



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



TANZANIA STANDARD (NEWSPAPERS) LIMITED

**REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE
FINANCIAL AND COMPLIANCE AUDIT FOR THE FINANCIAL YEAR ENDED
30 JUNE 2024**

Controller and Auditor General,
National Audit Office,
Ukaguzi House,
Mahakama Road,
P.O. Box 950,
41104 Tambukareli,
Dodoma, Tanzania.
Tel: 255 (026) 2161200-9,
E-mail: ocag@nao.go.tz
Website: www.nao.go.tz

March 2025

AR/PA/TSN/2023/24

Mandate

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



Independence and objectivity

We are an impartial public institution, independently offering high-quality audit services to our clients in an unbiased manner.

Teamwork Spirit

We value and work together with internal and external stakeholders.

Results-Oriented

We focus on achievements of reliable, timely, accurate, useful, and clear performance targets.



Professional competence

We deliver high-quality audit services based on appropriate professional knowledge, skills, and best practices

Integrity

We observe and maintain high ethical standards and rules of law in the delivery of audit services.

Creativity and Innovation

We encourage, create, and innovate value-adding ideas for the improvement of audit services.

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

TABLE OF CONTENTS

ABBREVIATIONS.....	iii
1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL	1
1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS	1
1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS	4
2.0 THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024.....	5
3.0 STATEMENT OF RESPONSIBILITIES BY THOSE CHARGED WITH GOVERNANCE	48
4.0 STATEMENT OF DECLARATION OF THE MANAGER OF FINANCE AND ACCOUNTS	49
5.0 FINANCIAL STATEMENTS	50
6.0 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024	54

ABBREVIATIONS

ACPA	Associated Certified Public Accountant
AR	Audit Report
CAG	Controller and Auditor General
CPA	Certified Public Accountant
ECL	Expected Credit Loss
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome
IAS	International Accounting Standards
ICT	Information and Communication Technology
IFRS	International Financial Reporting Standards
IPSAS	International Public Sector Accounting Standards
ISSAIs	International Standard of Supreme Audit Institutions
NBAA	National Board of Accountants and Auditors
PA	Public Authorities
PAC	Public Accounts Committee
PSSSF	Public Services Social Security Fund
TSN	Tanzania Standard Newspaper
TZS	Tanzania Shillings

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Chairperson of Directors,
Tanzania Standard (Newspapers) Limited,
Daily News Building, Plot No. 11/4,
Mandela Road Expressway,
PO Box 9033,
DAR ES SALAAM.

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of Tanzania Standard (Newspapers) Limited, which comprise the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, as well as the notes to the financial statements, including a summary of material accounting policies.

In my opinion, the accompanying financial statements present fairly in all material respects, the financial position of Tanzania Standard (Newspapers) Limited as at 30 June 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) issued by International Accounting Standard Board and the manner required by the Public Finance Act, Cap. 348.

Basis for Opinion

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

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

Key Audit Matters

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

Other Information

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Further, Section 48(3) of the Public Procurement Act, Cap. 410 requires me to state in my annual audit report whether or not the audited entity has complied with the procedures prescribed in the Procurement Act and its Regulations.

1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS

1.2.1 Compliance with the Public Procurement laws

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

I performed a compliance audit on the procurement of works, goods, and services in the Tanzania Standard (Newspapers) Limited for the financial year 2023/24 as per the Public Procurement laws.

Conclusion

Based on the audit work performed, I state that procurement of goods, works and services of Tanzania Standard (Newspapers) Limited is generally in compliance with the requirements of the Public Procurement laws in Tanzania.

1.2.2 Compliance with the Budget Act and other Budget Guidelines

Subject matter: Budget formulation and execution

I performed a compliance audit on budget formulation and execution in Tanzania Standard (Newspapers) Limited for the financial year 2023/24 as per the Budget Act and other Budget Guidelines.

Conclusion

Based on the audit work performed, I state that Budget formulation and execution of Tanzania Standard (Newspapers) Limited is generally in compliance with the requirements of the Budget Act and other Budget Guidelines.


Charles E. Kichere
Controller and Auditor General,
Dodoma, United Republic of Tanzania.
March 2025



2.0 THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024

2.1 INTRODUCTION

Pursuant to the Tanzania Financial Reporting Standard No. 1 issued by the NBAA by those Charged with Governance, the Company Directors present this report and financial statements of the Tanzania Standard (Newspapers) Limited (the "Company") for the Year ended 30 June 2024, which disclose the results of operations and the state of affairs of the Company.

The report is addressed to primary users and other stakeholders by setting out analysis of the Company's operations and financial review, with a forward-looking orientation. The report also provides information about the strategies adopted by the Company and their potential success in creating value over the short-term, medium-term, and long-term periods.

2.2 ESTABLISHMENT

The Tanzania Standard (Newspapers) Limited (TSN) is a government - owned Media Company charged with the responsibility of holding all investments regarding the publication and distribution of Government newspapers. The Company has been in operation since 1930 and is the oldest media house in Tanzania. It started off as Tanganyika Standard Limited under the ownership of East Africa Consolidated Holdings and was later sold to Lonrho of London, England. In 1961, the Company was reorganized into Tanganyika Standard (Newspapers) Limited and Printpack Tanganyika Limited (PTL). The Company was nationalized in 1970 and became a public media house owned by the Government of the United Republic of Tanzania.

2.3 THE CORPORATE OUTLOOK

The Company is guided by the following Vision, Mission and Values as provided hereunder.

VISION

The Vision statement provides the outlook and direction of the Company to enable employees to undertake their responsibilities with a common purpose. The Company's vision is:

"To be the most preferred media services provider in Africa".

MISSION

The mission statement summarizes the Company's purpose of existence and how customers' expectations will be met. The Company's mission is:

"Through innovation and the use of modern technologies, the Company continues to offer credible and reliable information services to its esteemed customers while maintaining the highest degree of professionalism".

CORE VALUES

Trust, reliability, and accountability cement everything we do

The Company is dependable for the news and information we provide and carefully manages the relationships we develop. Each of us at the Company is responsible for our words, our actions, and our results.

We value independence and impartiality in whatever we do.

The Company believes in doing business with impartiality and independence.

Our main drives are Excellence and Service to the public and customers.

The Company believes in doing things properly with honesty, integrity, courage, and care. Our biggest concerns are the public and customer interests; thus, we will consistently deliver quality products and services with care.

Devotion to national interest is at the heart of our operations.

National interests are at the core of our dedication to serving the Government and the public.

Creativity is the order of our business.

At the Company, we believe in continuous improvement, adaptation, and creative problem-solving in everything we do.

2.4 NATURE OF OPERATIONS

2.4.1 Descriptions of the nature of the operations

The Company is owned by the Government of the United Republic of Tanzania. Being a government owned Media House, its primary goal is to serve the interest of the people of Tanzania and to function as a vehicle of communication between the Government and its people.

The Company publishes four (4) country's leading and most reliable newspapers in both English and Kiswahili languages. English newspapers are the Daily News and Sunday News while HabariLEO is a daily Kiswahili newspaper and SpotiLeo is a weekly Kiswahili sports newspaper. The Company also maintains online editions of the main newspapers and provides news services through digital media platforms such as websites, YouTube channel and social media accounts.

It owns Commercial Printing, Digital Archive, Media Consultancy and pre-press facilities with an elaborate product distribution network throughout the country.

The Company has a unique business nature characterized by various parameters. On one hand, the Company is a newspaper company owned by the Government of the United Republic of Tanzania established to provide information, education, and entertainment to the public while making profit through its business activities.

On the other hand, the Company which serves as a government mouthpiece necessary for communicating Government policies and maintaining national security, peace and stability is classified as a Public Institution and is bound by relevant policies, directives, rules, and regulations.

The Company is entrusted with the following core functions.

- (i) To stand as the channel that conveys Government information to the public and from the public to the Government.
- (ii) To stand for the interests of the people of Tanzania and place the national interest ahead of business gains.
- (iii) To stand as the only Government print media to report on the ongoing social, economic and political developments taking place nationally and internationally.
- (iv) To support Government policies and agenda; and
- (v) To initiate and participate in discussions on subjects relevant to national development.

2.4.2 Industry in which the entity operates.

The media industry includes all the organizations that generate, store, and share news/information with consumers using communication methods and tools. The organizations in the media industry commonly use various ways to share information including televisions, radio, social media, films, video games and music.

Important areas of the media industry are printing, audiovisual and online. The media industry is a branch of a broader culture and entertainment industry. Advertising is an important generator of turnover for all type of media. Numerous business models are to some or even to the full extent based on the incorporation of advertising messages.

The print media industry is undergoing massive transformation including increase in business competition and technological changes. For instance, in 1970 when TSN was nationalized, the Company was the only English language print media house in the country. In 2016, there were more than eight hundred (800) registered private newspapers in the country. However, as of July 2021, almost two thirds of these newspapers had closed due to various reasons including unfavourable market, leaving only two hundred and fifty-seven (257) in circulation.

Moreover, rapid advancement in Information and Communication Technology (ICT), as well as in broadcasting technologies, has facilitated the emergence of alternative media and sources of news. Currently, readers have ample options due to the diffusion and adoption of the internet, mobile phones, mobile applications, and social media services. This situation has made it possible for news content providers to converge their products into text, audio, and video (Digital Media Services) hence intensify competition in the market. As a business-oriented company, TSN has adopted technology and related innovations into this new business environment to operate profitably.

As one of the key players in the media industry, TSN aspires to transform itself into a media house that provides value added services to its stakeholders.

2.4.3 Services, customers, business processes and distribution methods

The Company publishes four (4) country's leading and most reliable newspapers in both English and Kiswahili languages. English newspapers are the Daily News and Sunday News while Habari LEO is a daily Kiswahili newspaper and Spoti Leo is a weekly Kiswahili sports newspaper. The Company also maintains online editions of the main newspapers and provides news services through social media platforms such as Facebook, Twitter, Instagram, and YouTube. The Company publishes four (4) English and eight (8) Kiswahili weekly themed pull-outs, namely Business Standard, Academy, Woman, Score, "JamiiYetu", "Ulingo wa Siasa", "Elimika", "Maarifa", "Urithi Wetu", "Nyota", "Penalti Box" and "Frii Kiki".

The pull-outs target specific groups of readers. Furthermore, TSN owns a printing and pre-press facility which was acquired in 2006.

(i) Distribution

Distribution is the most fundamental and the most pervasive process of newspapers business. It manifests itself through the plan of action of which the Company has adopted over time. Distribution in Dar es Salaam is done in two tiers through newspapers agents' system and newspapers subscription system. The former involves delivery of newspapers to agents at established 10 active drop-off points across the city. The latter is by means of "subscription sales officers" who sales newspapers to the corporate customers.

On the other hand, distribution in upcountry regions is done through hired vehicles on cost sharing basis with other media companies.

(ii) Customers

TSN customers are grouped into segments depending on the media consumption habit, income. Lifestyle, interest, purchase frequency, education, and economic activity status.

For ease of targeting and positioning strategy the company serves the following segments.

- (a) Government Ministries, Departments and Agencies (MDAs) and Local Government Authorities (LGAs);
- (b) TSN's service providers;
- (c) Newspapers agents and street vendors;
- (d) Advertisers;
- (e) Government and private Institutions;
- (f) Politicians;
- (g) Diplomatic Missions;
- (h) Newspaper readers and subscribers; and
- (i) The public.

2.4.4 External Environment

Analysis of Corporation's External Environment

Every organization is impacted by its surrounding environment. As a result, the following is a summary of the analysis of external environment issues that could have an impact on the operations of the Corporation:

(a) Market and Competitive Position

One of the company's brands is the DAILY NEWS which is one of the experienced, most respected, and influential newspaper in Tanzania and its coverage of the national and international news is widely read by business community, almost all the government offices, at the level of corporate, academicians, researchers, and individuals.

It has always been commanding a higher market share than its closest competitors in the English category.

The company also owns HabariLEO newspaper which commands the second market position after Mwananchi.

The main competitors in the news media market are: The Guardian, Citizen, Mwananchi, Nipashe and Uhuru. These newspapers compete for readers, advertisers, and prestige. They all have strong reputations for quality journalism, and they all offer a variety of news and information products, including print newspapers, websites, and mobile apps.

Daily News competitive position is strong. It has a long and distinguished history and experience since 1930. It is known for its quality journalism.

The company is repositioning to take a lead in digital media to grow its electronic media subscription base.

However, the news media industry is facing challenges, including declining advertising revenue and the rise of social media. The company is investing in new technologies and strategies to address these challenges, and it is committed to remaining a leading source of reliable news and information in Africa.

(b) Legislative and Regulatory Environment

The legislative and regulatory environment for news media in Tanzania is complex and constantly evolving.

The government especially the six-phase government has been supportive to the media in general. In recent years we have witnessed conducive working environment for journalists.

There are several organizations working to promote media freedom and pluralism. These organizations include the Media Council of Tanzania, the Editors Forum, and the Human Rights Defenders Coalition.

(c) The legitimate needs and interests of key stakeholders

The Company embraces the needs and interests of key stakeholders in its decision making. In this regard, the Company has identified eight categories of stakeholders: the Government, employees, suppliers, business partners, customers, society, regulators, and policymakers.

(d) Macro and Micro Economic Conditions

These two economic conditions influence the functionality of the Company in terms of operational capabilities as well as its sustainability. The Macroeconomic condition consists of external factors that the company itself does not have any control but is certainly affected by. The factors that make up the macro-environment are economic factors, demographic forces, technological factors, natural and physical forces, political and legal forces, and social and cultural forces. Micro economic conditions include customer base, suppliers, competitors, and the public.

During the year under review, both macro and micro conditions affected the company negatively in terms of revenue collections and operation cost.

(e) Market Forces

The market forces that affect the news media market are constantly changing. The rise of new technologies, such as the internet and social media, is having a major impact on the way news is produced and consumed. These forces have had an impact on the company's performance and is likely to continue to change the news media market in the years to come.

The forces of demand for news and supply of news have affected the level of interest in current events as availability of other sources of information has continued to be easier and faster as the level of technology continues to advance.

The supply of key raw materials such as newsprint, ink and plates has also negatively affected the production cost due to unstable exchange rates and interest rates.

(f) The speed and effect of technological Change

The Company strives to keep up with rapid technological changes in effective service delivery as a player in news business. The Company focuses on development in information technology and improvements in technology related to the industry.

In the year 2023/24, the Company continued to invest in digital media to reach and serve its existing and potential readers more effectively. In enhancing the use of technology, the Company upgraded its news-website (Daily News - www.dailynews.co.tz, HabariLEO - www.habarileo.co.tz and SpotiLeo - www.spotileo.co.tz). Moreover, the Company also embarked on massive improvement on its app (TSN App) as well as enhancement of real-time content for Company's social media platforms (a YouTube Channel, Facebook, Instagram, Twitter, and TikTok). **Societal Issues**

The company is working in the areas that involve shared culture and attitudes of the population in which the organization is operating. In this regard, the Company has been participating and supporting the societies programs under the corporate social responsibilities.

(g) Environmental Challenges

The environmental challenges facing media companies are complex and interconnected. They range from energy, wastes, drought, and production related. However, the company has been taking the following steps to reduce the environmental impact, such as.

- (i) Planning to use renewable energy sources such as solar power as this will help reduce reliance on fossil fuels during TANESCO power rationing;
- (ii) Planning to reduce the amount of waste by recycling papers and composing.
- (iii) The company has a water-well in its headquarters where rainwater is collected and conserved for reuse; and
- (iv) The company has been using its media outlets to educate and inform the society about environmental conservation and climate change through news stories and articles.

(h) Political Environment

The political environment in the country is calm for the Company to perform its functions without political challenges. As well, there was no political interference to the Company in exercising its mandate.

2.5 OBJECTIVES AND STRATEGIES

As per the current Company Strategic Plan (2021/22 - 2025/26), there are six (6) Strategic Objectives developed to show the scope of dispensation of duties and functions of the Company as indicated below:

Table 1: Strategic Objectives and Strategies

S/N	Strategic Objective	Targets
A	Management of employees' wellness, HIV/AIDS, and non-communicable diseases improved	<ul style="list-style-type: none"> i. Employee wellness policy and program approved and launched by December 2025 ii. Print materials for HIV/AIDS and non-communicable disease education produced annually iii. At least 1 training workshop on HIV/AIDS and non-communicable diseases is offered quarterly iv. onsite counselling and testing services for HIV/AIDS and non-communicable disease offered by TSN by March 2026
B	The fight against corruption enhances	<ul style="list-style-type: none"> i. TSN's Commitments to anti-corruption integrated with business processes by December 2024 ii. Whistleblower protection Policy Developed and approved by December 2023 iii. Print materials providing organizational education on anti-corruption developed and distributed annually iv. Awareness workshops to TSN staff on anti-corruption conducted quarterly
C	Financial sustainability enhanced	<ul style="list-style-type: none"> i. At least 2 funding proposals developed annually from 2023 ii. Launch at least one new revenue stream annually from June 2023 iii. Feasibility assessment on TSN'S penetration in East Africa conducted by January 2024 iv. Swahili content market penetration strategy for TSN's Swahili content products through traditional and digital media developed by August 2024 v. Swahili content through traditional and digital media launched by TSN by December 2024
D	Competent, innovative, committed and well-motivated human resources developed	<ul style="list-style-type: none"> i. Revised Performance Management System approved by the Board and launched by June 2023 ii. Develop a comprehensive program for culture change at TSN by July 2023 iii. Comprehensive culture change program for TSN launched by August 2023 iv. Employee capacity needs assessment conducted by July 2023 v. Employee capacity development program approved and launched by August 2023 vi. Grievances handling procedures developed by December 2023

TANZANIA STANDARD (NEWSPAPERS) LIMITED (TSN)

S/N	Strategic Objective	Targets
		vii. Grievances handling procedures and guidelines approved and launched by January 2024
		viii. Working environment improvement plan approved and launched by January 2023 and implemented annually
		ix. Automatic Revenue collection system developed and launched by May 2023
		x. Equipment recovery Fund established by June 2025
		xi. Conduct viability assessment on the capacity needs of the bureau office to run as semi-autonomous offices in June 2025
		xii. Operational guidelines for bureau offices developed and approved by October 2023
		xiii. Electronic customer Relationship Management System established by January 2024
		xiv. A fully operational planning and monitoring unit established by December 2023
		xv. Operational Guidelines for a fully-fledged consultancy unit developed by June 2023
		xvi. A fully-fledged consultancy unit established by June 2024 Operational Guidelines for a fully-fledged digital Marketing unit developed by January 2023
		xvii. Capacity of commercial printing unit increased by 50% by December 2024
		xviii. Point of sale display distributed to all vendors annually
		xix. TSN products branded in DART busses and TRL SGR station by December 2024.
		xx. Social media engagement and visibility increased by 25% annually.
		xxi. Corporate promotional strategy for TSN developed, approved, and launched by March 2023
		xxii. Brand TSN products in key public spots in capital cities of East Africa Community members by December 2024
		xxiii. Revise editorial contents by December 2025
		xxiv. All TSN newspapers re-launched in a new design and layout by January 2026
		xxv. New route to market and market activation plan developed by December 2023
		xxvi. At least 10 new markets (with a special focus on untapped rural markets) are activated annually.
		xxvii. Online marketing strategy for TSN products and services developed by June 2023
		xxviii. Increase online sales and subscriptions by 20% quarterly
		xxix. Develop a market-entry strategy for the East African community market by June 2024.
		xxx. MoU between ATCL and TSN entered by December 2023.

TANZANIA STANDARD (NEWSPAPERS) LIMITED (TSN)

S/N	Strategic Objective	Targets
		xxxi. MoU between TSN and DART entered by December 2023. xxxii. MoU between TSN and TRC SGR entered by December 2025. xxiii. Full-fledged studio for digital content production established by December 2023 xxiv. Digital library/ archives launched and monetized by June 2023 xxxv. Audience growth rate of 10% achieved annually xxvi. Impression growth rate of 10% achieved annually xxvii. TSN event management product launched by the end of December 2023 xxviii. Media Consultancy services launched fully by January 2024 xxix. Syndication of contents with other media houses especially electronic communication media houses launched by June 2024 xl. Affiliate marketing services launched by June 2025 xli. Publish at least 2 articles weekly covering sports and lifestyle, youth employability and entrepreneurship, entertainment, education, investigative, movies, financial literacy in both Swahili and English newspapers xlii. Publish at least 2 supplements quarterly covering gender, youth, entrepreneurship in English and Swahili newspapers xliii. Publish at least 2 supplements quarterly covering strategic government projects in English, Swahili newspapers, and digital platforms xliv. Publish at least 2 supplements quarterly profiling Government MDAs, LGAS, and public corporations in Swahili, English newspapers, and digital platform xlv. Publish at least 2 regional supplements in Swahili and English newspapers and on digital platforms quarterly xlvi. Conduct at least 2 regional forums quarterly
E	Management and governance systems enhanced	i. Automatic Revenue collection system developed and launched by May 2023 ii. Equipment recovery Fund established by June 2025 iii. Conduct viability assessment on the capacity needs of the bureau office to run as semi-autonomous offices in June 2025. iv. Operational guidelines for bureau offices developed and approved by October 2023 v. Electronic customer Relationship Management System established by January 2024 vi. A fully operational planning and monitoring unit established by December 2023

TANZANIA STANDARD (NEWSPAPERS) LIMITED (TSN)

S/N	Strategic Objective	Targets
		<ul style="list-style-type: none"> vii. Operational Guidelines for a fully-fledged consultancy unit developed by June 2023 viii. A fully-fledged consultancy unit established by June 2024
F	Products, services, and market position enhanced	<ul style="list-style-type: none"> i. Capacity of commercial printing unit increased by 50% by December 2024 ii. Point of sale display distributed to all vendors annually iii. TSN products branded in DART busses and TRL SGR station by December 2024 iv. Social media engagement and visibility increased by 25% annually v. Corporate promotional strategy for TSN developed, approved, and launched by March 2023 vi. Brand TSN products in key public spots in capital cities of East Africa Community members by December 2024 vii. Revise editorial contents by December 2025 viii. All TSN newspapers re-launched in a new design and layout by January 2026 ix. New route to market and market activation plan developed by December 2023 x. At least 10 new markets (with a special focus on untapped rural markets) are activated annually xi. Increase online sales and subscriptions by 20% quarterly xii. Develop a market-entry strategy for the East African community market by June 2024. xiii. MoU between ATCL and TSN entered by December 2023. xiv. MoU between TSN and DART entered by December 2023. xv. MoU between TSN and TRC SGR entered by December 2025. xvi. Full-fledged studio for digital content production established by December 2023 xvii. Audience growth rate of 10% achieved annually xviii. Impression growth rate of 10% achieved annually xix. TSN event management product launched by the end of December 2023 xx. Media Consultancy services launched fully by January 2024 xxi. Syndication of contents with other media houses especially electronic communication media houses launched by June 2024 xxii. Affiliate marketing services launched by June 2025 xxiii. conduct 2 regional economic forums quarterly xxiv. Publish at least 2 articles weekly covering sports and lifestyle, youth employability and entrepreneurship, entertainment, education,

TANZANIA STANDARD (NEWSPAPERS) LIMITED (TSN)

S/N	Strategic Objective	Targets
		investigative, movies, financial literacy in both Swahili and English newspapers
		xxv. Publish at least 2 supplements quarterly covering gender, youth, entrepreneurship in English and Swahili newspapers
		xxvi. Publish at least 2 supplements quarterly covering strategic government projects in English, Swahili newspapers, and digital platforms
		xxvii. Publish at least 2 supplements quarterly profiling Government MDAs, LGAS, and public corporations in Swahili, English newspapers, and digital platform
		xxviii. Publish at least 2 regional supplements in Swahili and English newspapers and on digital platforms quarterly

Source: Corporate Strategic Plan (2021/22-2026/27)

Objectives and Outcome Indicators

- a. Management of employee wellness, HIV/AIDS and non- communicable diseases improved.
 - Percentage of staff voluntarily tested on HIV/AIDS;
 - Number of staff attending NCD programs; and
 - Percentage of staff disclosing their HIV/AIDS health status.
- b. The fight against corruption enhances.
 - Number of corruption incidences reported.
- c. Financial sustainability enhanced.
 - Current liquidity ratio;
 - Percentage change in Profitability;
 - Percentage change in non-performing debt;
 - Percentage of revenue collected; and
 - Audit opinion.
- d. Competent, innovative, committed, and well-motivated human resources developed.
 - Percentage of filled positions to the establishment; and
 - Employee satisfaction levels
- e. Management and governance systems enhanced.
 - Quality of management systems

- f. Products, services, and market position enhanced.
- Market share for each product and service provided by TSN; and
 - Social media impression and followers

2.6 ENTITY OPERATING MODEL

Structure of the entity's operation, and its economic model

TSN is governed by a Board of Directors consisting of a Chairman and Seven members including the Managing Director. The Board is the highest decision-making organ of the Company, whose mandate is to provide policy guidance and management oversight. The Managing Director executes day-to-day activities of the Company assisted by three directors, five heads of units, and nine sectional managers.

The Board of Directors takes overall responsibility for the Company, including responsibility for identifying key risk areas, considering, and monitoring investment decisions, considering significant financial matters, reviewing the performance of management business plans and budgets, ensuring that a comprehensive system of internal control policies and procedures is operative, and for compliance with sound corporate governance principles.

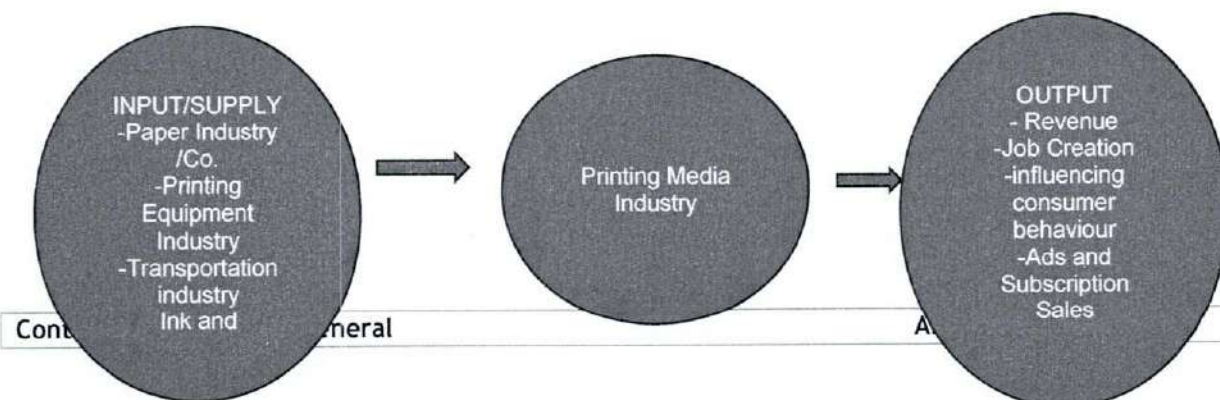
ECONOMIC AND BUSINESS MODEL

Economic Model

The economic model describes the interdependencies between TSN and other sectors of the economy. The company uses this model to track the flow of goods and services, between the company and suppliers of materials (such as paper, printing equipment, ink, consumables, transportation, and advertising) and the customers.

The adverse economic impact to the Company from shockwave of changes in economic model could influence the behaviour of supply chain and revenue streams as well.

The model below presents the interdependencies of various sectors with the company and its Multiplier effect of the amount of money flows between TSN and other players industry.



Business Model

A business model is a framework that describes how a company creates, delivers, and captures value. It is a way the company makes money. TSN applies the following business models:

Advertising Model

This is the most common business model used by TSN by selling newspapers advertising space for customers who would like to reach their target audience. The charges for the space sold depends on the size of the space sold.

Subscription Model

The company applies this model to reach and close newspaper sales to corporate subscribers. It involves charging customers a monthly or annual subscription fee to get newspapers delivered to customers' office or access electronic newspaper or access news content on the company website and social media platforms.

Agency Model

For market expansion and ease of market penetration, TSN uses Advertising and Newspaper Agents to reach a wider market.

Content Marketing Model

This model involves creating and distributing content that is designed to attract and engage customers. The company uses real time content for its media platforms to attract more readers as a way of promoting company products.

In addition to the business model mentioned above, the company also uses branding strategy, distribution strategy and building relationship with current and potential customers to position itself for success in the modern media landscape.

Branches of the Company

The company's business is centralized in the headquarters in Dar es Salaam with six branches in five zones and Zanzibar as follows: Central zone office in Dodoma, Northern Zone office in Arusha, Lake Zone office in Mwanza, Southern Highlands office in Mbeya, Morogoro, and Zanzibar.

Effectiveness and efficient utilization of resources

The Company utilize tangible and intangible resources including intellectual resources, human resources, social and relationship resources, natural resources, financial resources, and others.

Efficient and effective utilization of Company's resources is pegged on a well-composed Board of Directors, effective Management, competent human resources, deployed ICT infrastructure and documented internal operating procedures.

SERVICE PERFORMANCE INFORMATION

The Company's Service Performance Information has been included as part of this report.

2.7 CURRENT AND FUTURE DEVELOPMENT AND PERFORMANCE

Development Plans and Performance

The Company's current and future development and performance are explained below:

(a) Expansion of the Company's printing press by adding a line for commercial printing

Establishing a fully-fledged commercial printing service and enhancing the fast print order process. It is believed, based on experience in the printing industry that the Company will significantly reduce the costs and idle time inefficiencies associated with the non-commercial printing process.

During the year under review, the Company is in the state of implementing commercial printing project after receiving grant from the Government of URT.

(b) Improving delivery and distribution of newspapers Countrywide.

The Company's strategy is to strengthen the delivery and distribution of newspapers countrywide and to some cities within the East African Community (Nairobi and Mombasa in particular). The company is also in the process of entering into MoUs with various travel agents including airlines for transporting our newspapers in areas where they operate.

Being a government media Company, TSN plans to extend its distribution network up to the level of ward level and eventually to the village level. Currently, the distribution network covers the headquarters of all regions and districts countrywide.

(c) Venturing into online business.

This product is an extension to the tradition printing newspapers and a kind response to the significantly emerging internet-based readership market. As a strategic reaction to the media business dynamics, specifically the rapid change in media technology, Company has invested heavily in multi-media services. The Company is expecting to obtain revenue from customers who prefer to access news through multimedia instead of circulated newspapers. The Company has continued to recruit new experienced and competent market leading talents to run the Multimedia desk. This has gone parallel with acquisition of new equipment to facilitate the

desk. Implementation of multi-media can also be evidenced through the Company social media accounts in Tweeter, Instagram, and Facebook.

FINANCIAL OUTLOOK

(i) FINANCIAL POSITION

ASSETS

The Company's total assets for the financial year ended 30 June 2024 was TZS 41.67 billion (2023: TZS 42.54 billion). The total assets were composed as follows:

(a) Cash and Cash Equivalents

The Company's Cash and cash equivalents as of 30 June 2024 was TZS 207.36 million (30 June 2023: TZS 2.85 billion), with a decrease of TZS 2.64 billion. The decrease was mainly attributed to payments to facilitate industrial building construction cost and provision for Expected Credit Loss. Details of Bank account balances are shown in **Note 24** of these Financial Statements.

(b) Receivables and Prepayments

The analysis of the recorded performance on recognized revenue as of 30 June 2024 indicates that the Company had reported total receivables of TZS 5.35 billion (2023: TZS 7.64 billion). During the year company prepared Expected Credit Loss (ECL) model and recognize provision for bad debts amounting TZS 14.7 billion. Other receivables include staff imprest and advances of TZS 586.44 million (2023: 851.59 million) the decrease of imprest is due to retirements made by employees. Details of trade and other receivables are shown in **Note 23** of these Financial Statements.

The receivables balance of TZS 5.35 billion excludes uncollectible amounts totalling TZS 14.65 billion. These uncollectible receivables are unlikely to be recovered due to various factors, including customer defaults, insolvency, and other adverse circumstances.

It is important to recognize that the figure of receivables considered collectible by Management is the amount stated in the statement of financial position, adjusted for the uncollectible receivables. However, the write-off process for these uncollectible amounts requires approval from the appropriate authorities. Currently, Management is in the process of seeking approval for the write-off of the identified uncollectible amounts from the relevant authority, following endorsement from the Board of Directors.

(c) Property plant and equipment

The Company's Property, Plant and Equipment during the year ended 30 June 2024 reported the net book value of TZS 21.27 billion (2023: TZS 18.20 billion). The additional during the year

were TZS 3.07 billion, mainly attributed by Acquisition of additional assets from Motor vehicles, furniture, computers, and commercial Printing machines. More details shown in **Note 31** of these Financial Statements.

(d) Capital Work in Progress

During the year ended 30 June 2024 the Company reported the Work in Progress amount of TZS 13.19 billion (2023: TZS 12.03 billion). The increase of WIP was mainly attributed by the Printing plant project where the Company incurred construction costs of TZS 1.16 billion as shown in **NOTE 32**.

(e) Intangible assets

The intangible assets consist of procured operating software used by the Company. For the year ended 30 June 2024, intangible asset balance at cost was TZS 453 million (2023: TZS 743 million) whereby TZS 290 million were derecognized due to disposed on prior years' while amortization charge was TZS 6.03 million. Net book value at the end of the year were TZS 5.25 million (2023: TZS 14.79 million) as **NOTE 30** of these financial statements detailed.

(f) Investment properties

The Company Investment Properties were carried at cost. Depreciation charge for the year amounting TZS 5.88 million (2023: TZS 5.88 million) passed to depreciate the investment property. There were no additions during the year Hence, the amount reported as investment properties is TZS 276.55 million (2023: TZS 282.43 million).

(g) Equity investments

The Company owns 300,000 shares of Precision Air Plc traded on the Dar es Salaam Stock Exchange. The value of these shares remains TZS 400 per share. During the under review, no additions to the Equity Investment hence, the balance remains the same TZS 120.00 million (2023: TZS 120.00 million).

(h) Inventories

The inventories balance as of 30 June 2024 was TZS 280.31 million (2023: TZS 427.84 million). Out of that, a provision of TZS 3.25 million was recorded for obsolete and slow moving identified during the annual stock taking. The inventories maintained by the Company during the period consisted of stationaries, Printing plates, Printing papers (Newsprints), Printing inks, Consumables and spare parts. The significant decrease attributed by distribution of Stock of stationeries to user departments amounting TZS 147.5 million which were received near the closure of the reporting period. **Note 21** of these Financial Statements provide more clarification.

LIABILITIES

As of June 2024, the Company recorded liabilities as with the total amount of TZS 28.16 billion (2023: TZS 26.91 billion) indicating of an increase of 4%. The component comprises includes:

(a) Trade and other payables

Trade and other payable balances as of 30 June 2024 was TZS 27.23 billion (2023: TZS 25.97 billion). The increase of these attributed unpaid suppliers who delivered services and goods to the company but not yet paid as of 30 June 2024. Details of Trade and other receivables are shown in **Note 28** of these Financial Statements.

(b) Retirement benefits obligations

During the year ended 30 June 2024, the Company recognize the decrease of TZS 19.09 million to TZS 923.32 million (2023: TZS 942.41 million) which is caused by payment of long service award to its Retired employee.

(ii) FINANCIAL PERFORMANCE

The performance of the Company is measured based on achievements in implementing its core functions. The Company needs to generate adequate resources to support its operations and maintain its independence.

(a) REVENUE

During the year ended 30 June 2024, the Company closed with advertising sales revenue of TZS 3.58 billion (2023: TZS 3.84 billion) which is relatively lower compared to the previous financial year as clarified on **NOTE 6**. A decrease on advertising space and newspapers sales was mainly attributed by advertising budget cut by most of advertisers, increased competition from alternative products in the market.

The circulation sales during the year under review reached TZS 1.51 billion (2023: TZS 1.50 billion) as compared to the previous year.

The amount reported is related to Company's core sales revenue and other income with exclusion of Government subvention.

Table 2: Revenue Performance

Descriptions	2023/24 TZS "000"	2022/23 TZS "000"
Advertising Revenue	3,580,730	3,840,235
Circulation Revenue	1,510,031	1,501,225
Printing Income	356,570	5,379,393
Other Income	1,480,464	776,187
Total Revenue	6,927,795	11,497,040

Source: TSN Financial Performance Report

(b) EXPENDITURES

During the year ended 30 June 2024, the Company's incurred the total expenses of TZS 15.04 billion (2023: TZS 14.62 billion), the main components of expenditure during the year ended 30 June 2024 were:

- (i) Cost of production has decreased to TZS 2.45 billion (2023: 6.02 billion). The decrease is due to competition on commercial printing industry thus the company did not produce much during the year;
- (ii) Personnel expenses increased by TZS 2.2 billion to TZS 7.04 billion (2023: TZS 5.01 billion). The increase in the current year was due to recognition of Statutory deductions contributed by employer during the financial year. Previously the company recognized only contributions by employee;
- (iii) Administrative expenses reported amount to TZS 2.45 billion (30 June 2023: TZS 2.14 billion). These increases of TZS 308 million were attributed to the Business promotion and Marketing, training, and development which in turn caused the increase in administrative expenses; and
- (iv) Other recurrent incurred expenditure during the period, TZS 505.37 million (2023: TZS 613.48 million) was transport and facilitation Expenses, TZS 81.27 million (2023: TZS 83.82 million) was repair and maintenance expenses, TZS 143.68 million (2023: TZS 169.87 million) was Directors fees and Board expenses, TZS 269.38 million (2023: TZS 352.25 million) was fuel and millage expenses, TZS 275.67 million (2023: TZS 173.59 million) was Depreciation and amortization.

Table 3: Expenditures Performance

Descriptions	2023/24 TZS "000"	2022/23 TZS "000"
Cost of sales	2,451,754	6,019,710
Personnel Expenses	7,037,803	5,010,567
Directors Fees and Board Expenses	143,677	169,869
Administrative expenses	2,448,370	2,136,632
Bank Charges	17,713	35,456
Fuel and Millage expenses	269,383	352,245
Transport and Facilitation Expenses	505,370	613,479
Repair and Maintenance Expenses	81,271	83,816
Depreciation and amortization	275,674	173,586
Provisions	1,813,781	19,871
Total Expenditures	15,044,464	14,615,231

Source: TSN Financial Performance Reports for 2022/23 and 2023/24

(iii) CASH FLOWS**(a) Operating activities**

During the year ended 30 June 2024, Net cash from operating activities were TZS 731.16 million (2023: TZS -344.44 million), During the year there was an increase in net cash in operating activities.

(b) Investing activities

The Company has an additional amount incurred on property, office equipment and furniture for the year ended 30 June 2024 amount of TZS 3.42 billion for property, plant, and equipment; and Capital WIP TZS 1.16 billion (2023: TZS 243.21 million and Capital WIP, TZS 12.03 billion). During this period, there was a significant outflow of cash due to the cost of construction of building factory during the year.

(c) Financing activities

During the year ended 30 June 2024, Net cash used in the finance activities were TZS 1.2 billion (2023: TZS 14.93 billion). This was attributed by the Government capital grant injected on the Company's capital structure.

2.8 RESOURCES AND STRENGTHS

The Company's key strengths in the performance of its functions to achieve its objectives are a well-composed Board of Directors, effective Management, human resources, deployed ICT systems and documented internal operating procedures (IoPs). These strengths continuously create value for the Company. In terms of resources, the Company has tangibles and intangibles, which include intellectual, human, and financial resources as explained below:

(a) Intellectual Resources

The Company's intellectual resources include ICT application systems which have automated and modernized operations, thus, improving the provision of advertising services and newspaper's circulation operations. The Company's ICT systems in operations include the following:

- (i) SAGE 300 ERP System (Accpac Accounting Software);
- (ii) Circulation Sales Management System;
- (iii) Company Websites; and
- (iv) Time Attendance (Biometric) System.

In general, the implementation of ICT application systems improves the Company's service delivery process and enhances efficiency.

The Company shall continue with its initiative to automate business operations to enhance efficiency and reduce costs of business operations. Factors that may affect the availability, quality and affordability of intellectual resources include fast technological changes, Government legislative changes, systems hackers where access controls and firewalls are weak and unexpected power outages. However, the Company is organized to cope with future changes and expects intellectual resources to be continuously available to meet future demand.

(b) Human Resources

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

By 30 June 2024, the Company had offices in eight (8) Regions of Tanzania and a total of 191 permanent and pensionable employees (30 June 2023: 169). The company experienced increase in the number of staff during the year. Out of 191 employees, 133 (2023:115) were male and 58 (2023:54) were female.

Nevertheless, the Company is taking necessary measures to ensure its staff are highly motivated.

(c) Social and Relationship Resources

The Company's social and relationship resources are composed of ethical, harmonious, and transparent relationships with its internal and external stakeholders. The Company creates a shared value strategy relating to social development initiatives such as education and leadership development, financial inclusion, and health and safety facilities delivered to the communities.

During the year under review, stakeholders of the media industry extended the required cooperation and support to the Company's activities. In addition, the Company had established and maintained good working relationships with local entities within the country and maintained international networking with relevant stakeholders.

Factors that may affect the availability, quality and affordability of social and relationship resources include the Company's failure to participate and contribute to local and international communities' activities, non-payment of membership fees to respective Media Agencies, and low level of transparency and engagement with stakeholders.

Despite these, the Company maintains its commitments and initiatives on social and relationship resources to continuously meet existing and future demands.

(d) Financial Resources

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

The Company's core sources of finance (revenue sources) are derived from the day-to-day operations mainly from the following:

- Sales of advertising spaces on published publications, online and other media platforms;
- Circulation sales revenue for both published newspapers, E-paper and other news sales on digital platforms; and
- Commercial printing activities.

Factors that may affect the availability of financial resources include economic recession which leads to a low level of business, ineffective debt collection strategies, and credit transactions on invoices issued for the newspapers' advertising sold or services rendered. Nevertheless, the Company will take administrative and legislative measures to ensure financial resources are available to finance its existing and future obligations.

2.9 PRINCIPAL RISKS AND UNCERTAINTIES

During the year under review, the Company had the following major risks:

(i) Strategic Risks

These are the risks that affect the Company's ability to achieve its corporate goals. The Company depends heavily on advertising revenue as a major source of revenue generated from space selling activities. Therefore, failure to achieve clients' effective demand prevented the Company from achieving its strategic objective of attaining an increase in internally generated revenue.

To mitigate this risk, the Company has continued to market its unique competitive advantage and participated in various strategic business events and entered framework contracts with various corporates. The Company also enhanced use of alternative products such as online subscription and advertising sales.

(ii) Financial risks

This is the risk that may lead to the Company's failure to meet its financial obligations such as failure to pay suppliers or to cover the committed credit facilities on time as per working capital requirements.

To mitigate this risk, the Company has been managing risks associated with working capital by carefully planning to meet its maturing obligations.

(iii) Price changes risk

It is the risk associated with change of price upwards or downwards and can influence Company's competitors to do the same and hence affect the tactic.

To mitigate this risk, the Company uses its own internal pricing system which ensures confidentiality and reliability while closely monitoring market reactions to price adjustments from customers by using marketing tactics such as discount terms and favourable commissions.

(iv) Promotion plan risk

This risk occurs when sales promotions are not very effective enough or research was not done properly or if it is frustrated by competitors.

To mitigate this risk, the marketing, and sales strategies as well as products' research and innovation are properly aligned with the market needs enables to secure competitive market share.

(v) Market share risk

This risk is a result of the market share fluctuations caused by new entrants, technology, changes in economy, customers' preferences and brands and marketing strategies.

To mitigate this risk, the Company uses strategies such as penetrating new markets, ensuring quality editorial products, strengthening special vending outlets, enhancing marketing and promotion strategies, and improving its editorial editions.

(vi) Distribution risk

This results from shared distribution network for our newspapers that may lead to a foully played game frustrating the objective of 'early availability' in the market and 'clearly seen' by every potential buyer.

To mitigate this risk the Company has allocated resources to provide reliable transport and earlier dispatch of newspapers.

(vii) Defamation risk

This risk may result from failure to balance stories and consequently may lead to defamation cases.

To mitigate this risk, the Company has embarked on capacity-building programs covering editors, writers, and photographers to be involved in in-house training, short and long-term courses and exchange programs.

(viii) Credit risk

Is associated with extended Credit facility to clients that may not be honored as promised.

To mitigate this risk, the Company implemented a number of strategies including adherence to credit policy and credit risk assessment.

(ix) Digital Disruption risk

These risks resulted from emerging of new digital technology and business models which disrupts traditional media production practices and the way of doing business. The rise of streaming platforms, video-sharing websites, and social media has fragmented audiences and changed consumption habits.

To mitigate this risk, the Company strives to adapt to these digital platforms to reach its audiences more effectively.

(x) Content Overload risk

This refers to proliferation of digital platforms leading to an abundance of content to consumers. This creates a highly competitive environment where media producers find unique ways to grab and retain audience attention amidst the noise.

To mitigate this risk, the Company enhanced editorial contents to include sectorial issues, investigative stories, human interest stories and news analysis.

(xi) Monetization and Revenue Models risk

The digital age has changed the revenue landscape for media production. Advertising revenue has shifted from traditional channels to online platforms, and the dominance of ad-blocking software has further challenged ad-based business models.

To mitigate this risk, the Company explored alternative revenue streams, such as subscriptions sales, branded contents, and partnerships to sustain profitability.

(xii) Copyright and Intellectual Property risk

This risk is associated with challenges in protecting intellectual property rights. The ease of copying and distributing content online has led to copyright infringement and piracy issues.

To mitigate this risk, the Company ensures relevant investment is made in robust digital rights management systems and legal strategies to protect Company's content and revenue streams.

(xiii) Technological Advancements risk

Rapid technological advancements pose both opportunities and challenges for the company's major products. On one hand, emerging technologies like virtual reality (VR), augmented reality (AR), and artificial intelligence (AI) open new creative possibilities. On the other hand, adapting to these technologies and staying at the forefront of innovation requires significant investments and expertise.

To mitigate this risk, the Company has invested substantially in online operations and enhanced the application (TSN App) to ensure exploitation of market in these areas because of technology. Furthermore, Cyber security is in place to mitigate various information technology related challenges.

2.10 RELATIONSHIP WITH STAKEHOLDERS

The Company has internal and external stakeholders and has been encouraging harmonious relationship with them. Their support and involvement in TSN activities makes a significant impact and contribution to service delivery to public. The Company has continued receiving enormous support from key stakeholders.

These key stakeholders include:

(i) The Government

The Government established the Company with a set of objectives and functions for Media related operations and business. The fundamental motives behind the establishment of TSN is to enhance effective communication of the Government policies and agenda to the public, and development of the national economy. Key concerns for the establishment of the Company and the value it has to the society and economy are as follows:

Services to be offered.

- Convey communication from the government to the Community and vice versa;
- Promote the Government interventions/ business;
- Protect National interest;
- Protect Government image.

Stakeholder Expectations.

- Timely and reliable news;
- Highest quality of services;

- Positive coverage;
- Government image and reputation protection; and
- Adherence to ethical standards

(ii) Treasury Registrar (TR)

Services to be offered.

- Submission of periodic performance report;
- Provision of Contribution/Dividend; and
- Maximize shareholder wealth.

Stakeholder Expectations

- Accurate and timely submission of performance reports;
- Sustain provision services;
- Timely implementation of planned targets;
- High level of innovation and creativity;
- Timely remittance of dividend; and
- Maximized shareholder wealth.

(iii) Employees

TSN is an inspiring place for elevating personal experience and consequently accepts co-responsibility for the development of each employee to the full potential. The presence of committed employee's is a key factor that makes the Company a great place to work. Together with efficient and value-creating solutions, services and operations offer value to our customers. Career progress is based on the individual initiative towards the fulfilment of their responsibilities complemented by the Company. Key concerns of the employees of the Company and the value it creates are as follows:

Services to be offered.

- Compensations and benefits;
- Working facilities and tools;
- Incentives and motivations;
- Promotions;
- Training and Development;
- Staff welfare and industrial relation;
- Rewards and recognition; and
- Guidance and counselling services.

Stakeholder Expectations

- Improved remuneration;
- Conducive work environment;
- Timely payment of compensations and benefits;
- Employee satisfaction Improved communication between management and staff; and
- Improved Staff welfare and industrial relation

(iv) Customers

The aim is to meet customers' demands with innovative solutions and superior experience. The Company maintains high-quality relationship with its customers.

Services to be offered.

- News;
- Advertising Services;
- Printing Services;
- Media Consultancy services;
- Media library services; and
- Rental Services.

Stakeholder Expectations

- Timely, Credible and Reliable news;
- Affordability of newspapers;
- Wider and timely circulation of advertisement;
- Affordable advertisement services;
- Clear communication of service requirement;
- Friendly Customers handling;
- Timely printing services;
- Adherence to customer specifications;
- Affordable printing services;
- Timely delivery of Media Consultancy services;
- Adherence to contract;
- Affordable Media Consultancy services;
- Wide range of information's;
- Clear visibility of images and articles;
- Affordable media library services;
- Affordable rent on office and residential services;
- Habitable properties; and
- Adherence to rental services contract.

(v) Suppliers/Service Provider

Suppliers are stakeholders who provide goods and services to the Company, and they are closely monitored to ensure they deliver required or ordered goods and services on time.

Services to be offered.

- Customer Services;
- Invitation for bids;
- Bid processing;
- Contract management;
- MoU/Contracts implementation; and
- Payment processing.

Stakeholder Expectations.

- Good customer Service;
- Timely Payment;
- Fair bidding process; and
- Effective and efficiency of contract management.

(vi) International Community and Development Partner

The business partners are private and public sector entities with direct or indirect working relationship with the Company when performing its statutory functions.

Services to be offered.

- News coverage for their activities;
- Information on Country's socio- political and economic aspects; and
- Partnerships in business development and knowledge exchange.

Stakeholder Expectations

- Accessible, reliable, timely and informative news and information;
- Timely sharing of information on areas of cooperation; and
- Timely submission of project implementation report.

(vii) General Public

The Company acknowledges its responsibility to respond to community social needs. The Corporate Social Responsibility (CSR) interventions include a commitment to active

participation in environmental protection and promotion of socio-economic development of the society through extension of financial support to the implementation of community activities.

Services to be offered.

- News;
- Corporate Social Responsibility; and
- Digital news.

Stakeholder Expectations.

- Accessible and affordable Digital news;
- Informative, educative, entertaining news and public happiness;
- Centre of excellence for production of news that promote togetherness, peace, unity, and nationality; and
- Relevant and no string attached Corporate Social Responsibility.

(viii) Ministry of Information, Communication and Information Technology

The Company complies with a wide spectrum of legislation, conventions, protocols, resolutions, directives, and guidelines which are issued from time to time by the Government entities.

Services to be offered.

- Translation of policy, directives and circulars related to Information, Communication, and Information Technology;
- Submission of periodic Performance reports; and
- Provision of technical expertise to the parent Ministry

Stakeholder Expectations

- Accurate and timely translation and dissemination of policy, directives, and circulars;
- Accurate and timely submission of performance reports; and
- Reliable, Accurate, and timely provision of technical advice

2.11 SHAREHOLDING STRUCTURE

Tanzania Standard (Newspapers) Limited is owned by the Government of the United Republic of Tanzania through Treasury Registrar. The capital structure is made up of 10,000 (2023: 10,000) ordinary shares of TZS 100,000 (2023: TZS 100,000). The movement of the capital during the year is reflected under the Statement of Changes in Equity. The shareholding structure is distributed as shown in Table 4:

Table 4: Shareholding Structure

Shareholder	No. of shares	2024	No. of shares	2023
		Value of shares TZS'000		Value of shares TZS'000
Treasury Registrar - Ministry of Finance	9,999	999,900	9,999	999,900
Managing Director - Tanzania Standard (Newspapers) Limited	1	100	1	100
	10,000	1,000,000	10,000	1,000,000

Source: TSN Shareholding Structure

2.12 KEY PERFORMANCE INDICATORS (KPIs)

The company has set certain key performance indicators derived from the critical success factors. These critical success factors are sales and market growth, Operational excellence to increase productivity, and profitability, guarantee quality, and ability to meet delivery deadlines.

(a) Overall sales performance

The overall sales performance covering advertising, circulation, commercial printing, media consultancy, and sales of wastes and returns for the financial year under review performed better than the previous financial year despite increased competition from alternative sources of news especially online digital platforms, advertisers' budget control, Company own websites and the tender advertising network (TANePS).

The enabling factors for this overall sales achievement for the company was commercial printing sales during the national census and implementation of the market penetration strategy through creative supplements, sponsored contents and to enhance subscription drive.

The company intends to continue improving the market share by capacity building for sales and marketing personnel to be able to market and sell on digital platform opportunities. The Company owns and manages social media platforms like Facebook, Instagram, Twitter, online TV (YouTube Channel) and E-paper.

(b) Advertising sales performance relative to the market

TSN performed relatively better than its major competitors, especially in sales of advertising spaces. The advertising market share is generated internally (marketing unit) using the percentage of industry total advertising space sales gathered on daily basis.

(c) Circulation sales market share

The company continued to experience challenges in compiling market share due to the availability of reliable real time industry sales data. However, as Daily News brand enjoys long

experience in the market bringing news since 1930 professionally and reliably, sales through subscription in most of the corporate and government offices, the company has always commanded a higher market share in this market niche compared to newspaper vending sales model.

Table 5: Key Performance ratios

Ratio	Formula	FY 2024	FY 2023
Gross profit margin	Gross profit/ Sales revenue	55%	45%
Liquidity ratio	Current assets/ current liabilities	0.24	0.83
Acid test ratio	(Current assets -inventories)/ Current liabilities	0.23	0.81
Gearing ratio	(Long-term + short-term liabilities)/ shareholders' equity	208	101

Source: TSN Financial statements 2022/23 and 2023/24.

INTERPRETATION OF KEY PERFORMANCE RATIOS

Gross Profit Margin: This is the gross profit-to-sales revenue ratio. This ratio indicates how much of every shilling of sales is left after the cost of goods sold. The higher the gross profit margin, the better and the lower the relative cost of sales. From the table above, the Management is confident that there is profit potentiality of the Company.

Current Ratio: This Indicates TSN's ability to pay its debts over the next 12 months by comparing its current assets to current liabilities. A higher current ratio is always more favourable than a lower current ratio because it shows the Company can pay off its debt. The current ratio for the Company seems to be below the normal range of 2:1 for its financial analysis. TSN will establish actions from a cash budget, minimal credit suppliers and commitment to settle statutory deductions obligations. Thus, improving the current ratio and liquidity.

Acid test Ratio: The rate of immediate liquidity reflects the capacity where the short-term debts can be covered by cash availability and short-term investments. An increase in the quick ratio represents an improvement in the liquidity position of the Company. Generally, over the next three years, TSN will aim at maintaining a quick ratio that provides sufficient leverage against liquidity risk given the level of predictability and volatility in the printing sector among other considerations.

Gearing ratio: The ratio indicates the financial risk to which a business is subjected since excessive debt can lead to financial difficulties. Since the Company has been under financial constraints for the past few years, it has accumulated debt over equity due to losses made in previous years. Nevertheless, the Company's image is still convincing in the media industry due to its successful products. TSN has measurements to overcome the ratio shown above shortly;

commitment to settle the statutory deductions, sought for amnesty and waiver of fines and penalties, reducing working capital, and capital grant injection from the Government of URT.

2.13 CORPORATE GOVERNANCE

The Board of Directors takes overall responsibility for the Company, including responsibility for identifying key risk areas, considering, and monitoring investment decisions, considering significant financial matters, reviewing the performance of management business plans and budgets, ensuring that a comprehensive system of internal control policies and procedures is operative, and for compliance with sound corporate governance principles.

The Board is composed of the Non-Executive Directors and Executive Director who is the Managing Director. No individual or small group can dominate decision making.

The Board meets at least four times a year and extra ordinary meetings can be called at any time where the need arises. The Board delegates the day-to-day management of the business to the Managing Director. Top Management attends board meetings by invitation.

The Board accepts final responsibility for the risk management and internal control systems of the Company.

It is the task of management to ensure that adequate internal financial and operational control systems are developed and maintained on an on-going basis to provide reasonable assurance regarding:

- The effectiveness and efficiency of operations;
- The safeguarding of the Company's assets;
- Compliance with applicable laws and regulations;
- The reliability of accounting records;
- Business sustainability under normal as well as adverse conditions; and
- Responsible behaviours towards all stakeholders.

BOARD OF DIRECTORS

The Board of Directors governs the Company and is the highest decision-making organ and consists of seven non-executive members including the Chairperson who is appointed by the President of the United Republic of Tanzania and one executive member who is the Managing Director who held office and served responsibility for the financial year ended 30 June 2024. The names of the existing Board members are shown in the Table 6.

Table 6: Board Members

S/n	Name of Director	Position	Age	Qualification	Date of appointment/ end of tenure	Nationality
1.	Mr. Said Ally Mwema	Chairperson	71	Bachelor's degree in law (Hons) - University of Dar Es Salaam, Tanzania; Counterfeit Currency Notes Course in Johannesburg, South Africa; Hostage Negotiation Course in Louisiana, USA; Advanced Management Course, International Law Enforcement Academy, Roswell New Mexico, USA.	27 November 2024- 26 November 2027	Tanzanian
2.	Mr. Habibu Juma Saidi Suluo	Member	60	Master of Business Administration (MBA), University of Sheffield, UK; Bachelor of Commerce Degree in Finance with Honours, University of Dar es Salaam; Certified Public Accountant- CPA-(T); Diploma in International Public Sector Accounting Standards (IPSAS).	11 February 2022- 10 February 2025	Tanzanian
3.	Dr. Mutabaazi Julius Lugaziya	Member	62	PhD in Law (magna-cum-laude), Ruaha Catholic University; L.L.M (summa-cum-laude), University of Dar es Salaam; L.L.B (Hons), Makerere University, Uganda.	11 February 2022 10 February 2025	Tanzanian
4.	Ms. Teddy Njau	Member	53	Master's degree in security and strategic Studies and National Defence College Prestigious Symbol from the National Defence College Tanzania; master's degree in human resources management - Mzumbe University; Advanced Diploma in Public Administration - Institute of Development Management (IDM), Mzumbe;	11 February 2022- 10 February 2025	Tanzanian
5.	Mr. Erasmus Uisso	Member	46	Master of Arts in Economic Policy Management; Bachelor of Science in Economics	11 February 2022- 10 February 2025	Tanzanian
6.	Mr. Titus Kaguho	Member	52	Master of Arts in Mass Communication; Bachelor of Arts	11 February 2022-	Tanzanian

TANZANIA STANDARD (NEWSPAPERS) LIMITED (TSN)

				in Public Administration & Personnel Management	10 February 2025	
7.	Mr. Andrew Lubella Gewe	Member	62	Master of Business Administration (Business Management and Electronic Commerce); Postgraduate Diploma (Computing); Postgraduate Diploma (Management and Electronic Commerce); Bachelor of Engineering (Civil Engineering).	10 February 2022-10 February 2025	Tanzanian

Source: Board Chairman and Members Curriculum Vitae, Letters of Appointment

By 30 June 2024, the Board of Directors served for this financial year since their appointment. During the period there were four ordinary meetings conducted on quarterly basis.

The Board held one special meeting during the year ended on 30 June 2024. In addition, there were various meetings of the Board Committees. The Board has the following Committees:

- (a) Audit Committee;
- (b) Finance, Planning, Business and Procurement Committee;
- (c) Editorial, Printing Press and Public Relations Committee; and
- (d) Administrative, Legal and ICT Committee.

All members of the Board were able to substantially devote their time required for the Board and Committee meetings. Key matters discussed and resolved in these meetings were as shown in Table 7:

Table 7: Meetings and Agenda Discussed

S/N	Meeting	Agenda	Resolution	Date
1.	158 Board Meeting	Annual Performance Report for the Financial Year 2023/24	Board adopted and approved Annual Performance Report	13 October 2023
2.	159 Board Meeting	Second Quarter (July-September 2022) Performance Report for the Financial Year 2023/24	Board adopted and approved Second Quarter Performance Report	7 March 2024

Source: Board Meeting Minutes

COMMITTEES OF THE BOARD

The Board has established four (4) Committees based on sectorial and crosscutting issues to fulfil its oversight responsibilities effectively. These committees are:

(a) The Audit Committee

This committee is composed mainly of Non-Executive Directors. The Chairman of the Committee is a Non-Executive Director. The Terms of Reference for the Audit Committee cover four major areas namely, Internal Control, Financial Reporting, Internal Audit and External Audit.

The Audit Committee's mandate under Internal Control covers the evaluation of the control environment and culture; the adequacy of the internal control systems and compliance with International Financial Reporting Standards (IFRS) in the preparation of financial statements; the overall effectiveness of the internal control and risk management framework.

The mandate relating to financial reporting requires the Audit Committee to review significant accounting and reporting issues and their impact on the financial reports and ensure current financial risk areas are managed appropriately.

The Committee also ensures adequacy of the financial reporting process, and reviews draft financial statements before submission to the external auditors for audit and the audited financial statements before approval and adoption by the Board. With regards to External Audit, the Audit Committee is informed by the independent external auditor (National Audit Office of Tanzania) about the scope, approach, and audit.

The Committee's mandate on Internal Audit covers the review of the activities and resources of the internal audit function; effectiveness, standing and independence of internal audit function within the Company; review of the internal audit plan; and follow up on the implementation of internal audit findings and recommendations. The Audit Committee reports to the Board of Directors.

The Members of the Audit Committee that served during the year ended 30 June 2024 were as shown in Table 8:

Table 8: Members of Audit Committee in 2023/24

S/N	Name of Director	Position	Qualifications	Date of appointment /End of tenure	Meetings Attended
1.	Mr. Habibu Suluo	Chairman	Master of Business Administration (MBA), University of Sheffield, UK; Bachelor of Commerce Degree in Finance with Honours, University of Dar es Salaam; Certified Public Accountant- CPA-(T); Diploma in International Public Sector Accounting Standards (IPSAS).	13 May 2022-16 February 2025	2/4
2.	Mr. Titus Kaguho	Member	Master of Arts in Mass Communication; Bachelor of Arts in Public Administration & Personnel Management.	13 May 2022-16 February 2025	2/4
3.	Mr. Erasmus Uisso	Member	Master of Arts in Economic Policy Management; Bachelor of Science in Economics.	13 May 2022-16 February 2025	2/4

Source: Appointment Letters and minutes

(b) The Finance, Business and Procurement Committee

The Finance, Business and Procurement Committee is responsible for review of the proposed budgets, reallocation of funds and supplementary budget requests. The committee also reviews quarterly budget performance reports, Financial Regulations and Staff By-Laws, requests for disposal of immovable assets and Annual Procurement Plan. The Committee also provide oversight over the financial policies and changes thereto, the appropriateness of investment policy and assets allocation strategy, Risk Management Framework for the Company's operations and Project Management framework.

Members of the Finance, Business and Procurement Committee, who served the Company during the year are as shown in Table 9:

Table 9: Members of Finance, Business and Procurement Committee

S/N	Name of Director	Position	Qualification	Date of appointment/end of tenure	Meetings Attended
1.	Mr. Erasmus Uisso	Chairperson	Master of Arts in Economic Policy Management; Bachelor of Science in Economics.	13 May 2022-16 February 2025	2/4
2.	Ms. Teddy Njau	Member	Master's degree in security and strategic Studies and National Defence College Prestigious Symbol from the National Defence College Tanzania; master's degree in human resources management - Mzumbe University; Advanced Diploma in Public Administration - Institute of Development Management (IDM), Mzumbe;	13 May 2022-16 February 2025	2/4
3.	Mr. Habibu Suluo	Member	Master of Business Administration (MBA), University of Sheffield, UK; Bachelor of Commerce Degree in Finance with Honours, University of Dar es Salaam; Certified Public Accountant- CPA-(T); Diploma in International Public Sector Accounting Standards (IPSAS).	13 May 2022-16 February 2025	2/4

Source: Appointment letters and Minutes

(c) The Administrative, Legal and Information Communication Technology Committee

The purpose of this committee is to outline the role, responsibilities, composition, and operating guidelines of the Administrative, Legal and Information Communication Technology Committee in accordance with the Board of Director's directives.

The Committee shall form the basis for the members to deliberate all matters in relation to Human Resources and Administration, Legal and Information Communication Technology pertaining to the Company before the same are presented to the Board.

Members of the Administrative, Legal and Information Communication Technology committee who served the Company during the year as shown in Table 10.

Table 10: Members of Administrative, Legal and ICT Committee

S/N	Name of Director	Position	Qualifications	Date of appointment /end of tenure	Meetings Attended
1.	Ms. Teddy Njau	Chairperson	Master's degree in security and strategic Studies and National Defence College Prestigious Symbol from the National Defence College Tanzania; master's degree in human resources management - Mzumbe University; Advanced Diploma in Public Administration - Institute of Development Management (IDM), Mzumbe;	13 May 2022-16 February 2025	2/4
2.	Dr. Mutabaazi Lugaziya	Member	PhD in Law (magna-cum-laude), Ruaha Catholic University; L.L.M (summa-cum-laude), University of Dar es Salaam; L.L.B (Hons), Makerere University, Uganda.	13 May 2022-16 February 2025	2/4
3.	Mr. Andrew Gewe	Member	Master of Business Administration (Business Management and Electronic Commerce); Postgraduate Diploma (Computing); Postgraduate Diploma (Management and Electronic Commerce); Bachelor of Engineering (Civil Engineering).	13 May 2022-16 February 2025	2/4

Source: Appointment letters and minutes

(d) The Editorial, Printing press and Public Relations Committee

The purpose of this Committee is to deliberate all matters in relation to Editorial, Printing press and Public Relations pertaining to the Company before the same are presented to the Board.

The Committee has the advisory role to the Board in all matters vested to it.

Members of the Editorial, Printing press and Public Relations Committee who served the Company during the year are as shown in the Table 11:

Table 11: Members of Editorial, Printing and Public Relations Committee

S/n	Name of Director	Position	Qualifications	Date of appointment/end of tenure	Meetings Attended
1.	Mr. Titus Kaguo	Chairperson	Master of Arts in Mass Communication; Bachelor of Arts in Public Administration & Personnel Management.	13 May 2022-16 February 2025	2/4
2.	Dr. Mutabaazi Lugaziya	Member	PhD in Law (magna-cum-laude), Ruaha Catholic University; L.L.M (summa-cum-laude), University of Dar es Salaam; L.L.B (Hons), Makerere University, Uganda.	13 May 2022-16 February 2025	2/4
3.	Mr. Andrew Gewe	Member	Master of Business Administration (Business Management and Electronic Commerce); Postgraduate Diploma (Computing); Postgraduate Diploma (Management and Electronic Commerce); Bachelor of Engineering (Civil Engineering).	13 May 2022-16 February 2025	2/4

Source: Appointment letters and Minutes

All the non-executive Directors are considered by the Board to be independent both in character, judgment and free of relationships or circumstances, which could affect their judgment.

2.14 MANAGEMENT STRUCTURE

The routine management of the Tanzania Standard (Newspapers) Limited is vested to the Managing Director who is assisted by Directors and Heads of Unit. The Management comprises the Managing Director, Directors, and Heads of Units. The Company has three (3) Directorates, six (6) Units and nine (9) Sections.

- Editorial Directorate;
- Business Development Directorate;
- Corporate Services Directorate;
- Procurement Management Unit;
- Public Relations and Documentation Unit;
- ICT and Statistics Unit;
- Legal Services Unit;
- Internal Audit Unit; and
- Printing Services Unit.

2.15 RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors is vested with the overall responsibility for the risk management and internal control systems of the Company. Further, the management is responsible to ensure that adequate internal financial and operational control systems are developed and maintained on an ongoing basis to provide reasonable assurance regarding:

- The effectiveness and efficiency of the Company operations;
- The safeguarding of the Company's resources;
- Compliance with applicable laws and regulations;
- The reliability of accounting records;
- Business sustainability under normal as well as adverse conditions; and
- Responsible behaviours towards all stakeholders.

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. There is always a risk of non-compliance with such measures by staff. There is not a system of internal control that can provide absolute assurance against misstatement or losses; however, the Management designed the systems that provide the Board of Directors with reasonable assurance that the procedures in place are operating effectively. The Management ensures that existing and emerging risks are identified, analyzed, and managed within acceptable risk appetites.

The Company takes risk-management as a strategic business discipline throughout the operations to support the achievement of an organization's objectives by addressing the full spectrum of the risks and managing their combined impact. The Risk Management Framework is used as a key tool to help achieve both short-term and long-term business objectives to create value for customers, investors, employees, the Government, and other stakeholders.

The Company uses scales for rating risks in terms of impact, likelihood, and other dimensions such as consequences and mitigation measures as provided in the Risk Management Framework.

2.16 EMPLOYEES WELFARE

(a) Management and employees' relationship

There was a harmonious relationship between TSN and its employees. Employee's complaints raised during the period were resolved through various platforms including one-on-one discussions, all staff meetings, and the Workers' Council. The good relationship between employees and Management improved work morale and productivity.

The Company provides several facilities aiming at improving the working environment and living standards of its employees. Such facilities include transport to and from work, house allowance,

employee training and development, and leave travel assistance are provided to employees in accordance with the Company's Staff By-Laws and Financial Regulations in force.

(b) Working Environment

The Company believes that its employees should find working for the Company an inspiring and personally elevating experience and consequently accepts co-responsibility for the development of each employee to his/her full potential. Career progress is based on the individual initiative towards the fulfilment of their responsibilities complemented by the Company. This encompasses individual commitment towards innovative thinking and professional expertise resulting to reward.

(c) Opportunities and Fairness

The Company offers equal opportunities for all employees, irrespective of ethnicity, race, gender, disability, or religion. The Company accepts that only through total commitment, loyalty and dedication of its employees will be able to achieve its performance targets.

(d) Medical Services

The Company operates an insured (health benefit) plan for employees, their spouses and up to a maximum of four dependents. Contribution is paid to the National Health Insurance Fund (NHIF) upon successful registration of the employee to the Fund. The total contribution made by the Company to NHIF during the year was TZS 121.6 million (2023: TZS 15.6 million) being 6% of the employee's basic salary, whereby the contributions are shared equally, the Company 3% and the employees 3%.

(e) Financial assistance to staff

The Company provides several financial incentives aiming at improving the working environment and living standards of its employees hence improving staff retention. Such incentives include transport to and from work, house allowance, and long service awards for employees who have been in employment for a continuous period.

The incentives are granted based on the Company's Staff Regulations, Financial Regulations, Regulations and Circulars governing the Public Service, complement the Savings and Credit Co-operative Society (SACCOS) in the provision of staff loans.

(f) Persons with disabilities

Applications for employment by disabled persons are always considered, bearing in mind the aptitudes of the applicant concerned.

In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues, and appropriate training is arranged. It is the policy of the Company that training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

The Company has one (1) employee with physical disabilities (2023: 1 employees).

(g) Post-employment Benefits

The Company's social security is under the Public Service Social Security Fund (PSSSF), a social security scheme established by the Public Service Social Security Act of 2018. Social security contributions are mandatory and aggregate to 20% of the employee's basic salary. During the period that ended on 30 June 2024, TSN contributed 15% while employees contributed 5%.

(h) Capacity Building

In capacity building, the Company enhanced knowledge of its staff in relation to regulatory, managerial, and operational competencies of which 182 staff attended local training on general management, professional, secretarial practices, advanced driver's courses, and office attendants' courses to improve their performance. During the financial year that ended on 30 June 2024, the Company spent TZS 120.7 million (30 June 2023: TZS 115.5 million) for training fees and allowances.

2.17 GENDER PARITY

The Company is an equal opportunity employer, and it had 191 (30 June 2023: 169) employees during the year ended 30 June 2024. The Company experienced increase in number of staff during the year. Out of 191 employees, 133 (30 June 2023: 115) were male and 58 (30 June 2023: 54) were female as shown below:

Table 12: Employee's distribution base

Gender	2024		2023	
	No. Of Employees	%	No. Of Employees	%
Male	133	69	115	68
Female	58	31	54	32
Total	191	100	169	100

Source: Employee Database

2.18 RELATED PARTY TRANSACTIONS

TSN regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Company. Related parties comprise of members of the Board of Directors, the Managing Director, Directors, and Head of Units.

2.19 ENVIRONMENTAL CONTROL PROGRAM

The Company takes measures to strengthen preparedness for natural and occupational disasters and protection of the environment and continues to observe environmental requirements in all projects implemented.

2.20 ANTI-CORRUPTION

The Company maintains transparency in conducting its business and observes good governance principles, fair public services, and maximum customer care to both internal and external customers.

The Company has a Tender Board and Procurement Management Unit in place to ensure transparency in all procurement transactions.

2.21 SOLVENCY AND GOING CONCERN

The Company is unable to meet its financial obligation has they become due; however, the Company has managed to finance its operations through sources of revenue as specified on this report. Therefore, the Board of Directors has reasonable expectation that there are adequate resources to enable the Company to continue with its operations as a going concern for the forceable future as shown in these Financial Statements and the Notes thereon.

2.22 PREJUDICIAL ISSUES

During the financial period under review the Company has been affected by the outbreak of Russia and Ukraine War had seriously affected production, supply, and pricing of newsprint as the former is the main producer of the raw material.

2.23 FIDUCIARY RESPONSIBILITY

Members of the Board as stewards of public trust always acted for the good of the Company rather than the benefits of themselves. Reasonable care was exercised in all decisions taken by the Company without placing the Company under unnecessary risks.

2.24 COMPLIANCE WITH LAWS AND REGULATIONS

In carrying out its activities, the Company is required to comply with various statutory requirements including laws and regulations. Nothing has come to the attention of the Directors to indicate non-compliance with statutory requirements.

2.25 POLITICAL AND CHARITABLE DONATIONS

The Company engaged in corporate social responsibility activities to create a positive image and values for the public. During the year, the Company donated fund to Hanang' society due to floods calamities and donated to Tanzania deaf association.

However, there was no political donation made during the year.

2.26 ACCOUNTING POLICIES

Summary of key accounting policies is disclosed in Note 3 and Note 4 to the Notes of financial statements. The stated accounting policies were consistently applied during the year under review.

2.27 EVENTS AFTER THE REPORTING DATE

There are no subsequent events which occurred after the financial statements reporting date that are material to require either disclosure or adjustment in the financial statements.

2.28 AUDIT MANDATE


The Controller and Auditor General (CAG) is the statutory auditor of the Tanzania Standard (Newspapers) Limited by virtue of Article 143 of the Constitution of the United Republic of Tanzania and amplified in Section 32(4) of the Public Audit Act, Cap 418 [R.E 2021]. The duty of the auditor is to express an opinion on the annual financial statements.

BY ORDER OF THE BOARD OF DIRECTORS



Name: Said Ally Mwema

Title: Board Chairman



Name: Asha Dachi Mbaruk

Title: Managing Director

Date: 25.03.2025

3.0 STATEMENT OF RESPONSIBILITIES BY THOSE CHARGED WITH GOVERNANCE

Article 122 of the Memorandum and Articles of Association of 2002, requires the Board of Directors to cause proper books of accounts to be kept with respect to all sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure takes place, all sales and purchases of goods and services by the company and assets and liabilities of the Company.

The Directors of the Company are therefore responsible for the preparation and fair presentation of the financial statements, comprising the Statement of Financial Position as of 30 June 2024, and the Statements of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and the notes to the Financial Statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with the International Financial Reporting Standards and in the manner required by Companies Act 2002.

The Directors' responsibilities include designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of these financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

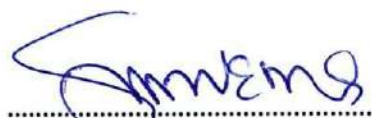
We confirm that the relevant accounting policies have been used and applied consistently, reasonable, and prudent judgments and estimates have been made in the preparation of the financial statements for the year ended 30 June 2024.

The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Company and of its operating results. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

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

Approval of the Financial Statements

The financial statements of the Tanzania Standard (Newspapers) Limited, as identified in the first paragraph, were approved by the Board of Directors, and signed by:



Name: Said Ally Mwema

Title: Board Chairman

Date: 25.03.2025



Name: Asha Dachi Mbaruk

Title: Managing Director

4.0 STATEMENT OF DECLARATION OF THE MANAGER OF FINANCE AND ACCOUNTS

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

It is the duty of a Professional Accountant to assist the Board of directors to discharge the responsibility of preparing financial statements showing true and fair view position and performance in accordance with International Financial Reporting Standards and statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements rests with the Board of directors as stated in the Statement of the Board of directors' responsibilities.

I, CPA Kaisi A. Mwaikambo, the Head of Finance and Accounts of Tanzania Standard (Newspapers) Limited, hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30 June 2024 have been prepared in compliance with International Financial Reporting Standards (IFRSs) and the applicable statutory requirements.

I thus confirm that the financial statements give a true and fair view of Tanzania Standard (Newspapers) Limited as of 30 June 2024 and that they have been prepared based on properly maintained financial records.


.....
Signed by: CPA Kaisi A. Mwaikambo

Position: Manager of Finance and Accounts

NBAA Membership No.: ACPA 1845

Date: 25.03.2025

5.0 FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

		2023/24	Restated 2022/23
	Notes	TZS "000"	TZS "000"
ASSETS			
Current Asset			
Cash and Cash Equivalents	24	207,362	2,853,827
Trade and other receivables	23	5,345,394	7,635,112
Inventories	21	280,310	427,839
Deferred tax asset	22	973,236	973,236
Total Current Asset		6,806,302	11,890,014
Non-Current Assets			
Property plant and equipment	31	21,274,630	18,204,775
Intangible assets	30	5,253	14,797
Investment property	33	276,548	282,432
Equity investments	20	120,000	120,000
Capital Work in Progress	32	13,186,687	12,030,733
Total Non-Current Asset		34,863,118	30,652,737
Total Assets		41,669,420	42,542,751
LIABILITIES			
Current Liabilities			
Trade and other payables	28	27,233,570	25,969,549
Retirement benefit obligation	29	923,315	942,405
Total Current Liabilities		28,156,885	26,911,954
TOTAL LIABILITIES		28,156,885	26,911,954
NET ASSETS		13,512,535	15,630,797
EQUITY			
Share Capital	25	1,000,000	1,000,000
Capital Grant	26	16,128,207	14,932,293
Capital reserves	27	-	1,147,294
Accumulated Losses		(3,615,672)	(1,448,790)
TOTAL EQUITY		13,512,535	15,630,797

These financial statements were approved and authorized for issue by the Board of Directors and signed on its behalf by:



Name: Said Ally Mwema

Title: Board Chairman

Date: 25.03.2025



Name: Asha Dachi Mbaruk

Title: Managing Director

TANZANIA STANDARD (NEWSPAPERS) LIMITED (TSN)

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR
ENDING 30 JUNE 2024**

		2023/24	2022/23
	Notes	TZS "000"	TZS "000"
REVENUE			
Revenue	06	5,447,331	10,720,853
Cost of sales	07	(2,451,754)	(6,019,710)
Gross profit		2,995,577	4,701,143
Other income	08	1,480,464	776,187
Gain/(Loss) on Foreign Currency	09	1,038	(27,073)
Government subvention	10	4,610,677	2,737,576
Total other income		6,092,179	3,486,690
Total operating income		9,087,756	8,187,833
EXPENSES			
Personnel Expenses	11	(7,037,803)	(5,010,567)
Directors Fees and Board Expenses	12	(143,677)	(169,869)
Administrative expenses	13	(2,448,370)	(2,136,632)
Bank Charges	14	(17,713)	(35,456)
Fuel and Millage expenses	15	(269,383)	(352,245)
Transport and Facilitation Expenses	16	(505,370)	(613,479)
Repair and Maintenance Expenses	17	(81,271)	(83,816)
Depreciation and amortization	18	(275,674)	(173,586)
Provisions	19	(1,813,781)	(19,871)
Total expenses		(12,593,042)	(8,595,521)
Loss for the year		(3,505,286)	(407,688)
Total comprehensive income for the year		(3,505,286)	(407,688)

These financial statements were approved and authorized for issue by the Board of Directors and signed on its behalf by:



Name: Said Ally Mwema

Title: Board Chairman

Date: 25.03.2025



Name: Asha Dachi Mbaruk

Title: Managing Director

TANZANIA STANDARD (NEWSPAPERS) LIMITED (TSN)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2024

	Share Capital	Capital grants	Capital reserves	Accumulated Losses	Total equity
<u>For the year ended 30 June</u>	TZS "000"	TZS "000"	TZS "000"	TZS "000"	TZS "000"
As 01 July 2023	1,000,000	14,932,293	1,147,294	8,714,938	25,794,525
Prior year adjustment (Note 36a)				(10,163,728)	(10,163,728)
Restated opening balance	1,000,000	14,932,293	1,147,294	(1,448,790)	15,630,797
Additional for the year	-	1,195,914	-	-	1,195,914
Transfer of capital reserves			(1,147,294)	1,147,294	-
Adjustment (Note 36c)	-	-	-	191,110	191,110
Loss for the year	-	-	-	(3,505,286)	(3,505,286)
As at 30 JUNE 2024,	1,000,000	16,128,207	-	(3,615,672)	13,512,535
 <u>For the year ended 30 June</u>					
Cost	1,000,000	-	1,147,294	13,230,291	15,377,585
Additional during the year	-	14,932,293	-	-	14,932,293
Prior year adjustment (Note 36c)	-	-	-	(4,107,665)	(4,107,665)
Loss for the year	-	-	-	(407,688)	(407,688)
As at 30 JUNE 2023	1,000,000	14,932,293	1,147,294	8,714,938	25,794,525

These financial statements were approved and authorized for issue by the Board of Directors and signed on its behalf by:



Name: Said Ally Mwema
Title: Board Chairman

Date: 25.03.2025



Name: Asha Dachi Mbaruk
Title: Managing Director

TANZANIA STANDARD (NEWSPAPERS) LIMITED (TSN)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2024

	Notes	2023/24 TZS "000"	2022/23 TZS "000"
Cash Flows from Operating Activities:			
Cash received from customers	23b	7,408,349	12,219,230
Cash paid to suppliers and employees	28a	(6,677,187)	(12,563,667)
Net Cash Flow from Operating Activities		731,162	(344,437)
Cash Flows from Investing Activities:			
Purchase of Property, Plant and Equipment	31	(3,417,255)	(243,212)
Purchase of Intangible Assets	30	-	(3,584)
Payments for construction of property -Work in Progress	32	(1,155,954)	(12,030,733)
Proceeds from Disposal of Non-Current Assets	08	-	1,560
Net Cash Flow from Investing Activities		(4,573,209)	(12,275,969)
Cash Flows from Financing Activities:			
Grants from Government	26	1,195,914	14,932,293
Net Cash Flow from Financing Activities		1,195,914	14,932,293
Net Increase/ (Decrease) in Cash and Cash equivalents		(2,646,133)	2,311,887
Cash and cash equivalents at beginning of the year		2,853,827	541,940
Cash and cash equivalents at end of the year	24	207,694	2,853,827

These financial statements were approved and authorized for issue by the Board of Directors and signed on its behalf by:



Name: Said Ally Mwema

Title: Board Chairman

Date: 25.03.2025



Name: Asha Dachi Mbaruk

Title: Managing Director

6.0 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

1. REPORTING ENTITY

Establishment

Tanzania Standard (Newspapers) Limited (TSN) is a private limited liability Company owned by the Government of the United Republic of Tanzania. It publishes Tanzania leading newspapers i.e., Daily News, Sunday News, Habari Leo, Habari Leo Jumapili, SPOTI LEO and online editions of these newspapers accessed on the website www.dailynews.co.tz and www.habarileo.co.tz. The Company was established on 03 January 1961 as Tanganyika Standard (Newspapers) Limited with a certificate of incorporation number 2648 issued by the register of the companies, the Company changed its name to Tanzania Standard (Newspapers) Limited on 18 June 2008 and issued a certificate of change of name number 2648.

Principal Activities

The principal activities of the Company are publishing, printing and distribution of both English and Swahili newspapers as well as providing advertising services.

The Company's principal activities are analyzed as follows:

- English Newspapers' publications include Daily News and Sunday News. These are accompanied by readers' tailor-made pull-outs;
- Swahili Newspapers publications include HabariLeo, HabariLeo Jumapili and SpotiLeo. These publications are also accompanied by readers' tailor-made pull-outs;
- Printing press provides printing services for own works as well as external clients.
- Distribution of newspapers to sales points is made through own motor vehicles as well as externally hired motor vehicles; and
- Sale of advertising spaces on newspapers.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

(a) Basis of preparation

The financial statements have been prepared on a historical cost basis, concurrently, for investment property has been measured under the cost model. Furthermore, the Company initial recognised land at cost The cash flow statement is prepared using the indirect method. The financial statements are prepared on an IFRS accrual basis of accounting.

(b) Statement of compliance

The financial statements of Tanzania Standard (Newspapers) Limited have been prepared in accordance with International Financial Reporting Standards and comply with the requirements of the Companies Act, 2002. The Report by Those Charged with Governance is presented together with financial statements in compliance with Tanzania Financial Reporting Standards (TFRS) No. 1.

(c) Presentation of the financial statements

The Company presents the statement of financial position in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in the notes to the financial statements.

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position only when there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis or to realize the assets and settle the liability simultaneously. Income and expenses are not offset unless required or permitted by an accounting standard or interpretation.

The preparation of the financial statements in conformity with IFRS requires the use of certain critical accounting estimates and assumptions.

It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. The directors believe that the underlying assumptions are appropriate and that the Company's financial statements, therefore, present the financial position and results fairly.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Adoption of ECL policy to comply with IFRS 9 for Financial Instruments

During the year ended 30 June 2024, the Company complied with the IFRS 9 by adopting and computing the ECL for receivables and cash and cash equivalents to ensure that potential credit losses are properly recognized and managed. For cash and cash equivalents, the ECL provision

is minimal due to their low credit risk. For receivables, a more detailed assessment based on aging and customer creditworthiness is applied. The adoption of IFRS 9 resulted into an increase in expected credit losses for trade receivables and cash and bank balances. This helps ensure that the Company accounts for credit risks appropriately, providing a true and fair view of its financial position.

(b) Changes in accounting policy and disclosures

(i) New and amendments standards that are effective for the year.

During the year ended 30 June 2024, the following amendments on standard that became effective and relevant to the Company in preparation and presentation of these financial statements were adopted.

Title	Key requirements	Effective date
<i>IAS 16: Property, Plant and Equipment: Proceeds before intended use.</i>	<p>The amendment to IAS 16 Property, Plant and Equipment (PPE) prohibits an entity from deducting from the cost of an item of PPE any proceeds received from selling items produced while the entity is preparing the asset for its intended use.</p> <p>An entity must recognize the proceeds from selling such items, and the cost of producing those items, in profit or loss.</p> <p>It also clarifies that an entity is 'testing whether the asset is functioning properly' when it assesses the technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment.</p>	1 January 2022
<i>IAS 37: Provisions, Contingent Liabilities, and Contingent Assets Onerous Contracts - Cost of Fulfilling a Contract</i>	The amendment to IAS 37 clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts. Before recognising a separate provision for an onerous contract, the entity recognises any impairment loss that has occurred on assets used in fulfilling the contract.	1 January 2022

(ii) New and amendments standards that are not effective for the year.

As of 30 June 2024, the following standards and amendments to standards were issued but not mandatory for year beginning 1 July 2023 and ending on 30 June 2024 and have not been early adopted by the Company in preparation of these financial statements.

TANZANIA STANDARD (NEWSPAPERS) LIMITED (TSN)

Title	Key requirements	Effective date
<p><i>IAS 1: Presentation of financial statements</i></p> <p><i>Disclosure of Accounting Policies</i></p>	<p>The amendments require companies to disclose their material accounting policy information rather than their significant accounting policies to provide more useful information to investors and other primary users of the financial statements.</p>	<p>1 January 2023</p>
<p><i>IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors</i></p> <p><i>Definition of Accounting Estimates</i></p>	<p>The amendments Clarified the following.</p> <ul style="list-style-type: none"> • The definition of a change in accounting estimates is replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty, • Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty, • The Board clarifies that a change in accounting estimate that results from new information or new developments is not the correction of an error. In addition, the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors, and • A change in an accounting estimate may affect only the current period's profit or loss, or the profit or loss of both the current period and future periods. The effect of the change relating to the current period is recognised as income or expense in the current period. The effect, if any, on future periods is recognised as income or expense in those future period 	<p>1 January 2023</p>
<p><i>IAS 1: Presentation of financial statements</i></p> <p><i>Classification of Liabilities as Current or Non-current - Amendments to IAS 1</i></p>	<p>Amendments to IAS 1 Presentation of Financial Statements clarify that liabilities are classified as either current or noncurrent, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g., the receipt of a waiver or a breach of covenant).</p> <p>The amendments also clarify what IAS 1 means when it refers to the 'settlement' of a liability. The amendments could affect the classification of liabilities, particularly for entities that previously considered management's</p>	<p>1 January 2023</p>

TANZANIA STANDARD (NEWSPAPERS) LIMITED (TSN)

Title	Key requirements	Effective date
	intentions to determine classification and for some liabilities that can be converted into equity.	
<p><i>Amendments to IAS 12 income taxes</i></p> <p><i>"Deferred tax related to assets and liabilities arising from a single transaction"</i></p>	<ul style="list-style-type: none"> The amendments to IAS 12 Income Taxes require companies to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations. At the beginning of the earliest comparative period in addition, entities should recognize deferred tax assets (to the extent that it is probable that they can be utilized) and deferred tax liabilities for all deductible and taxable temporary differences associated with: Right-of-use assets and lease liabilities, and Decommissioning, restoration and similar liabilities, and the corresponding amounts recognized as part of the cost of the related assets. 	1 January 2023
<p><i>Amendment to IAS 1 presentation of financial statements</i></p> <p><i>"Non-current liabilities with covenants"</i></p>	<ul style="list-style-type: none"> The amendment to IAS 1 specifies that only covenants an entity must comply with on or before the reporting period should affect classification of the corresponding liability as current or non-current. The amendments require the following disclosures: the carrying amount of the liability, information about the covenants, and facts and circumstances, if any, that indicate that the entity may have difficulty complying with the covenants. The covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. However an entity is required to disclose information in the notes that enables users of financial statements to understand the risk that non-current liabilities with covenants could become repayable within twelve months. 	1 January 2023

(c) Foreign currency translation

i. Functional and presentation currency

The Company has chosen Tanzania Shilling (TZS) as the functional currency reflecting the fact that it is the currency of primary economic environment in which the Company operates ("the

functional currency”) and the fact that substantially all the capital and transactions are denominated in TZS. Therefore, the Company considers Tanzania Shillings to be the company’s functional and presentation currency. The values in this report are rounded to the nearest thousand.

ii. Transactions and balances

Foreign currency transactions are translated into Tanzanian Shillings using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities at the statement of financial position date, which are expressed in foreign currencies, are translated in Tanzanian Shillings at the rate ruling at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the accounting period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit or loss and other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

(d) Revenue recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must be met before revenue is recognised:

Circulation of Newspapers sales

Under IFRS 15, circulation of newspapers is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods to a customer.

Advertising and Commercial Printing

Advertising in newspapers space and commercial printing are generally recognised on an accrual basis when the service has been rendered. The recognition is when or as performance obligations within the contract with the customer are satisfied.

Media Consultancy Services

Media Consultancy Services arising from negotiating or participating in the negotiation of a transaction for a third party are recognised on completion of the underlying transaction.

Other income

Under IFRS 15, is recognized after satisfaction of performance obligations at a point in time or over time. These include income from Sales of Waste and Returns, Library Service and Education Initiative Revenue. Other income out of the scope of IFRS 15 is recognised in the period in which it is earned.

(e) Expenses

These are losses and other expenses that arise during the Company's ordinary activities. They include personnel, administrative, fuel and mileage expenses and transport and facilitation expenses. Generally, expenses are recognised in the Statement of Profit or Loss and Other Comprehensive Income when the decrease in future economic benefits related to a decrease in an asset or an increase in liability has arisen and can be measured reliably.

Administrative expenses

This includes expenses that produce no future economic benefits or when, and to the extent that, future economic benefits do not qualify, or cease to qualify, for recognition in the balance sheet as an asset. Such expenses are recognised immediately in the income statement in the accounting period that the cost has been incurred. These include maintenance, transport and travelling, water and electricity, fees and security expenses, telecommunication and postage, board expenses, audit fees, budget and annual accounts preparation, loss on disposal of property and equipment, and legal and investigation expenses.

In addition, administrative expenses include expenses whose economic benefits are expected to arise over several accounting periods and the association with benefit can only be broadly or indirectly determined. Such expenses are recognised in the income statement in the accounting period in which the economic benefits are consumed or have expired. They may include stationery and office supplies.

(f) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Cash and cash equivalents are stated in the Statement of Financial Position at face value. For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, deposits held with financial institutions and investments with original maturities of not more than three months.

(g) Property, plant, and equipment

Property, plant, and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses if any. In the case of investment properties, these are subsequently measured under the cost model and are carried at their original cost, less accumulated depreciation and any impairment losses. Such costs may include the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciation, respectively.

Land is not depreciated; however, one of the fundamental principles of the Land Policy that has been incorporated in the Land Act, 1999 is that when assessing compensation of land acquired, one of the factors to consider is the market value of the real property.

Also, when a major maintenance or overhaul is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement cost if the recognition criteria are satisfied. All other repair and maintenance costs are charged to the profit or loss as and when incurred. Depreciation on property, plant and equipment computed using a straight-line method. The rates of depreciation used are as follows:

Land	0
Buildings	2%
Motor vehicles	10%
Motorcycle	14%
Furniture, fittings, and equipment	10%
Computers	12.5%
Printing, plant, and machinery	7%
Computer software	10%
Container	4%
Generator	7%
Forklift	5%

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.

Depreciation on assets is charged on a straight-line basis over the useful life of the asset. The assets' residual values, useful lives and are reviewed at each financial year end and adjusted prospectively, if appropriate. Some classes of property, plant and equipment are revalued, and the resulting amounts are adopted in the financial statements.

(h) Intangible assets

Intangible assets consist of computer application software and computer application licence packages. Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets are amortised over the useful economic life and assessed for impairment at the reporting date to ascertain if there is an indication that the intangible asset may be impaired. Generally, costs associated with developing computer software programmes are recognised as an expense when incurred. Intangible assets acquired are measured on initial recognition at cost. Internally developed intangible assets are not capitalised unless they meet certain criteria.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The useful life of intangible assets is 10 years.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

The amortisation expense on intangible assets with finite lives is recognised in the income statement in the expense category consistent with the function of the intangible assets. Gains or losses arising from the de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognised.

(i) Provisions

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

(j) Inventories

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- **Raw materials:** Purchase cost on a moving weighted average cost basis.
- **Finished goods and work in progress:** Cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

(k) Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables are amounts due from customers for services performed or goods supplied to them in the ordinary course of business. If collection is expected in one year or less (or in the normal operating capacity cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest. Thus, the Company expects that these will continue to be measured at amortized cost under IFRS 9.

However, the Company will analyse the contractual cash flow characteristics of those instruments in more detail before concluding whether all those instruments meet the criteria for amortized cost measurement under IFRS 9.

IFRS 9 requires the Company to record expected credit losses on all its debt securities, loans, and trade receivables, either on a 12-month or lifetime basis. The Company expects to apply the simplified approach and record lifetime expected losses on all trade receivables. The Company does not expect a significant impact on its equity, but it will need to perform a more detailed analysis which considers all reasonable and supportable information, including forward-looking elements to determine the extent of the impact.

(l) Accounts payable

Accounts payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

(m) Employee benefits

Defined Contribution plan.

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity.

TANZANIA STANDARD (NEWSPAPERS) LIMITED (TSN)

The company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. All the Company's employees are members of the PSSSF, which is a defined contribution plan. The Company contribute 15% of the employee's basic salary to the scheme.

The Company's contributions to the defined contribution scheme are charged to the income statement in the year to which they relate.

Defined benefits plan

The Company has a defined benefits plan. The benefit plan is known as the Staff Gratuity scheme and long service awards.

- **Gratuity Scheme**

- (a) Employee on contract terms shall be entitled to gratuity at the rates specified in the contract terms although the normal gratuity rate shall be 25% of the total basic salary or as may be amended from time to time; and
- (b) Gratuity shall be paid at the end of contact period given that the employee has rendered satisfactory services where the Contact is terminated premature the officer will be paid gratuity proportionate with the total period served.

- **Long service Award**

Employee who has been in the company services worked consecutively with the Company and will be awarded as below and those who are retiring after serving for more than ten (10) years will be awarded to the nearest complete years of the award period.

The basis of the Company's long service awards is as follows:

Number of years of service	Award
Below 10 years	None
10 years	4 months' salary
15 years	5 months' salary
20 years	6 months' salary
25 years	7 months' salary
30 years	8 months' salary
35 years	9 months' salary
40 years	10 months' salary

Source: TSN schemes of service

(l) Taxation**Current income tax**

Income tax expense is the aggregate of the charge to the profit and loss account in respect of current income tax and deferred income tax.

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss in correlation to the underlying transaction either in other comprehensive income or directly in equity.

(m) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash-generating unit (CGU) fair value less costs to sell and its value in use and is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets of the Company. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are considered, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in profit or loss in those expense categories consistent with the function of the impaired asset. For assets excluding goodwill, an assessment is made at each reporting date as

to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased.

If such indication exists, the Company estimates the assets or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of comprehensive.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

Deferred tax

Deferred income tax is provided in full using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted at the balance sheet date and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled. Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary difference can be utilized.

The preparation of the Company's financial statement requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. Uncertainty about these assumptions and estimates could require a material adjustment to carrying amount of the asset or liability affected in the future periods.

The following are the critical judgements and estimates that the directors have made in the process of applying the group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

(i) Critical judgements in applying accounting policies

Income tax

Significant judgment is required in determining the Company's overall income tax provision or estimated future recovery of income tax losses. There are many transactions and calculations, for which the ultimate tax determination is uncertain. The Company recognizes liabilities for anticipated tax audit issues, based on estimates of whether additional taxes will be due. Where the outcome of tax matters is different from the amounts that were initially recorded, such

differences will have an impact on the current and any deferred income tax provisions in the periods in which the determination is made.

(ii) Key sources of estimation uncertainty

Property, plant and equipment

Critical estimates are made by the Directors in determining the useful lives of Plant, property and equipment and their residual values. The rates are set out in note 3(f) above.

Fair value measurements and Valuation process

Some of the Company's assets are measured at fair value for financial reporting purposes. In determining the appropriate valuation techniques and inputs for fair value measurements the Company use third party qualified valuers to perform the valuation, where necessary. In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent it is available.

5. FINANCIAL RISK MANAGEMENT

The Company's activities potentially expose it to a variety of financial risks, including credit risk and the effects of the changes in foreign currency exchange rates.

The Company's overall risk management programmed takes account of the unpredictability of foreign exchange rate trends and seeks to minimize potential adverse effects on its financial performance.

(a) Market risk

(i) Foreign exchange risk

The Company has some exposure to foreign currencies as had some monetary items balances in US Dollars, while significant operating expenditure are incurred principally in local currency. However, this exposure does not result in a significant risk as foreign currency assets and liabilities are normally settled within a fairly short time.

(ii) Interest rate risk

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have long-term deposits or borrowings; therefore, statement of profit or loss and operating cash flows are not highly affected by changes in market interest rates.

(b) Credit risk

Credit risk arises from cash and cash equivalents, deposits with financial institutions and outstanding receivables. Reputable banks are used by the Company for all deposits. The amount that represents the Company's exposure to credit risk on 30 June 2024 is as follows:

	2023/24	2022/23
	TZS "000"	TZS "000"
Bank balances	207,694	2,853,827
Accounts receivable	19,994,501	20,474,017
Total	20,202,195	23,327,844

No collateral is held for any of the above assets and no receivables have had their terms renegotiated.

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and cash equivalents, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions. Management monitors rolling forecasts of the Company's liquidity reserve on the basis of expected cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. The balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Management monitors budgets of the Company's liquidity reserve on the basis of expected cash flows.

(d) Capital risk management.

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. To maintain or adjust the capital structure, the Company may limit dividends paid to shareholders, issue new shares, or sell assets to reduce debt.

NOTE 06: REVENUE	2023/24	2022/23
	TZS "000"	TZS "000"
Advertising Revenue	3,580,730	3,840,235

TANZANIA STANDARD (NEWSPAPERS) LIMITED (TSN)

Circulation Revenue	1,510,031	1,501,225
Printing Income	356,570	5,379,393
Total	5,447,331	10,720,853

NOTE 07: COST OF SALES

	2023/24	2022/23
	TZS "000"	TZS "000"
Commercial Printing Cost of Sales	172,790	4,030,729
Direct prod cost, Print Ink	265	4,663
Direct prod cost, Print Papers	-	148,656
Direct prod cost, Print Plates	-	17,610
Direct prod cost, Print Consumables	3,315	15,840
Printing Costs - English Papers	1,206,479	1,023,373
Printing Costs - Kiswahili Papers	504,017	430,265
Sorting of newspapers - p/press	-	8,224
Depreciation on plant	278,263	125,830
Civil Servants, Printing Service Unit	286,625	214,520
Total	2,451,754	6,019,710

NOTE 08: OTHER INCOME

	2023/24	2022/23
	TZS "000"	TZS "000"
Education Initiative Revenue	78,106	-
Library & Archive Services	1,418	-
Media Consultancy Services	-	191,345
Sundries Income/grant/donation/refund	120,755	271,507
Rent Income	1,124,501	248,732
Salary in Lieu of Notice	5,830	700
Sales of Waste and Returns	89,854	62,343
Gain on Disposal of Fixed Assets	-	1,560
Interest and Fines Income	60,000	-
Total	1,480,464	776,187

NOTE 09: GAIN/(LOSS) ON FOREIGN CURRENCY

	2023/24	2022/23
	TZS "000"	TZS "000"
Foreign currency exchange gain	2,170	7,361
Foreign currency exchange loss	(1,132)	(34,434)
Total	1,038	(27,073)

NOTE 10: GOVERNMENT SUBVENTION

TSN continues to receive support from the Government on Personal Emoluments. The increases in these are due to the growth of staff and promotion and recognition of other benefits attributed to salaries during the year ended 30 June 2024.

	2023/24	2022/23
	TZS "000"	TZS "000"
Government Subvention-PE	4,610,677	2,737,576
Total	4,610,677	2,737,576

NOTE 11: PERSONNEL EXPENSES

	2023/24	2022/23
	TZS "000"	TZS "000"
Burial Expenses	21,734	12,390
Casual Labour	210	1,296
Civil Servants	3,604,241	2,526,900
Civil Servants Contracts	301,404	229,193
Court Attire Allowance	4,000	500
Contribution to NHIF	121,587	15,557
Disability Allowance	2,400	400
Domestic Servant Expenses	1,950	300
Electricity Allowance	15,595	17,880
Extra Duty	397,911	497,353
Internship Allowance	70,290	75,300
Food and Refreshments Allowance	422,400	64,400
Furniture Allowance	-	44,000
Fuel Allowance	35,334	-
Gratuity	113,340	32,188
Honoraria	147,430	104,965
House Allowance	623,900	375,710
Leave Passage Expense	19,675	245,439
Other Allowance	-	27,340
Outfit Allowance	-	300
Responsibility Allowance	32,400	2,700
Risk Allowance	4,200	-
Sitting Allowance	135,873	121,321
Skills And Development Levy	10,701	9,125
Social Security Contribution	584,544	1,515

TANZANIA STANDARD (NEWSPAPERS) LIMITED (TSN)

Staff Incentives	-	12,500
Staff transport	138,840	86,902
Staff Welfare	116,490	427,596
Subsistence Allowance	58,608	49,821
Telephone Allowance	31,785	26,355
Water Allowance	-	180
Workers Compensation Fund (WCF)	20,961	1,141
Total	7,037,803	5,010,567

NOTE 12: DIRECTORS FEES & OTHER BOARD EXPENSES

	2023/24	2022/23
	TZS "000"	TZS "000"
Directors Fees	45,900	61,200
Board and Committees Expenses	97,777	108,669
Total	143,677	169,869

NOTE 13: ADMINISTRATIVE EXPENSES

	2023/24	2022/23
	TZS "000"	TZS "000"
Appointment And Disciplinary Committee	15,139	68,070
Article contribution	201,093	183,016
Audit expenses	9,793	13,115
Audit Fees	50,000	30,000
Business Licences Expenses	1,325	3,000
Budgeting preparation	-	4,205
Business promotion and Marketing	762,177	584,018
Circulation Expenses	266,743	259,191
City Service Levy	-	32,163
Cleaning Expenses	85,782	90,075
Conference Facilities Expenses	5,620	687
Corporate Social Responsibility	10,060	11,060
Debt Collection	1,981	4,222
Electricity Expenses	81,929	82,051
Email and internet expenses	103,590	89,220
Gift and Prizes	10,944	19,008
Health insurance	-	6,017
Insurance expenses	7,245	-
News services fees	1,320	-
Office meeting expenses	43,488	50,340
Office rent & rates	53,102	47,865
Office supplies	58,841	47,248
Other Payments	365	2,937

TANZANIA STANDARD (NEWSPAPERS) LIMITED (TSN)

Parking Expenses	3,094	-
Postage	2,011	2,893
Printing And Stationery	83,631	66,488
Private Newspapers	4	1,182
Professional and Legal fees	41,266	53,721
Protective Clothing Footwear and Gears	4,109	-
Property Tax	19,197	6,352
Security Expenses	113,232	97,917
Software maintenance	69,053	66,518
Sporting Supplies	-	815
Telephone And Mobile Charges	141,252	34,251
Terminal Benefits expenses	-	2,280
Training And Development	120,691	115,540
Transfer expenses	51,624	20,416
Warehousing Expenses	10,845	10,845
Water Expenses	8,105	7,559
Workers Council	9,719	22,347
Total	2,448,370	2,136,632

NOTE 14: BANK CHARGES

	2023/24	2022/23
	TZS "000"	TZS "000"
Bank charge - TIB Corporate - Samora	263	716
Bank charge - NBC Corporate	7,006	8,089
Bank charge - NBC Print Press	7,125	12,968
Bank charge - NBC collect a/c	339	1,554
Bank charge - NBC Forex (USD)	2,980	7,960
Bank charge - CRDB Lumumba	-	4,169
Total	17,713	35,456

NOTE 15: FUEL AND MILEAGE EXPENSES

	2023/24	2022/23
	TZS "000"	TZS "000"
Fuel	249,510	348,634
Lubricants and Oil	6,024	3,401
Millage	13,849	210
Total	269,383	352,245

NOTE 16: TRANSPORT AND FACILITATION EXPENSES

	2023/24	2022/23
	TZS "000"	TZS "000"
Travel - Air tickets	56,508	44,984

TANZANIA STANDARD (NEWSPAPERS) LIMITED (TSN)

Ground Transport	28,033	14,059
Ground Travel	130,688	145,598
Per Diem	290,141	408,838
Total	505,370	613,479

NOTE 17: REPAIR AND MAINTENANCE EXPENSES	2023/24	2022/23
	TZS "000"	TZS "000"
Buildings repairs and maintenance	3,637	34,753
Computers & Related Accessories repair	4,574	4,747
Equipment - repair and maintenance	15,110	3,724
Motor Vehicles - Repairs and maintenance	51,569	19,689
Motorcycle - repair and maintenance	188	1,799
Printing Plant - repair and maintenance	6,193	19,104
Total	81,271	83,816

NOTE 18: DEPRECIATION AND AMORTISATION	2023/24	2022/23
	TZS "000"	TZS "000"
Amortisation of Intangible Assets	6,031	15,600
Depreciation of Investment property	5,884	5,884
Depreciation on property, plant and equipment	263,759	152,102
Total	275,674	173,586

NOTE 19 PROVISIONS	2023/24	2022/23
	TZS "000"	TZS "000"
Provision for ECL from Receivables	1,810,202	-
Provision for ECL from Bank Balances	332	-
Provision for obsolete inventories	3,247	19,871
Total	1,813,781	19,871

NOTE 20: EQUITY INVESTMENT

Equity investment represents 300,000 equity shares of Precision Air Services PLC purchased by the Company during the Initial Public Offering for TZS 470 per share. The decrease in value is due to the revaluation of the share price at TZS 400 per share (2023: TZS 400).

	2023/24	2022/23
	TZS "000"	TZS "000"
Investment In Shares - PAL	120,000	120,000
Total	120,000	120,000

TANZANIA STANDARD (NEWSPAPERS) LIMITED (TSN)

NOTE 21: INVENTORIES	2023/24	2022/23
	TZS "000"	TZS "000"
Consumables		
Consumable Stocks	23,289	20,832
Spare parts Stocks	66,673	71,703
Stock of Stationaries	56,093	214,072
Fuel stock	867	7,452
Sub Total	146,922	314,059
Raw materials		
Printing Inks	2,577	2,577
Printing Papers	43,452	20,597
Printing Plates	118,482	118,482
Sub Total	164,511	141,656
Total Inventories	311,433	455,715
Provision for obsolete stock	(31,123)	(27,876)
Total	280,310	427,839
NOTE 22: DEFERRED TAX ASSET	2023/24	2022/23
	TZS "000"	TZS "000"
At start of the year	973,236	973,236
Total	973,236	973,236
NOTE 23: TRADE RECEIVABLES	2023/24	2022/23
	TZS "000"	TZS "000"
Academic Institutions - Debtors	2,186,354	2,164,382
Commercial Printing Debtors	1,656,603	1,388,831
Consultancy & Media Services Debtors	36,722	262,510
Corporate Customers - Debtors	2,093,774	1,940,346
Embassies - Debtors	212,261	214,562
Government Agencies - Debtors	516,223	2,128,686
Local Government - Debtors	1,671,400	1,669,113
Ministries - Debtors	2,381,751	2,292,061
Rent Debtors	1,880,348	1,880,348
Library and Archive Debtors	7,694	7,694
Trade Debtors - Circulation Agents	6,409,025	6,227,079

TANZANIA STANDARD (NEWSPAPERS) LIMITED (TSN)

Total - as previously reported	19,052,155	20,175,612
Academic Institutions - Debtors	-	(577)
Local Government - Debtors	-	6,549
Ministries - Debtors	-	1
Corporate Customers - Debtors	-	21,929
Trade Debtors - Circulation Agents	-	(722,091)
Government Agencies - Debtors	-	(103,362)
Trade receivables Total	19,052,155	19,378,061

Other receivables

Deposit and Prepayment	336,905	264,953
Insurance Prepaid	-	7,245
AP/ AR Clearing	-	377
Rent Prepaid	19,003	17,344
Total - as previously reported	355,908	289,919
Deposit & Prepayment	-	(45,557)
Other receivables Total	355,908	244,362

Staff imprest and advances

Staff Imprest	586,438	956,558
Total - as previously reported	586,438	956,558
Staff Imprest	-	(104,964)
Staff imprest and advances Total	586,438	851,594

Trade and Other receivables Total

19,994,501 20,474,0117

The receivables balance of TZS 5.34 billion excludes uncollectible amounts totalling TZS 14.65 billion. These uncollectible receivables are unlikely to be recovered due to various factors, including customer defaults, insolvency, and other adverse circumstances.

The Management acquired a professional consultant for preparing Expected Credit Loss (ECL) Model and as a result provision for bad debts of TZS 14.65 billion was made in the books of accounts.

Details	2023/24	2022/23
	TZS "000"	TZS "000"
Trade and Other receivables	19,994,501	20,474,017
Accumulated Provision For Bad Debts	(14,649,107)	(12,838,905)
Trade and Other receivables Total	5,345,394	7,635,112

TANZANIA STANDARD (NEWSPAPERS) LIMITED (TSN)

Note 23 (a): Movement of provision

	2023/24	2022/23
Receivables	TZS "000"	TZS "000"
As at 1 July	12,838,905	2,714,249
Prior year Adjustment	-	10,124,656
Charge for the year	1,810,202	-
As at 30 June	14,649,107	12,838,905
	2023/24	2022/23
Cash and Cash equivalent	TZS "000"	TZS "000"
As at 1 July	-	-
Charge for the year	332	-
As at 30 June	332	-
	2023/24	2022/23
Inventories	TZS "000"	TZS "000"
As at 1 July	27,876	8,005
Charge for the year	3,247	19,871
As at 30 June	31,123	27,876

NOTE 23(b): Analysis of cash received from Revenue and Other Income:

	2023/24	2022/23
	TZS "000"	TZS "000"
Opening Trade and Other receivables	20,474,017	19,431,590
**Revenue and Other Income for the year	6,928,833	11,495,480
Prior period Adjustment	-	1,766,177
Closing Trade and Other receivables	(19,994,501)	(20,474,017)
Cash received from Revenue and Other Income	7,408,349	12,219,230

****Revenue and Other Income for the year:**

Revenue

Advertising Revenue	3,580,730	3,840,235
Circulation Revenue	1,510,031	1,501,225
Printing Income	356,570	5,379,393
Total	5,447,331	10,720,853

Other Income

Education Initiative Revenue	78,106	-
Library & Archive Services	1,418	-

TANZANIA STANDARD (NEWSPAPERS) LIMITED (TSN)

Media Consultancy Services	-	191,345
Sundries Income/grant/donation/refund	120,755	271,507
Rent Income	1,124,501	248,732
Salary in Lieu of Notice	5,830	700
Sales of Waste and Returns	89,854	62,343
Interest and Fines Income	60,000	-
Gain on Foreign Currency Translation	1,038	-
Total	1,481,502	774,627

Revenue and Other Income for the year	6,928,833	11,495,480
--	------------------	-------------------

NOTE 24: CASH AT BANK	2023/24	2022/23
	TZS "000"	TZS "000"
Bank balances - Twiga Bancorp	-5,009	-5,009
Bank Clearing	12	-80,116
Bank balances - TIB Corp Bank- Mlimani City	306	306
Bank balances - TIB Corp Bank- Samora	52,245	47,595
Bank balances - BOT (USD)	2,188	2,188
Bank balances - BOT (TZS)	91,445	294,485
Bank balances - NBC Corporate	46,547	65,498
Bank balances - NBC Print Press	8,517	2,522,442
Bank balances - NBC Forex (USD)	9,499	-8,643
Bank balances - NBC collection	1,825	502
Bank balances - CRDB Lumumba	-	14,133
Cash at Bank	207,575	2,853,381
Cash on hand		
Petty Cash	119	446
Cash and Cash Equivalents	207,694	2,853,827
Provision for Expected Credit Loss	-332	-
Cash and Cash Equivalents	207,362	2,853,827

The amount of cash and cash equivalent at the end of the period of TZS 207.7 million did not include the expected credit losses on bank balances of TZS 332 hundred thousand. Hence, the amount differs with that reported on the Statement of Financial Position by that amount.

During the year 2023/24, the Company computed and made a provision of TZS 332 thousand for the Expected Credit Loss of the cash and cash equivalents under the commercial bank (NBC) amounted to TZS 66.4 million as Exposure at Default with 1% as the probability of default and 50% of loss given default.

The company recognised the amount of TZS 12.1 thousand (2023: TZS -80.1 million) in the bank

TANZANIA STANDARD (NEWSPAPERS) LIMITED (TSN)

clearing account. For the year 2023/24, due to a shortage of dollars, NBC Corporate opened a clearing account to monitor the exchange of TZS to USD. After the year's end, the TSN had a balance of TZS 12.1 thousand at NBC Corporate.

NOTE 25: SHARE CAPITAL

By the Companies Ordinance (CAP 212) Company Limited by shares, Memorandum and Articles of Association of Tanzania Standard (Newspapers) Limited incorporated on 03 January 1961. The authorized share capital of the Company is Tanzania shillings one billion only (TZS 1,000,000,000.00) divided into ten thousand (10,000) Ordinary shares of Tanzania shillings one hundred thousand only (TZS 100,000.00) each. The movement of the capital during the year is reflected under the Statement of Changes in Equity.

	2023/24	2022/23
	TZS "000"	TZS "000"
Authorized issued and fully paid share capital		
10,000 Ordinary shares of TZS 100,000 each	1,000,000	1,000,000
Total	1,000,000	1,000,000

NOTE 26: CAPITAL GRANT

Grants used for the acquisition of new modern printing machinery and extension of building property during this period are recorded in a capital grants account. During the period, the Company recognised the addition of TZS 1.2 billion of capital grant to TZS 16.1 billion for the year ended 30 June 2024 (2023: TZS 14.9 billion).

	2023/24	2022/23
	TZS "000"	TZS "000"
On 1 July	14,932,293	-
Additional for Printing Machines	389,229	14,932,293
Additional for Building Construction	806,685	-
Total	16,128,207	14,932,293

NOTE 27: CAPITAL RESERVES

During the year 2023/24, the Company transfer the capital reserves amount of TZS 1.1 billion to the Accumulated profit/(Losses).

	2023/24	2022/23
	TZS "000"	TZS "000"
As at 1 July	1,147,294	1,147,294
Addition/(transfer) for the year	(1,147,294)	-
As at 30 June	-	1,147,294

TANZANIA STANDARD (NEWSPAPERS) LIMITED (TSN)

NOTE 28: TRADE PAYABLES

	2023/24	2022/23
	TZS "000"	TZS "000"
Agents Deposits	24,002	23,852
Commissions Payable to Freelancers	93	93
Trade Creditors	4,344,193	1,729,554
Total - as previously reported	4,368,288	1,753,499
Trade Creditors	-	(203,776)
Total	4,368,288	1,549,723
<u>Other payables</u>		
Accrued Expenses	605,015	313,651
Corporate Tax Payable	709,879	709,879
Fines and Penalties payable	3,109,131	3,109,131
HESLB Loan Recovery	2,413	2,968
NHIF contribution payable	2,628	1,492
PAYE Payable	2,905,513	3,047,033
Property Tax Payable	9,714	9,714
PSSSF Payable	1,651,530	2,240,883
RAAWU payable	9,086	8,240
Misc other account payable	-	107,620
Withholding Tax payable	55,407	41,291
Rent Deposit	7,553	8,316
SDL Payable	930,808	930,016
Stamp duty Payable	1,177	1,177
Staff deductions Control Account	12,568	-
Jubilee Insurance	1,755	-
Suspense Account	-	1,465,624
City service levy payable	195,503	195,503
TSN Jamii Fund	14,855	15,891
TSN Saccos	245,948	243,489
WCF Payable	1950	953
NSSF Payable	4,897	4,897
Net Salary Payable	6,454	-
Audit Fees Payable	198,818	128,818
VAT Payable	12,182,680	12,538,464
Total - as previously reported	22,865,282	25,125,050
Suspense Account	-	(537,476)
Misc other account payable	-	(187,748)
Audit Fees Payable	-	20,000

TANZANIA STANDARD (NEWSPAPERS) LIMITED (TSN)

Total	22,865,282	24,419,826
Trade and Other Payables	27,233,570	25,969,549

NOTE 28(a): Analysis of cash paid for suppliers and employees:

	2023/24	2022/23
	TZS "000"	TZS "000"
Opening payable for supplies and employees	25,969,549	23,511,375
**Expensed during the year	8,066,400	11,585,441
Prior period Adjustment	-	3,198,665
Closing payable for supplies and employees	(27,233,570)	(25,969,549)
Opening Inventory	(455,715)	(139,214)
Closing Inventory	311,433	455,715
Opening Retirement benefit obligation Payables	942,405	863,639
Closing Retirement benefit obligation Payables	(923,315)	(942,405)
Cash paid for suppliers and employees	6,677,187	12,563,667
**Expensed during the year:		
Commercial Printing Cost of Sales	172,790	4,030,729
Direct prod cost, Print Ink	265	4,663
Direct prod cost, Print Papers	-	148,656
Direct prod cost, Print Plates	-	17,610
Direct prod cost, Print Consumables	3,315	15,840
Printing Costs - English Papers	1,206,478	1,023,373
Printing Costs - Kiswahili Papers	504,017	430,265
Sorting of newspapers - p/press	-	8,224
Total	1,886,865	5,679,360
Personnel Expenses	2,713,751	2,487,511
Directors Fees and Board Expenses	143,677	169,869
Administrative expenses	2,448,370	2,136,632
Bank Charges	17,713	35,456
Fuel and Millage expenses	269,383	352,245
Transport and Facilitation Expenses	505,370	613,479
Loss on Foreign Currency Translation	-	27,073
Repair and Maintenance Expenses	81,271	83,816
Total	6,179,535	5,906,081
Expensed during the year	8,066,400	11,585,441

NOTE 29: RETIREMENT BENEFIT OBLIGATION

The Company operates a funded lump sum end of service and Long Service Award Benefit Fund. Under the plan, employees are entitled to benefits upon meeting requirements as stipulated in the Company's staff regulations of January 2024.

The plan provides benefits of a defined benefit nature. Therefore, one of the main risks relating to the benefits under the Scheme is the rate of salary growth. As most of the benefits are based on the final salary, any changes in salary that differ from the salary escalation rate assumed will have a direct bearing on the benefits paid and the present value of the benefit obligation under the Scheme. Similarly, any increases to the fixed lump sum amounts that differ from the assumed escalation rates for these amounts will also have a direct bearing on the benefits paid and the present value of the benefit obligation under the Scheme.

	2023/24	2022/23
<u>Retirement benefit obligation</u>	TZS "000"	TZS "000"
Provisions A/C	942,405	863,639
Additional during the year	(19,090)	78,766
Total	923,315	942,405

TANZANIA STANDARD (NEWSPAPERS) LIMITED (TSN)

NOTE 30: INTANGIBLES ASSETS

Particulars	Cost	Accumulated Depreciation				Total
	Cost as at 1 July	Additions	Derecognized	Balance as at 30 June	Balance as at 30 June	Carrying value as at 30 June
	TZS "000"	TZS "000"	TZS "000"	TZS "000"	TZS "000"	TZS "000"
2023/24						
Computer Software - Library	413,641	-	(201,220)	212,421	405,761	207,168
Computer Software -Accounts	330,281	-	(102,972)	227,309	323,364	227,309
Total	743,922	-	(304,192)	439,730	729,125	434,477
2022/23						
Computer Software - Library	413,641	-	-	413,641	403,135	405,761
Computer Software -Accounts	326,697	3,584	-	330,281	310,390	323,364
Total	740,338	3,584	-	743,922	713,525	729,125

Source: TSN Asset Register and GAMIS report as of 30 June 2024

TANZANIA STANDARD (NEWSPAPERS) LIMITED (TSN)

NOTE 31: PROPERTY, PLANT AND EQUIPMENT

Particulars	Cost				Balance as of 30 June	Accumulated Depreciation				Useful life Review	Balance as of 30 June	Total Carrying value
	Cost	Additions	Reclassification/ Transfer In/(Out)	Derecognized		Opening	Depreciation	Reclassification/ Transfer In/(Out)	Derecognized			
2023/24	TZS "000"	TZS "000"	TZS "000"	TZS "000"	TZS "000"	TZS "00"	TZS "000"	TZS "000"	TZS "000"	TZS "000"	TZS "000"	TZS "000"
Land	13,950,000	-	-	-	13,950,000	-	-	-	-	-	-	13,950,000
Buildings	3,739,096	-	(41,320)	-	3,697,776	647,248	73,956	(1,592)	(896)	-	718,716	2,979,060
Computers and Related Equipment	1,249,021	83,626	-	(521,990)	810,657	1,100,136	63,508	-	(521,990)	(109,287)	532,367	278,290
Motor Vehicles	502,840	542,245	-	(165,285)	879,800	500,389	33,042	-	(165,285)	(6,999)	361,147	518,655
Furniture and Fittings	572,541	150,810	-	(155,497)	567,854	506,598	36,783	-	(155,497)	(75,285)	312,599	255,255
Motorcycles and Tricycles	49,573	-	-	(16,918)	32,655	45,055	1,363	-	(16,918)	(154)	29,346	3,309
Printing Machinery	2,476,191	2,520,295	(341,261)	-	4,655,225	1,703,340	233,864	(186,783)	-	(59,120)	1,691,301	2,963,924
Folk lift	37,862	-	-	-	37,862	37,862	1,893	-	-	(6,626)	33,129	4,733
Generators	196,321	-	(13,800)	(2,550)	179,971	190,456	4,317	-	(10,485)	(34,019)	150,269	29,702
Office Equipment	635,508	120,279	7,474	(234,867)	528,394	538,497	48,333	-	(228,101)	(102,601)	256,128	272,266
Prepress Equipment	269,145	-	-	(269,145)	-	269,145	-	-	(269,145)	-	-	-
Air compressor	60,830	-	-	-	60,830	60,830	-	-	-	-	60,830	-
Containers	14,107	-	-	-	14,107	6,789	565	-	-	-	7,354	6,753
Computer To Printer Machinery - (CTP)	654,414	-	(1,423)	-	652,991	596,329	44,398	(421)	-	-	640,306	12,685
Total	24,407,449	3,417,255	(390,330)	(1,366,252)	26,068,122	6,202,674	542,022	(188,796)	(1,368,317)	(394,091)	4,793,492	21,274,630
2022/23												
Land	13,950,000	-	-	-	13,950,000	-	-	-	-	-	-	13,950,000
Buildings	3,039,386	18,344	681,366	-	3,739,096	572,567	74,681	-	-	-	647,248	3,091,848
Computers	1,116,830	132,191	-	-	1,249,021	1,069,611	30,525	-	-	-	1,100,136	148,885
Motor Vehicles	502,840	-	-	-	502,840	494,809	5,580	-	-	-	500,389	2,451
Furniture	538,644	33,897	-	-	572,541	490,545	16,053	-	-	-	506,598	65,943
Motorcycles and Tricycles	49,573	-	-	-	49,573	43,780	1,275	-	-	-	45,055	4,518
Printing Plants	2,476,191	-	-	-	2,476,191	1,622,008	81,332	-	-	-	1,703,340	772,851
Folk lift	37,862	-	-	-	37,862	37,862	-	-	-	-	37,862	-
Generators	196,321	-	-	-	196,321	189,076	1,380	-	-	-	190,456	5,865
Office Equipment	576,728	58,780	-	-	635,508	516,453	22,044	-	-	-	538,497	97,011
Prepress Equipment	269,145	-	-	-	269,145	269,145	-	-	-	-	269,145	-
Air compressor	60,830	-	-	-	60,830	60,830	-	-	-	-	60,830	-
Containers	14,107	-	-	-	14,107	6,225	564	-	-	-	6,789	7,318
Data link connection	654,414	-	-	-	654,414	551,831	44,498	-	-	-	596,329	58,085
Total	23,482,871	243,212	681,366	-	24,407,449	5,924,742	277,932	-	-	-	6,202,674	18,204,775

Source: TSN Asset Register and GAMIS report as of 30 June 2024

TANZANIA STANDARD (NEWSPAPERS) LIMITED (TSN)

- During the financial year 2023/24, the Company updated its assets register by removing assets that had been disposed of in prior years but were still listed in the register. These assets were fully depreciated, so the adjustments did not affect the financial statements. This process resulted in a decrease in both the cost and the accumulated depreciation, as detailed below;

Assets Category	Amount TZS "000"
Motor vehicles	165,285
Motorcycles and Tricycles	16,918
Computers and related equipment	521,990
Furniture and Fittings	155,497
Office equipment	234,867
Prepress Equipment	269,145

- Furthermore, the Company has held assets for sale which are fully depreciated. The Government Assets Management Division has provided the fair value for the disposal of the assets mentioned below;

Assets Category	Quantity	Amount TZS "000"
Motor Vehicles	08	52,150
Motorcycles and Tricycles	16	2,450
Office Equipment	42	870
Computers and Related Equipment	106	1,589
Total		57,059

- During the period there were no assets pledged as security

TANZANIA STANDARD (NEWSPAPERS) LIMITED (TSN)

NOTE 32: CAPITAL WORK-IN-PROGRESS

Capital Work in Progress (WIP), an asset category, is stated at cost and not depreciated. Depreciation of WIP commences when the assets are ready for their intended use. As of 30 June 2024, the Company continued with the project of procuring new modern printing machinery and construction of the printing factory at TSN Building, Mandela Expressway. Below are the details of Capital Work in Progress:

Particulars	Cost			Total
	Cost as at 1 July TZS "000"	Additions TZS "000"	Balance as at 30 June TZS "000"	Balance as at 30 June TZS "000"
2023/24				
New Modern Printing Machineries, TSN Building	12,030,733	472,323	12,503,056	12,503,056
Building Factory, TSN Building	-	683,631	683,631	683,631
Total	12,030,733	1,155,954	13,186,687	13,186,687
Particulars	Cost			Total
	Cost as at 1 July TZS "000"	Additions TZS "000"	Balance as at 30 June TZS "000"	Balance as at 30 June TZS "000"
2022/23				
New Modern Printing Machineries, TSN Building	-	12,030,733	12,030,733	12,030,733
Total	-	12,030,733	12,030,733	12,030,733

Source: TSN Asset register as of 30 June 2024

NOTE 33: INVESTMENT PROPERTIES

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation, or both, rather than for;

- (a) Use in the production or supply of goods or services, or for administrative purposes; or
- (b) Sale in the ordinary course of operation.

As of 30 June 2024, investment properties comprised three (3) buildings which have an occupancy ratio for commercial use of hundred per cent (100%) and a total amount of TZS 294,200 and allocated at:

Details	Cost (TZS "000")			Accumulated Depreciation		Total
	Cost	Additions	Balance	Balance as at 1	Depreciation as at 30	Carrying value
2023/24						
Building, Makole Area, Dodoma	46,400	-	46,400	1,856	928	43,616
Building, Chinangali, Chang'ombe Area, Dodoma	46,200	-	46,200	1,848	924	43,428
Building, Corridor Area, Arusha	201,600	-	201,600	8,064	4,032	189,504
Total	294,200	-	294,200	11,768	5,884	276,548
Details	Cost (TZS "000")			Accumulated Depreciation		Total
	Cost	Additions	Balance	Balance as at 1	Depreciation as at 30	Carrying value
2022/23						
Building, Makole Area, Dodoma	46,400	-	46,400	928	928	44,544
Building, Chinangali, Chang'ombe Area, Dodoma	46,200	-	46,200	924	924	44,352
Building, Corridor Area, Arusha	201,600	-	201,600	4,032	4,032	193,536
Total	294,200	-	294,200	5,884	5,884	282,432

Source: TSN Asset register and GAMIS report as of 30 June 2024

NOTE 34: RELATED PARTY TRANSACTIONS AND BALANCES**Identification of related parties**

Parties are considered to be related if one party has ability to control the other party and exercise significant influence over the party in making financial and operating decisions. In the normal course of business, a number of transactions are entered into with related parties.

The Company's related parties are Board of Directors and members of senior management, Government institutions who are customers of Tanzania Standard (Newspapers) Limited (TSN) and TSN management

Key management personnel:

The key management personnel, as defined by IAS 24 *Related Party Disclosures*, are all directors or members of the governing body of entity; and other persons having the authority and responsibility for planning, directing, and controlling the activities of the reporting entity.

Below are transactions and balances held with related parties as at reporting date.

	2023/24	2022/23
Transactions with key management personnel	TZS "000"	TZS "000"
Telephone Allowance	31,785	26,355
Electricity Allowance	15,595	17,880
Water Allowance	-	180
Housing Allowance	60,400	45,000
Sub total	107,780	89,415
	2023/24	2022/23
Transactions with members of the Board	TZS "000"	TZS "000"
Directors Fees	45,900	61,200
Board and committee's expenses	97,777	108,669
Sub total	143,677	169,869
Total	251,457	259,284

NOTE 35: OPERATING LEASE COMMITMENTS

The Company had operating leases for offices in which it carries out its operations these leases were with CDA (for TSN central zone office in Dodoma), TAZARA warehouse and other bureau offices (Zanzibar, Tanga, Mbeya, Mwanza, Moshi, and Arusha) with third parties. These leases have an average life of one with a renewal option. There are no restrictions placed upon the Company by entering these leases.

TANZANIA STANDARD (NEWSPAPERS) LIMITED (TSN)

TSN as Lessee

Future minimum rentals payable under non-cancellable operating leases as at year-end are as follows:

	2023/24	2022/23
	TZS "000"	TZS "000"
Within one year - Rental Office	53,102	47,865
Within one year - Warehousing	10,845	-
Total	63,947	47,865

Minimum office rental and service charges payments recognized as an expense during the year amount to TZS 63.9 million (30 June 2023: TZS 47.9 million).

NOTE 36: PRIOR YEAR ADJUSTMENT

During the year, the Management adjusts the balance to correct the unrecognized transactions of provision of impairment of receivables, receivables with negative balances, changes in review of useful life, changes in reclassification and derecognition of disposed/sold assets and other adjustments as shown below.

a) Disclosure of the adjustment made to the opening balance of the retained earnings

<u>Details</u>	<u>Amount</u> TZS "000"
Recognition of prior years' provision of impairment of Receivables	(10,124,656)
Correction of overstated prior years' deposit and prepayments	(45,557)
Recognition of the identified prior years' revenue	537,476
Correction of erroneous invoices of compliment newspapers	(722,733)
Correction of erroneous invoices of compliment of inhouse adverts	(103,362)
Correction of errors of prior years' creditors balances	391,524
Recognition of understated prior year's invoices	(20,000)
Recognition of prior year's imprest retirement	(104,964)
Correction of the receivables with credit balance	28,544
Total	(10,163,728)

b) Recognition of changes in asset cost after asset reclassification to correct asset categories and derecognition of disposed assets from prior years.

TANZANIA STANDARD (NEWSPAPERS) LIMITED (TSN)

Asset categories	Net Changes of review of useful life	Net changes of Reclassification / Derecognition of Asset	TOTAL
	TZS "000"	TZS "000"	TZS "000"
Buildings	-	(38,832)	(38,832)
Motor Vehicles	6,999	-	6,999
Folk lift	6,626	-	6,626
Generators	34,019	(5,865)	28,154
Motorcycle and Tricycle/Bajaj	154	-	154
Printing Machinery	59,120	(154,478)	(95,358)
Computer To Printer Machinery - (CTP)	-	(1,002)	(1,002)
Others Equipments	102,601	708	103,309
Computers, Servers and Related Equipment	109,287	-	109,287
Furniture and Fittings - Office	75,285	-	75,285
Computer Software	-	(3,512)	(3,512)
TOTAL	394,091	(202,981)	191,110

- c) During the year, a net change total to TZS 191.1 million (2022/23: TZS 4.1 billion) was adjusted to retained earnings. The adjustment relates to prior years' correction of wrong capitalized assets instead of expensed, and correcting errors after the review of useful life of assets.

S/n	Details	Amount TZS "000"
01	Adjustment to correct wrongly capitalised assets instead of expense	(202,981)
02	Adjustment to correct errors after the review of useful life	394,091
	Total	191,110

While for the year 2022/23, the adjustment for relates to overstated/understated of the prior year expenditures after reconciliation with the relevant institutions.

S/n	Details	Amount TZS "000"
01	Understated Tax Liability - TRA	4,147,715
02	Understated pension Contribution Payable - PSSSF	82,500
03	Overstated Pension Contribution Payable - NSSF	(122,550)
	Total	4,107,665

NOTE 37: RECONCILIATION OF CASH FROM OPERATING ACTIVITIES

	Notes	2023/24 TZS'000	2022/23 TZS'000
<u>Cashflows from Operating activities</u>			
Loss before tax		(3,505,286)	(407,688)
<u>Adjustment for Non-cash Movements:</u>			
Amortisation	30	6,032	15,600
Depreciation of Non-Current Asset	31	542,022	277,932
Depreciation of Investment Property	33	5,884	5,884
Gain on sale of Non-current assets	08	-	(1,560)
Impairment of receivables	23a	1,810,202	-
Provisions for ECL Cash and Cash Equivalents	23a	332	-
Provisions for obsolete inventories	23a	3,247	19,871
Cashflows from Operations before working capital changes		(1,137,567)	(89,961)
<u>Changes in Working Capital:</u>			
(Increase)/Decrease in Stocks and Consumables	21	144,282	(316,501)
Decrease in Trade and Other Receivables	23	479,516	723,750
Increase in Trade and Other Payables	28	1,264,021	3,367,174
Prior Adjustment of Opening Payables	36	-	(4,107,665)
Increase/(Decrease) of retirement benefit obligation	29	(19,090)	78,766
Net changes in working capital		1,868,729	(254,476)
Net cash generated/ (used) in operating activities		731,162	(344,437)

NOTE 38: CAPITAL EXPENDITURE COMMITMENTS

Capital Commitments

Capital expenditure contracted for, or tenders are in progress at the statement of financial position date is as follows.

	2023/24 TZS "000"	2022/23 TZS "000"

TANZANIA STANDARD (NEWSPAPERS) LIMITED (TSN)

Printing Machinery	-	12,030,733
Building	-	-
Total	-	12,030,733

NOTE 39: CONTINGENT ASSETS AND LIABILITIES

Contingent Liabilities

There were no pending court cases to which TSN is a party at various registries of the High Court, Tribunal Commission for Mediation and Arbitration and Resident Magistrate Courts.

NOTE 40: EVENTS AFTER REPORTING DATE

There were no material events, adjusting or non-adjusting, which had occurred between the reporting date and the date when the financial Statements are authorized for issue by the Board of Directors.

NOTE 41: ULTIMATE HOLDING COMPANY

The Ministry of Information, Communication and Information Technology is the Controlling Entity, and the Government of the United Republic of Tanzania is the Ultimate Controlling Entity of the Company.