,000/= • Non-Members 15,000/=
02	4th -7th March, 2025	Five Days	40 CPD HOURS	Morogoro	**Retirement Planning for Employees** Module 1: Why Financial Planning Matters Module 2: Mastering the Art of Saving and Budgeting Module 3: Investment made Simple for Employees Module 4: Planning for Retirement in Tanzania Module 5: Managing Financial Risks and Building Resilience Module 6: Developing your Financial Freedom plan	• Members 600,000/= • Non-Members 650,000/=
03	24th -28th March,2024	Five days	4 CPD HOURS	Dar es Salaam	ACCOUNTANCY WEEK • Pro Bono Services • Accountancy professional Mentorship • Community works	FREE
04	11th April,2025	One day	4 CPD HOURS	Online	Webinar on updates for new IFRS and IPSAS standards	• Members 10,000/= • Non-Members 15,000/=
05	27th -29th May,2025	Three days	24 CPD HOURS	Zanzibar	Accountability Workshop for Local Government Authorities	All 400,000/=
06	26-27 June, 2025	Two days	16 CPD hours	Dar es Salaam	TAA, Clouds Media in Collaboration with East Africa Digital Economy Forum to Prepare First Digital Economy Forum on "Connecting East Africa: Unlocking the Potential of the Digital Economy" • Potential and Challenges of Technology applications for Accountancy • Cyber security and Data Privacy in Financial Services. • E-Commerce and Digital Transactions. • Consumer Rights in Digital Financial Services. • Digital Economy Policies and Regulatory Frameworks. Role of Cashless Economy to reduce informal sector, challenges and way forward.	• Members 250,000/= • Non-Members 300,000/=

TRAINING AND EVENTS CALENDAR FOR THE YEAR 2025

07	31st July, 2025	One Day	08	Dar es Salaam	TAA and TRA Joint Seminar on Budgetary Changes for Finance 2025/26 Bill • Updates on changes for Finance bill for year 2025/26. • IFRS 16 (Lease) • integration of sustainability disclosures into financial reporting • ESG integration could lead to updated reporting standards that require companies to disclose climate-related risks, carbon emissions, and social responsibility efforts in financial reporting. • IPSAS 42: Social Benefits. • Preparations required by Auditors before auditing financial statements.	• MemberS 120,000/= • Non-Members 150,000/=
08	28th-29th August, 2025	Three days	24 CPD hours	Arusha	TAA and TRA Joint Seminar on Budgetary Changes for Finance 2025/26 Bill. • Updates on changes for Finance bill for year 2025/26. • IPSASB's Work on Environmental, Social, and Governance (ESG) Disclosures. • IPSAS 32: Service Concessions (Public-Private Partnerships). Technique to use Chart GPT and Artificial intelligence for learning and report search.	• Members 300,000/= • Non-Members 350,000/=
09	24th-26th September, 2025	Three days	24 CPD hours	Mwanza	TAA and TRA Joint Seminar on Budgetary Changes for Finance 2025/26 Bill. • Updates on changes for Finance bill for year 2025/26. • IPSASB's Work on Environmental, Social, and Governance (ESG) Disclosures. • IPSAS 32: Service Concessions (Public-Private Partnerships). Technique to use Chart GPT and Artificial intelligence for learning and report search.	• Members 400,000/= • Non-Members 450,000/=

TRAINING AND EVENTS CALENDAR FOR THE YEAR 2025

10	3rd October, 2025	One day	10 CPD hours	Dar es Salaam	ANNUAL GENERAL MEETING (ACCOUNTANTS & AUDITORS)	Two sessions: Session one: (Special Training: • Members 100,000 • Non-Members 120,000/= Session two: AGM for TAA members FREE
11	24th-28th November, 2025	Four days and one day tour for Projects implemented	40 CPD hours	Morogoro	TAA in Collaboration with Africa Resource Mobilization Foundation, training on Resource Mobilization, investments and Financing projects. • Fundraising • Donor Relations and Donor Engagements • Skills to write Winning Proposals • Projects selections to finance and technique to identify them • Business and Investments favourable for Employees with high returns and low risks	• Members 650,000/= • Non-Members 700,000/=
12	5th December,2025	One day	3 CPD Hours	Online	Webinar on Contemporary Issues	• Members 10,000/= • Non-Members 15,000/=

Train
with
US

Is tax objection integral part of tax compliance?

By **Respicius E. Mwijage**

Tax objections are a vital aspect of the broader tax compliance framework within tax administration. Tax compliance refers to the extent to which taxpayers fulfill their legal obligations, including filing tax returns, paying taxes, and adhering to tax laws. Tax objections arise when a taxpayer disputes an assessment or decision made by the Tanzania Revenue Authority (TRA).

This formal process ensures that taxpayers can challenge assessments and uphold their rights, thereby fostering fairness and accountability in the tax system.

Legal framework for tax objections

Under the Tax Administration Act, Cap 438 [R.E. 2019] (TAA), Section 51(1) allows taxpayers aggrieved by an assessment or tax decision to file a notice of objection within 30 days of receiving the assessment or decision. To validate the objection, the taxpayer must deposit the undisputed tax amount or one-third of the disputed amount, whichever is greater, as stipulated under Section 51(7) of the TAA.

If the taxpayer is unable to meet the deposit requirement, they may apply for a waiver to the Commissioner General within 15 days before the objection filing deadline, as per Section 51(9) and Regulation 96 of the Tax Administration (General) Regulations, 2016. If the waiver application is denied, the taxpayer can object to the decision by providing detailed grounds of objection, supported by legal authorities such as case law, statutory provisions, or other authoritative literature.

Notably, the Tax Revenue Appeals Act, Cap 408, lacks clear provisions for challenging the denial of waiver applications. However, in practice, taxpayers can initiate the objection process to obtain an objection decision under Section 16(1) of the Tax Revenue Appeals Act, which can then be appealed to the Tax Revenue Appeals Board (TRAB).

Upon receiving an objection, the Commissioner General must act as per Section 52 (1)-(4) of the TAA by taking one of the following actions:

1. Agreeing with the objection.
2. Partially agreeing, subject to additional evidence.
3. Requesting further information or evidence to address concerns raised.

The taxpayer has 30 days to provide the requested clarifications or evidence. The Commissioner General must issue a final determination of the objection within six months of filing, as mandated by Section 52 (10) of the TAA. If no determination is made within this timeframe, the assessment or decision is deemed confirmed, as provided under Section 52(11) of the TAA.

If the taxpayer remains aggrieved after the objection decision, they may appeal to the TRAB in accordance with the Tax Revenue Appeals Act, Cap 408. The process can escalate further to the Tax Revenue Appeals Tribunal (TRAT) and ultimately to the Court of Appeal of Tanzania (CoA) for final resolution.

Critical aspects of the objection process

1. *Extension of time to file an objection*

Taxpayers unable to file an objection within 30 days may apply for an extension of time, citing valid reasons for the delay. Applications must be submitted at least seven (7) days before the 30-day period expires, as per Regulation 94 of the Tax Administration (General) Regulations, 2016. The Commissioner General is required to provide clear reasons for denying an extension, avoiding generic explanations.

2. *Application for waiver of tax deposit*

Taxpayers seeking a waiver of the deposit requirement must substantiate their financial difficulties with credible evidence, such as bank statements. Unsupported claims are likely to be rejected. The Commissioner General must provide explicit reasons for rejecting waiver applications.

3. *Purpose of deposit requirements*

Requiring a deposit during objection proceedings serves two key purposes:

- o Demonstrating the seriousness of the objection.
- o Ensuring the government's revenue flow to meet public obligations.

4. *Failure of the Commissioner General to determine objections*

If the Commissioner General fails to determine an objection within the six-month period, the assessment or decision is deemed confirmed. This creates an anomaly, as the taxpayer's concerns remain unaddressed. A more balanced approach, akin to the East African Community Customs Management Act, would favor resolving such cases in the taxpayer's favor if the prescribed timeline is exceeded.

In cases where no determination is issued, the taxpayer is left with no option but to appeal to the Tax Revenue Appeals Board (TRAB) without receiving an objection decision.

This places TRAB in a dual role: first, acting as if it were the Commissioner General reviewing the initial objection, and second, addressing the case as an appellate body.

Such a scenario complicates the dispute resolution process, burdens the system, and underscores the importance of the Tanzania Revenue Authority (TRA) resolving objections within the prescribed timeframe. Taking objections seriously and adhering to timelines is critical to fostering trust in the tax administration process.

5. Transparency in the objection prpocess

One significant issue is the lack of transparency regarding whether officers involved in issuing the original assessment also participate in the objection process. This raises legitimate concerns about impartiality, as decisions could be influenced by a bias towards upholding the original assessment. To enhance fairness and build taxpayer confidence, the TRA should establish clear and transparent guidelines separating the roles of assessment and objection review officers. This procedural clarity will go a long way in reinforcing public trust in the integrity of the tax system.

Conclusion

Tax objections are a cornerstone of the tax administration system, ensuring transparency, fairness, and active taxpayer engagement. They provide an essential mechanism for resolving disputes in a way that upholds taxpayers' rights while fostering confidence in the fairness of the tax system. To achieve effective tax compliance and maintain the integrity of the tax administration framework, it is critical to establish a clear, impartial, and efficient objection process. Addressing procedural inefficiencies, improving transparency, and enforcing timelines will help create a system that balances the rights of taxpayers with the revenue needs of the government.

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TAA vice-president calls for launch of mentorship programmes to improve community welfare

By ***CPA Victorius Kamuntu***

Tanzania Association of Accountants (TAA) vice-president Victorius Kamuntu has called for the need of having a mentorship programme aimed at capacity building to the community as a whole.

A mentorship programme is a talent development strategy that involves a more experienced employee (the mentor) sharing their knowledge and skills with a less experienced employee (the mentee).

The goal of the mentorship programme is to support and encourage the mentee's personal and professional development.

Mentorship programmes can be used for a variety of purposes, including succession planning, on-boarding, and learning and development.

"We need mentorship programmes by professionals and other areas of competence to solve community challenges. For example, the majority Tanzanians may have the money but they don't know where to invest that money. In this case the contribution of professionals is highly needed in mentorship programmes to enlighten the masses," Kamuntu said in an interview.

He said mentorship is needed for various groups of people engaged in businesses to enable them reap the benefits of their occupations they are engaged in.

"As professionals we have to engage in advocacy of challenges and problems afflicting our communities in the society. People need such services as education, health and water; and they should receive these services with no costs," Kamuntu explained.

"We need to mobilise resources through engagement with leaders at all levels to improve the lives of our people who seem to have been forgotten in the mainstream development process of the country."

Through mentorship programmes, Kamuntu called for improved networking (or team work) to be part and parcel of working relations in the society.

Cashew nut processing factory earmarked for Lindi Region

By ***Staff Writer, The Accountant***

Taruchina Cashew Growers Association (TCGA), through majority shareholding in Tanzania Cashew Growers PLC, will establish a state-of-the-art processing plant in the southern Tanzania Lindi region to produce high-quality, organic cashew kernels for export to the European market.

This venture, according to TCGA Chief Executive Officer CPA Victorius Kamantu, aligns with the growing global demand for organic and ethically sourced food products.

He says TCGA's control over the entire production process, from raw cashew nut cultivation to processing and export, ensures quality control and cost efficiency.

He explains that the European market's strong demand for organic cashew nuts, coupled with TCGA's commitment to quality, positions the association for competitive advantage.

"The project will create jobs, improve livelihoods for local farmers, and contribute to Tanzania's economic development. Robust financial projections indicate strong profitability and attractive returns on investment," emphasizes CPA Kamuntu, who is also the TAA Vice President.

"We invite investors to partner with TCGA in this impactful and profitable venture. Your investment will support the construction of a modern processing plant equipped with cutting-edge technology for efficient and sustainable production.

He says establishment of a robust supply chain will ensure a consistent supply of high-quality raw cashew nuts, promoting TCGA's organic cashew kernels in the European market.

For financing of start-up operations in 2025 there are available to Taruchina members 100,000 shares each at TSh 2,000 per share. A similar amount will be made available to non-member interested parties, CPA Kamuntu says.

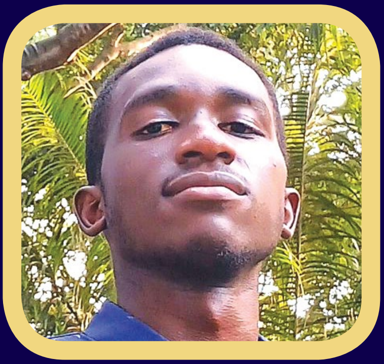
What undergraduate students say about entrepreneurship, self-employment

Bhuyegi Gimonge Nyaimaga

Going beyond the accounting profession through more research to explore the hidden and inherent truths applicable to every sector of national development is the ambition of 19-year-old Bhuyegi Gimonge Nyaimaga.

"I'm taking the accounting profession because in Tanzania most businesses and organisations need skilled accountants for financial transparency and business growth," says the University of Dar es Salaam undergraduate who enrolled in November this year to undertake a Bachelor of Commerce in Accountancy degree.

"I wish to see most businesses – especially small sectors of Tanzania – take accounting as necessary; more like other countries in the world. In this way, I'm doing accountancy as taking part in the development process of my country," adds Bhuyegi, the last born in a family of four.



Peter Ndaki:

Nineteen-year-old Peter Ndaki is an undergraduate student at the University of Dar es Salaam (UDSM) determined to become a successful businessman upon completion of his studies if all goes according to plan.

Ndaki is a currently a first-year student at UDSM taking a Bachelor of Commerce in Accounting after completing his Form VI at Kibaha Secondary School.

He believes that people can achieve anything when presented with the right development and growth opportunities--the technology, content, expertise, and specialized focus as the cornerstone of development.

"My priority now is to get good education in order to build a solid foundation for becoming a successful entrepreneur," he says.

"I'm happy that the Tanzania Association of Accountants is helping us to build the foundation of becoming self-employed."

What young Accountancy practisioners say about their carrier

Audrey Lawrence

"AS a young professional in the field of accountancy, I thank the Tanzania Association of Accountants (TAA) for being a platform to nurture our talents," says 25-year-old Audrey Lawrence, a tax associate at PWC Tanzania.

Audrey is a graduate of the University of Dar es Salaam who completed her Bachelor of Commerce in Finance degree before securing employment with PWC Tanzania.

"My ambition is to become a reputed professional in my chosen career. I want to be an international figure in this profession. What I want to do is to have continuous education in this field," she explains.

"To us (young professionals) TAA is better platform where we can discuss and address the changes taking place in the field.

Joshua Mwakyambiki

Joshua Mwakyambiki, 35, an Internal Auditor with the Regional Commissioner's Office in Kilimanjaro region, says he is enjoying his job because "that is what I had studied when pursuing my Bachelor of Commerce in Accountancy degree at the University of Dodoma.

"I want to become a Certified Public Accountant (CPA) and a respected internal auditor. As an employee, I want to know my prospects for career development, both in my current role and where I can go next. I want to be heard and be more than just a cog in the wheel of an organization," Mwakyambiki says of his expectations.

Successful leadership approaches for accountants across generations

By **Fom CPA Yona Nathan Bulangwahe**
(Bcom Accounting, Msc MAF, Dip IPSAS, ACPA PP)

Managing accountants across different offices requires practical leadership strategies that cater for their generational characteristics. By acknowledging these differences, leaders can implement customised approaches to foster motivation and productivity.

Baby Boomers (1946–1964)

They are known for their strong work ethic, loyalty, and career dedication. They appreciate stability, structured work settings, and face-to-face communication. Although they may not be as tech-savvy as younger generations, they are open to learning with the proper guidance. Job security, recognition of their experience, and the chance to mentor others motivate them. To lead Baby Boomer accountants effectively, respecting their knowledge and experience is crucial. Involving them in decision-making and communicating is essential. Providing flexible retirement options and opportunities for mentoring can also make them feel valued. Patient and supportive technology training can ease their transition into modern work processes.

Generation X (1965–1980)

Employees are independent, resourceful, and pragmatic. They value work-life balance and prefer straightforward, honest communication. While comfortable with technology, they generally favour simple, practical solutions. Autonomy, opportunities for professional growth, and the ability to balance work with family responsibilities motivate them. Effectively managing Generation X accountants involves delegating tasks and allowing autonomy in decision-making. Recognising their contributions and providing flexible work arrangements, such as remote work or flexible hours, can enhance their engagement. Precise goal setting and avoiding micromanagement are essential to maintain productivity and satisfaction.

Millennials (1981–1996)

Are collaborative, team-oriented, and driven by purpose. They thrive in environments that offer opportunities for personal growth and meaningful work. Being digital natives, they are highly comfortable with technology and prefer frequent feedback and recognition. Clear career advancement paths, mentorship, and a sense of purpose in their roles motivate Millennials. To effectively lead Millennial accountants, managers should provide clear pathways for career development and continuous learning opportunities. Encouraging teamwork and fostering a collaborative culture will align with their preference for social interaction. Regular feedback and recognition are vital to keeping them engaged while leveraging technology can enhance communication and streamline tasks.

Generation Z (1997–2012)

Accountants are entrepreneurial, innovative, and quick learners. They value diversity, inclusion, and flexibility in their work environments. Highly tech-savvy individuals prefer digital communication tools and creative solutions. Opportunities for creativity, independence, and contributing to social impact initiatives motivate Generation Z. Managers should focus on creating a flexible work environment with options for remote work and adaptable schedules.

Implementing advanced technology into daily tasks can increase their engagement and efficiency. Encouraging innovation and offering opportunities to contribute to socially responsible projects will help foster their commitment and productivity.

By understanding each generation's distinct characteristics and values, leaders can create tailored strategies to motivate and manage accountants effectively. This ensures a coherent and high-performing accounting team.

• Fom CPA Bulagwahe is Trainer at DSM CPA Review Center

How to become a TAA member

For one to become a TAA member, a membership application form is obtained from the TAA secretariat and filled according to instructions with requisite copies of certificates attached thereto. Also, registration can be done online. The dully filled application form together with a non-refundable registration fee of TZS 20,000/= (accounting student registration fee is 5,000/=) are submitted to the secretariat or online. After approval for admission by the Council, the applicant is notified and required to pay the annual subscription fee, where after the membership ID is issued.

Category of Membership	Application Fees		Annual Subscription Fees	
	Old Fees in TZS	New Fees in TZS	Old Fees in TZS	New Fees in TZS
Provisional, Associates and Fellows	20,000.00	20,000.00	100,000.00	50,000.00
Accounting Technicians	20,000.00	20,000.00	20,000.00	20,000.00
Accounting Firms - Large	20,000.00	20,000.00	300,000.00	300,000.00
Accounting Firms - Medium	20,000.00	20,000.00	300,000.00	200,000.00
Accounting Firms - Small	20,000.00	20,000.00	300,000.00	100,000.00
Training Institutions	20,000.00	20,000.00	200,000.00	100,000.00
Professional Associations	20,000.00	20,000.00	200,000.00	50,000.00
Students' Association	Free	Free	100,000.00	Free
Students	5,000.00	5,000.00	10,000.00	5,000.00

Come one, Come all Accountants and Auditors. Because in TAA membership, sky is the limit in skills development and networking

Obituaries

NBAA mourns departed CPA Milton Mailos Lupa

The National Board of Accountants and Auditors (NBAA) on June 9, 2024, conveyed a condolence message to the family, parents, relatives, friends and neighbours of the late CPA Milton Mailos Lupa who suddenly died in a road accident on June 4, 2024, while travelling from Dar es Salaam to Dodoma on official duties. The accident occurred at Dumila in Kilosa district, Morogoro region.

"We've been saddened by the death of our beloved one. His death has been sudden; we fellow workers have received this information with great sadness," a condolence message by the NBAA Executive Secretary said.

"The management and NBAA workers join the family, relatives and friends in mourning this death."

Documents that the deceased had presented to his employer during his lifetime show his fully carrier and employment history:

CPA Milton Mailos Lupa was born on March 14, 1970.

In January 8, 2024 CPA Lupa Was transferred to NBAA as Chief Accountant Grade I where he worked until his death

The deceased was a hardworking person who loved self-advancement in his career, his organization and the welfare of fellow workers in general. He was a member of the boards of various organisations in different capacities

"For those who knew the late Lupa, they would agree with me that he was an exemplary worker worth of emulation by fellow workers. It isn't his family that has lost CPA Milton Mailos Lupa, but also the government, through the Ministry of Finance, NBAA and the nation at large, has a huge gap left by the deceased which is beyond comprehension," the message by the NBAA Executive Secretary said.

"CPA Milton Mailos Lupa's death has left tears for the NBAA community, relatives and friends. But, it is important to remember that while we 'valued Lupa's life more than we can chew, the Almighty God, our Creator, loved Lupa more than us. The only thing for us is to pray for him as we also prepare ourselves for this eternal journey."

The NBAA management thanked the management, doctors and nurses of St John's Hospital in Morogoro for their efforts to serve the life of CPA Lupa, Mzumbe University for the assistance in transporting the body of the deceased to Dar es Salaam and the Muhimbili National Hospital for preservation services.

CPA Method Anatoli Kashonda: Fallen leading light of accountancy profession in Tanzania

CPA Method Anatoli Kashonda was born on February 15, 1945, at Nabutaizi village, Kiziba division, Missenyi district in Kagera region.

He was the second child of two boys born to a family of Omtwale Anatoli Kashonda and Omwana MariaDorosta Kokushobokelwa Lwamulazwa. His brother, who died many years ago while at primary school, was Silidion Anatoli Kashonda.

Method's education journey began at Kyambare Primary School in Missenyi district, Kagera region.

Between 1956 and1959, he attended Mugeza Middle School in Bukoba municipality before pursuing his secondary education at St Thomas More College Ihungo in Bukoba municipality between 1960-1965. He excelled both in the Cambridge School Certificate Ordinary Level and the Cambridge High School Certificate Higher Certificate.

- 1966, the late Kashonda joined the University of Dar es Salaam where he pursued a B.A. degree in Economics, History and Education.
- October 1966, he cancelled his studies and joined Williamson Diamonds Ltd Mwadui.
- 1968-1972 - joined the North London Polytechnic for accountancy studies.
- 1972, the late Kashonda won recognition by the Association of Chartered Certified Accountants (ACCA).
- 1982 -- he was registered with the international ACCA Board
- 2002 graduated with an MBA from Mzumbe University
- He was CPA certificate by the National Board of Accountants and Auditors (NBAA).

The late Kashonda was a leading figure in the accountancy profession in Tanzania and beyond.

As we grieve for his departure, so are other people elsewhere who knew him, who worked with him, who went to school and college with him, those whose lives have been made better because of his help.... The list is long and endless for what Kashonda did to this nation.

Events in Pictures

TAA President CPA Godvictor Lyimo (third right) joins other mourners for a prayer for the departed CPA Milton Lupa.

The body of the deceased CPA Lupa being carried ready for a prayer before final respect.

TAA President Godvictor Lyimo delivers condolences following the death of the association's member CPA Method Kashonda who died in Dar es Salaam on November 9, 2024

TAA President CPA Godvictor Lyimo pays his last respects to the body of the Association's departed member, CPA Method Kashonda.

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TAA smells Gold in 2027 AFCON finals

*By **Staff Reporter, The Accountant***

Tanzania Accountant Association (TAA) is poised to strike gold during the Africa Cup of Nations (AFCON) which Kenya, Uganda, and Tanzania jointly host in 2027.

The advantages of hosting AFCON in 2027 are undeniably enticing, from economic boosts and international exposure to sports development and regional cooperation, there are also some not-so-glamorous aspects to consider.

Serving as an accountancy professional association for accountants and auditors, the Association's Chief Executive Officer (CEO), Winfrida Ngaraguza, believes TAA will have a lot to serve before and during the continental football showpiece.

Ms Ngaraguza (pictured) says since big events like AFCON also promote many other businesses like accommodation, budgeting, earning, procurement, and or logistics, TAA has a hand to play in most of these.

According to Ms Ngaraguza, accountancy companies and sports practitioners in international or global level events require accountants to manage their financial matters effectively.

"Since we help with financial planning, tax compliance, budgeting, and ensuring accurate financial reporting, which are crucial for maintaining financial health and making informed decisions, good accounting and auditing play a big role in planning these events to the desired success," said Ms Ngaraguza.

TAA is likely to be the busiest body before and during the AFCON kick-off as the Association's CEO noted due to its efficiency in providing various services, including bookkeeping, financial statement preparation, tax planning, payroll processing, budget analysis and economic forecasting.

"We help major sporting businesses track revenue, expenses and profitability while ensuring compliance with financial regulations," she explained.

Additionally, the TAA CEO said besides working with the organizers, her Association can services to advertisers, athletes, and their officials to enable them to manage their earnings, investments and taxes.

"Since we offer advice on structuring contracts and handling endorsement income, creating retirement plans, we ensure they make the most of their earnings while securing their financial future," she explained.

Risk management is one of the areas, which TAA will be fully involved according to the firm's CEO.

"We as accountants assist in risk management by conducting financial analyses to identify potential areas of concern. For businesses, this could involve assessing cash flow fluctuations, while for athletes, it might include evaluating investment opportunities or potential financial scams," she noted.

What else beckons the involvement of TAA experts before and during the continental level football showpiece, the CEO said there is more than what is publicly revealed and that is winning or losing matches, but those who are operating behind the scenes and making things run smoothly, like accountants are publicly not known.

"We as accountants, prepare various financial informations, including income statements, balance sheets, cash flow statements and profit and loss statements. These reports provide a clear overview of financial performance, helping sports events end well and profitably. When a country decides to host an international sports considers much business and socio-economic gains," noted the TAA CEO.

As Tanzania, Uganda, and Kenya embark on this exhilarating journey of co-hosting AFCON 2027, the TAA CEO feels it is now the right time for her Association to be involved in planning and goal setting as balancing economic gains and logistical challenges will be delicate..

She said accountants assist in creating financial plans and setting realistic goals. For businesses, this involves projecting revenue, expenses and profitability, while for athletes, it could mean setting financial goals for retirement, investments and other life events.

"A well-structured budget can guide spending, prevent overspending, and efficiently allocate resources," she added.

Careful financial planning and diligent budget management will be key aspects in this outfit.