

# **TANGANYIKA LAW SOCIETY**

**ANNUAL REPORT AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31st DECEMBER 2023**

**TANGANYIKA LAW SOCIETY  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2023**

**TABLE OF CONTENTS**

<b>Description</b>	<b>Page No</b>
Abbreviations	iii
General Information	iv
Governing Council's Report	4-15
Statement of the Governing Council's Responsibilities	16
Declaration of Head of Finance	17
Independent Auditor's Report on the Financial Statements	18 - 19
Statement of Financial Position	20
Statement of Financial Performance	21
Statement of Changes in Net Assets	22
Statement of Cash Flows	23
Statement of Comparison of Budget versus Actual amounts	24-25
Notes to the Financial Statements	25 – 42

**TANGANYIKA LAW SOCIETY  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2023**

**ABBREVIATIONS**

AGM	Annual General Meeting
AYL	Association of Young Lawyers
Cap	Chapter
CBA	Canadian Bar Association
CLE	Continuing Legal Education
DATF	Deceased Advocates Trust Fund
EALS	East Africa Law Society
GTZ	Government of Tanzania
IPSAS	International Public Sector Accounting Standards
ISA	International Standards on Auditing
NBAA	National Board of Accountants and Auditors
R.E	Revised Edition
USD	United States Dollars
TLS	Tanganyika Law Society
TFRS	Tanzania Financial Reporting Standards
TZS	Tanzanian Shillings

**TANGANYIKA LAW SOCIETY  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2023**

**GENERAL INFORMATION**

**Registered Office:**

Tanganyika Law Society,  
Plot No. 391,  
House No. 21,  
Chato Street, Regent Estate,  
P. O. Box 2148,  
Dar es Salaam,  
Tanzania.

**Main Bankers:**

NMB Bank,  
Bank House Branch,  
P. O. Box 9031,  
Dar es Salaam,  
Tanzania.

CRDB Bank,  
Tower Branch,  
PPF Tower,  
Dar es Salaam,  
Tanzania.

**Auditors:**

AUDITAX International,  
P.O. Box 77949  
Auditax house, 3rd floor Coca Cola Road,  
Dar es Salaam,  
Tanzania.

**TANGANYIKA LAW SOCIETY  
REPORT OF THE GOVERNING COUNCIL OF TANGANYIKA LAW SOCIETY  
FOR THE YEAR ENDED 31ST DECEMBER 2023**

**1. INTRODUCTION**

The Members of the Governing Council of Tanganyika Law Society (TLS) present this report together with the Audited Financial Statements for the year ended 31st December 2023, which describes the results of TLS operations and its state of affairs. The Members of the Governing Council prepared the report in compliance with TFRS 1 – The report by Those Charged with Governance issued by NBAA in June 2020 and which became effective on 1st January, 2021.

The report is intended to primary users and other stakeholders by setting out analysis of the Society's operations and financial review, with a forward-looking orientation to assist primary users and other stakeholders to assess the strategies adopted by the Society and the potential for those strategies to succeed toward creating value over the short, medium- and long-term periods.

**2. INCORPORATION**

Tanganyika Law Society (TLS) is the Bar Association of Tanzania Mainland, established in 1954 by an Act of Parliament–The Tanganyika Law Society Ordinance 1954. The Tanganyika Law Society is currently governed by the Tanganyika Law Society Act, Cap 307 R.E 2002, which repealed the earlier legislation.

**3. VISION**

To be an exemplary independent Bar that fosters equal justice for all.

**4. MISSION**

To champion for the rule of law, democracy, human rights, and access to justice for all while creating a conducive environment for sustainable legal fraternity.

**5. CORE VALUES**

- a) Integrity
- b) Professionalism
- c) Respect
- d) Courage
- e) Empowerment

**6. SOCIETY'S OPERATIONS**

Principal activity of the Society is promotion of the legal profession in Tanzania.

**7. STRATEGIC OBJECTIVES**

- a) To improve the standards of learning of the legal profession in Tanzania
- b) To improve the standards of conduct of the legal profession in Tanzania
- c) To promote rule of law, access to justice, human rights and good governance
- d) To protect, represent, and assist members of the legal profession in Tanzania
- e) To strengthen the institutional capacity of TLS

**8. APPROPRIATION OF SURPLUS**

Appropriating surplus funds thoughtfully allows any bar association like TLS to enhance its services, support its members, and ensure financial health. By balancing immediate needs with long-term strategic goals, the Society can leverage surplus funds to reinforce its mission, drive innovation, and maintain its vital role in the legal community. However, currently the Society has been struggling to ensure it turns the accumulated deficits into accumulated surpluses which will allow the Society to fulfil its objectives sustainably.

**9. LOCAL AND INTERNATIONAL RELATIONS**

The Society served as key a player in the legal profession, influencing both local legal practices and international legal relations. Locally, the Society regulates and supports the legal profession, advocate for legal reforms, and provide community services. Internationally, fostered collaboration, support human rights, and contributed to the global legal framework, promoting the rule of law and legal development across borders.

**TANGANYIKA LAW SOCIETY  
REPORT OF THE GOVERNING COUNCIL OF TANGANYIKA LAW SOCIETY  
FOR THE YEAR ENDED 31ST DECEMBER 2023**

**10. CAPITAL MAINTANANCE**

The Society ensured effective capital maintenance that can sustain its operations, support its members, and fulfill its mission over the long term. By implementing sound financial management practices, diversifying revenue streams, and maintaining transparency. It also, tried to build a strong financial foundation that enables it to adapt to changing circumstances and continue serving the legal community effectively.

**11. CAPITAL COMMITMENT**

Society's capital commitment is essential for sustaining and advancing its mission. By strategically investing in infrastructure, member services, educational programs, advocacy, international collaboration, and financial stability. By doing so the Society ensures it remains a vital and effective institution within the legal community.

**12. (A) COMPOSITION OF THE COUNCIL MEMBERS (JANUARY 2023 TO MAY 2023)**

S/N	Name	Designation	Age	Qualifications	Profession	Nationality	Election Date	Attendance
1	Prof. Edward Hoseah	President	64	PhD, LLM, LLB	Advocate	Tanzanian	27/05/2022	4
2	Glory Kalabamu	Vice President	39	LLM, LLB, PGDLP	Advocate	Tanzanian	27/05/2022	5
3	Frederick Msumali	Honorary Treasurer	54	CPA, MBA, LLB, PGDLP	CPA, Advocate	Tanzanian	27/05/2022	5
4	Edward Heche	Member	30	LLB, PGDLP	Advocate	Tanzanian	27/05/2022	4
5	Elibariki Maeda	Member	41	LLB, PGDLP	Advocate	Tanzanian	27/05/2022	5
6	Ladislau Rwekaza	Member	51	LL.M, LLB, PGDLP	Advocate	Tanzanian	27/05/2022	4
7	Lenin Njau	Member	41	LLB, (Hons),LLM, PGDLP	Advocate	Tanzanian	27/05/2022	3
8	Tike Mwambipile	Member	42	MBA, LLB, PGDLP	Advocate	Tanzanian	27/05/2022	5
9	John Mallya	Member	34	LLB, PGDLP	Advocate	Tanzanian	27/05/2022	3
10	Ally Nkhangaa	Member	41	LLB, PGDLP	Advocate	Tanzanian	27/05/2022	3
11	Kaleb Lameck Gamaya	Secretary	54	LLM, LLB	Advocate	Tanzanian	n/a	

**(B) COMPOSITION OF THE COUNCIL MEMBERS ELECTED IN MAY 2023**

S/N	Name	Designation	Age	Qualifications	Profession	Nationality	Election Date	Attendance
1	Harold Sungusia	President	52	LLM, PGDL, LLB	Advocate	Tanzanian	13/05/2023	9
2	Deus Nyabiri	Vice President	67	LLM, LLB	Advocate	Tanzanian	13/05/2023	7
3	Christopher Alex Mageka	Honorary Treasurer	50	CPAPP, LLB, PGDLP, CPB, CPSP, MBA, Bcom	CPA, Advocate	Tanzanian	13/05/2023	9
4	Edward Heche	Member	31	LLB, PGDLP	Advocate	Tanzanian	13/05/2023	8
5	David Shilatu	Member	47	LLM, LLB	Advocate	Tanzanian	13/05/2023	7
6	Stephen Mwakibolwa	Member	36	MBA, LLB	Advocate	Tanzanian	13/05/2023	9
7	Irene Mwakyusa	Member	37	LLB, LLM, MBA	Advocate	Tanzanian	13/05/2023	7
8	Letitia Ntagazwa	Member	45	LLB,	Advocate	Tanzanian	13/05/2023	1

**TANGANYIKA LAW SOCIETY  
REPORT OF THE GOVERNING COUNCIL OF TANGANYIKA LAW SOCIETY  
FOR THE YEAR ENDED 31ST DECEMBER 2023**

9	Matatizo Msasa Thoma	Member	34	PGDLP, LLB,	Advocate	Tanzanian	13/05/2023	9
10	Cleophas Kitale	Member	43	PGDLP, LLB,	Advocate	Tanzanian	13/05/2023	9
11	John Nyange	Member	54	LLM, LLB	Advocate	Tanzanian	13/05/2023	5
12	Aisha A Sinda	Member	40	LLB,LLM	Advocate	Tanzanian	13/05/2023	3
12	Mariam Othman	Secretary	40	LLB, PGDLP	Advocate	Tanzanian	n/a	

On 9th October 2023, Deus J. Nyabiri, zonal leader of the central zone was appointed TLS Vice President to replace Ms. Aisha Sinda who was appointed Judge of the High Court in August 2023. Following vacant post of the central zone, on 04th December 2023 Laetitia Petro was appointed by the Electoral Committee to fill the vacant post.

The matters discussed during the meetings are summarized in the following tables:

<b>3<sup>rd</sup> to 5<sup>th</sup> April 2023,</b>	<b>Fourth Ordinary Meeting;</b> <b>Key Decisions made;</b> 1) Deliberated on Revised Society Strategic Plan for the year 2023-2025 and the Institutional Budget for the year 2023, 2) Institutional Governance.
<b>16<sup>th</sup> June 2023</b>	<b>First Extra Ordinary Meeting</b> <b>Key Decisions made;</b> 1) The appointment of the TLS committee members and 2) Institution Governance
<b>25<sup>th</sup> June 2023</b>	<b>Second Extra Ordinary Meeting;</b> <b>Key decision made;</b> 1) TLS statement in respect of Intergovernmental Agreement (IGA) between the United Republic of Tanzania and the Emirate of Dubai concerning the economic and social partnership for development and improving the performance of Sea and Lake ports in Tanzania.
<b>3<sup>rd</sup> and 4<sup>th</sup> August 2023</b>	<b>1<sup>st</sup> and 2<sup>nd</sup> Ordinary Meeting;</b> <b>Key decision made;</b> 1) Members Welfare (TLS statement condemning the threats made against Dr. Rugemeleza Nshala. 2) Institutional Governance
<b>9,11 and 12 October 2023</b>	<b>Fourth Extra Ordinary Meeting;</b> <b>Key decision made;</b> 1) Members Welfare (TLS statement condemning the threats made against Dr. Rugemeleza Nshala. 2) Institutional Governance
<b>21<sup>st</sup> November 2023</b>	<b>05<sup>th</sup> Extra Ordinary Meeting;</b> <b>Key decision made;</b> 1) Members Welfare (TLS Statement Condemning the Suspension Made Against Adv. Mpale Mpoki.
<b>30<sup>th</sup> November 2023</b>	<b>Sixth Extra Ordinary Meeting</b> <b>Key decisions made;</b> 1) Members Welfare- requisitioning of the Extra Ordinary General Meeting to discuss two agenda which are Composition and Powers of the National Advocates Committee and Regional Advocate Committee; and

**TANGANYIKA LAW SOCIETY  
REPORT OF THE GOVERNING COUNCIL OF TANGANYIKA LAW SOCIETY  
FOR THE YEAR ENDED 31ST DECEMBER 2023**

	Way Forward on the Amendments of the Tanganyika Law Society Act passed in November 2023.
15 <sup>th</sup> December 2023	<p><b>Seventh Extra Ordinary Meeting; Key decision made;</b></p> <p>1) Deliberated and approved three Institutional Policies namely;</p> <p>a) Risk Management Policy b) Investment and Resource Mobilization and c) Procurement Policy</p>

**13. CORPORATE GOVERNANCE**

**a) Structure of the Governing Council**

The Governing Council is supposed to have eleven (11) members. These members were all elected in the Annual General Meeting on 13<sup>th</sup> May 2023. The Council takes overall responsibility, including responsibility for identifying key risk areas, considering and monitoring secretariat decisions, considering significant financial matters, and reviewing the performance of management operational plans and budgets. The Council is also responsible for ensuring that a comprehensive system of internal control policies and procedures is operative, and for compliance with sound governance principles. The Council is required to meet at least four times a year. The Council delegates the day-to-day management of the TLS operations to the Executive Director (ED) assisted by senior management team.

**b) Corporate Governance Statement**

The Society is committed to the principles of good governance. The Council also recognize the importance of integrity, transparency and accountability. During the year the Council had two committees, namely, the Executive Committee and Finance, Risk and Audit Committee responsible for high standard of corporate governance and financial affairs of the Society.

**c) Committees of the Governing Council**

**Executive Committee (Ex-Com)**

The Executive Committee consists of the President, Vice President, Honorary Treasurer and Chairperson of the Association of Young Lawyers (AYL). The Committee plays an important role in assisting the Governing Council in carrying out the works of the Society. In addition, the Executive Committee takes on work assigned or delegated to it by the Governing Council.

The composition of the Executive Committee as at 31st December 2023 was as follows: -

<b>No.</b>	<b>Name</b>	<b>Position</b>
1.	Harold Sungusia	President
2.	Deus Nyabiri	Vice President
3.	CPA Christopher Alex Mageka	Treasurer
4.	Edward Heche	Chairperson AYL
5.	Mariam Othman	Secretary

**d) Finance, Risk and Audit Committee**

The Committee is composed of seven members. The main responsibility of the Committee is to advise the Governing Council on financial management, audit, risk and compliance matters which need consideration of the Council. The Committee held three (3) meetings during the year ended 31st December 2023.



**TANGANYIKA LAW SOCIETY  
 REPORT OF THE GOVERNING COUNCIL OF TANGANYIKA LAW SOCIETY  
 FOR THE YEAR ENDED 31ST DECEMBER 2023**

The composition of the Audit Committee as at 31st December 2023 was as follows: -

<b>S/N</b>	<b>Name</b>	<b>Position</b>	<b>Attendance</b>
1.	CPA Christopher Alex Mageka	Chairperson	6
2.	CPA Frederick Msumali	Member	6
3.	Casmir Nkuba	Member	4
4.	Musa Mwapongo	Member	6
5.	CPA Emmanuel Kalibashubao	Member	4
6.	Dr. CPA Adamson Kariwa	Member	6
7.	CPA Stella Rweikiza	Member	5
8.	CPA John Mwang'ombola	Secretary	

The matters discussed during the meetings are summarized in the following tables:

<b>DATE</b>	<b>COMMITTEE AGENDA ITEM</b>
<b>17th March, 2023</b>	<p><b>First Ordinary Meeting</b>  <b>Key Decisions made;</b></p> <ol style="list-style-type: none"> <li>1) Follow up of the defaulting members from the public bar association.</li> <li>2) Plan of actions on the recommendations of the IT Specialist.</li> <li>3) Deduction of 30% withholding tax from all un-registered consultants/resource people (CLE presenters).</li> <li>4) Funds received for LAAC Contributions should be strictly spent on expenses relating to LAAC Project.</li> <li>5) Involvement of an expert to work on the payment of interest on late payment to the contractor and analyse if there was any over payment and bring it to the Committee for deliberations.</li> <li>6) Reworking of the presented Financial Statements and correct any misstatement thereof to perfect the reports.        Internal Audit to undertake In-depth investigation to establish assurance on the Society's financial control systems.</li> </ol>
<b>18th Sept, 2023</b>	<p><b>Second Ordinary Meeting;</b>  <b>Key Decision Made;</b></p> <ol style="list-style-type: none"> <li>1) Establishment of proper list of defaulters.</li> <li>2) Having in place debts collection plan from Public advocates.</li> <li>3) Closure of the WAKILI project account and sharing of the report.</li> <li>4) Reconsideration of the 2023 budget figures as the figures seemed to be on a higher side.</li> <li>5) Approval of the budget sent to the URT President for assistance, especially in the area of legal aid</li> </ol>
<b>30th October, 2023</b>	<p><b>Third Online Ordinary Meeting</b>  <b>Key Decisions made;</b></p> <ol style="list-style-type: none"> <li>1) Implementation time frame and responsible person of the management letter issued by the external auditors in the 2022 audit.</li> <li>2) Draft policies must be presented before the committee by the consultant who prepared the policies. The policies include, TLS Risk Management Framework, Investment and Resource Mobilization Policy and Financial Policy and Procedures</li> </ol>

**TANGANYIKA LAW SOCIETY  
REPORT OF THE GOVERNING COUNCIL OF TANGANYIKA LAW SOCIETY  
FOR THE YEAR ENDED 31ST DECEMBER 2023**

**14. RISK MANAGEMENT AND INTERNAL CONTROLS**

The Governing Council accepts final responsibility for the risk management and internal control systems of the Society. It is the task of Secretariat and management team to ensure that adequate internal financial and operational control systems are developed and maintained on an on-going basis in order to provide reasonable assurance regarding:

- a) The effectiveness and efficiency of operations;
- b) The safeguarding of the Society's assets;
- c) Compliance with applicable laws and regulations;
- d) The reliability of accounting records;
- e) Operations sustainability under normal as well as adverse conditions; and
- f) Responsible behavior 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. Whilst no system of internal control can provide absolute assurance against misstatement or losses, the Society's system is designed to provide the Council with reasonable assurance that the procedures in place are operating effectively.

The table below summarizes key risks and their mitigation action:

<b>Risks Category</b>	<b>Description of the risk</b>	<b>Comments on Mitigation</b>
Compliance and Regulatory Risk	Governance, systems, and processes fail, resulting in poor corporate governance.	Council and Management oversee risk management  Alignment between risk management program to overall Operation strategy.
Business continuity management or crisis management	Failure in business operations due to inability to build alternate infrastructure/capabilities to handle emergencies.	Review of Business Continuity Plans (BCPs) and Disaster Recovery Plans (DRPs) and their testing.
Governance and Strategy	Low performance on strategic initiatives due to lack of key performance indicators/ metrics and inability to measure key performance indicators/metrics.	Review of Key Performance Indicators (KPI) for strategic initiatives.  Review of Council and Management oversight on strategy monitoring and evaluation.

The Governing Council assessed the internal control systems throughout the financial year ended 31st December 2023 and is of the opinion that they met accepted criteria.

The Governing Council performs risk and internal control assessment through its Finance, Risk and Audit Committee.

**15. MANAGEMENT TEAM**

The management of the Society is under the Executive Director who is supported by the following departments;

- (a) Professional Development and Members Welfare Department
- (b) Public Affairs and Protection Department
- (c) Investment and Resource Mobilization Department
- (d) ICT and Innovation Department
- (e) Finance and Administration Department

**TANGANYIKA LAW SOCIETY  
REPORT OF THE GOVERNING COUNCIL OF TANGANYIKA LAW SOCIETY  
FOR THE YEAR ENDED 31ST DECEMBER 2023**

Senior management team comprises the following members:

<b>Name</b>	<b>Position</b>
Ms. Mariam Othman	Executive Director
Mr. Mackphason Buberwa	Programs Manager
Ms. Anastasia Muro	Members Services Manager
Mr. John Mwang'ombola	Finance Manager
Mr. Seleman Pingoni	Evaluation and Monitoring Officer
Ms. Nelson Frank	Corporate Secretary
TAB Consult	Outsourced Internal Audit Function

**16. FUTURE PLANS TO IMPROVE PERORMANCE**

Major focus of the Society is to ensure growth, sustainability, and successful implementation with its mandates; TLS intends to expand its projects/programs across the country, increase number of implemented programs and start income generating initiatives. Also, with increased number of members, TLS intends to increase the number of and improve capacities of its human resources.

**17. GOING CONCERN**

The Society recorded a deficit in operating activities of TZS 305,060,023 (2022: a deficit of TZS. 215,182,091). The management believes that with the current operating model with development partners, the Society will be able to create a surplus in the future to complement its operating cash inflows. The Governing Council members believe that the Society will continue as a going concern on the following grounds:

- Applicable accounting standards have been followed and that the financial statements have been prepared on a going concern basis.
- The Governing Council has a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. The current ratio at year end was 0.51:1 (2022: 0.55:1).
- Members have a legal obligation to pay their annual membership fees as a requirement for them to continue practicing. As a result, no doubt that the funding of the Society for its operating activities shall continue in a foreseeable future.

**18. THE COUNCIL STRATEGY**

The Council recently approved revised Strategic Plan (2023-2025). The Strategy will have its focus on its nine objects for which TLS was established. The focus will be mainly through performance improvement, decentralized approach to Chapters growth, streamlining and automation of workflow and developing and retaining motivated staff. The need to develop strategic plan based on these key focus areas is driven by both financial and operational results from the past and the overall legal market outlook. Focus over the next three years will be to improve members' services through systems automation of the workflow and devolution to chapter level.

**19. OVERALL BUSINESS PERFORMANCE AND CHALLENGES**

**Members Fees Trend**

The Society's Members Fees in 2023 increased by twenty-eight percent (28%). The increase in member fees results from many factors, including, improved fees collections systems, return of government/public institutions advocates from Society's operations. Processes are underway to integrate Judiciary and Public Bar Association (PBA) for easy interaction with members.

The Table below provides a trend in the past three (3) years.

<b>Description</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
	<b>TZS '000</b>	<b>TZS '000</b>	<b>TZS '000</b>
Membership fees	1,243,797	1,246,546	1,730,593
%growth/(decline)	(11%)	2.21%	39%
Surplus/(deficit)	(787,693)	(215,182)	(305,060)

**TANGANYIKA LAW SOCIETY  
REPORT OF THE GOVERNING COUNCIL OF TANGANYIKA LAW SOCIETY  
FOR THE YEAR ENDED 31ST DECEMBER 2023**

**20. GENERAL MEMBERS BEHAVIOUR ANALYSIS BY CATEGORIES**

The members' behavior in the Legal Fraternity in terms of members' paying patterns of subscription fees and CLE seminar fees on a year-to-year basis is outlined in the table below;

Description of Category	2021	2022	2023
	TZS '000	TZS '000	TZS '000
Subscriptions fees	1,243,797	1,246,546	1,730,593
CLE fees	916,348	936,930	1,159,104

**21. OPERATIONAL ENVIRONMENT**

**Operational Environment**

Tanzania Development Vision 2025 clearly articulates the agenda for transforming the country into one that is equitable, safe and provides an enabling environment in which the society can thrive.

Tanzania had a population of 67.4 million in 2023 which is an increased by 3.2 % from 2012 and 2023. Tanzania's population is split 49%-51% between male and female.

With this significant number of populations, a need for support in areas of justice and equity becomes of critical and TLS is well positioned to assist the Government and Citizen in major legal reforms in Tanzania.

The Society monitors the impact of its operations on the environment, which is mainly use of electrical energy, water and the generation of waste. The Society minimizes its impact through better use of its premises and inbuilt facilities to ensure that there is proper waste management.

**Political and charitable donations;**

The Society did not make any donations to charitable organizations nor did it finance political activities during the year 2023 (2022: NIL).

**Social factors;**

Tanzania has made sustained economic progress in the last decade with Gross Domestic Product (GDP) growth rate of over seven per cent (7%) per annum.

**Technological factors**

Tanzania is undergoing a digital transformation, reflected by the growing number of people connected to communications and internet services. This is having a profound impact on the country's social, cultural, and economic frameworks, through enhanced access to key services and improved productivity and efficiency across economic sectors (including Insurance).

Many government agencies are now going digital to improve public service eventually improving the livelihood of the people, example of this would be the highly integrated fees and charges collecting infrastructure, the GePG.

Tanzania is recognized as one of the world's hubs for mobile wallets such as M-PESA, TigoPesa and the likes. According to a 2023 report by the Tanzania Communications Regulatory Authority (TCRA), 67.8% of Tanzanians in urban areas have internet access, compared to only 28.9% in rural areas. Furthermore, according to the data from the Tanzania Communications Regulatory Authority (TCRA), mobile money subscription in Tanzania has increased by 8.7% from 47.3 million accounts in the second quarter ending June 2023 to 51.4 million accounts in the third quarter ending September 2023. The statistics provide wide range for our Society to leverage on this platform for operation excellence.

**TANGANYIKA LAW SOCIETY  
REPORT OF THE GOVERNING COUNCIL OF TANGANYIKA LAW SOCIETY  
FOR THE YEAR ENDED 31ST DECEMBER 2023**

**21. OPERATIONAL ENVIRONMENT (CONTINUED)**

**Legal factors**

Amendment of section 15(3) (d) of the Tanganyika Law Society Act, (CAP. 307) as amended by the Legal Sector Laws (Miscellaneous Amendments) Act, 2023 (Act No. 11 of 2023). This amendment increased qualifications of the Governing Council members to be a member of the Society with ten or more years of experience and who either run or manages a law firm which has five or more employees or has served in any recognized governing board, save for a member representing the association of young lawyers. Before the amendment Zonal Leaders (Governing Council) were supposed to have seven years to qualify to be GC members. Also the new amendment increased tenure from one year to three years.

**Environmental factors**

The Society monitors the impact of its operations on the environment, which is mainly through the use of power, water and the generation of waste. The Society minimizes its impact through better use of its premises and inbuilt facilities to ensure that there is proper waste management.

The agenda on urgent climate action is of importance to Tanzania as the country has been left vulnerable to rising water levels in oceans. The decreasing rainfall seasons contributes to danger of drought.

Reports indicate that in recent years the country has experienced a rise in cases arising from the environmental issues and the level of litigations are higher than years before, hence increase in a need of specialized legal interventions in the area.

**22. STRATEGY DRIVERS**

**Human resources**

The Council has the Human Resources capability to manage and implement the strategy. However, to remain the top-quality service provider to our members, additional skills may be required to achieve projected performance. This will be achieved through employee training, coaching and proper succession plan.

**Financial resources**

The Council has responsibility to raise financial resources to implement its strategies and fulfill all obligations as they fall due.

**Structure**

Due to limited resources, the current Society structure to operate to chapter level poses a big challenge in effectively and efficiently implement the strategic initiatives laid down. However, on the other hand the internal systems and operations processes provide a conducive environment for executing the strategic implementation.

**Policy**

All required guidelines, manuals, rules, and procedures in place, are adequate to implement the strategy. However, some of the manuals and guidelines and procedures require some changes to align with the demands from both strategy and international standards.

**Employee Commitment**

Staff will be provided with feedback on the progress of the strategy implementation to ensure maximum support and commitment. Employees' involvement in other platform may be used to align and accelerate implementation by the Team.

**23. CRITICAL SUCCESS FACTORS**

**The achievements of the Society can be attributed to the following: -**

- a) Good corporate governance.
- b) Modern ways of management e.g. change management, risk management etc.
- c) Good reputation in the Legal Fraternity.

**TANGANYIKA LAW SOCIETY  
REPORT OF THE GOVERNING COUNCIL OF TANGANYIKA LAW SOCIETY  
FOR THE YEAR ENDED 31ST DECEMBER 2023**

**23. CRITICAL SUCCESS FACTORS (CONTINUED)**

- d) Fast and efficient payment to our staff and vendors, except where there are financing shortcomings
- e) High quality of services from motivated staffs and satisfaction of the Society's members and the public at large.
- f) The Society is driven and guided by the core values that aim to achieve ethical and satisfied members and stakeholders' confidence based on empowerment, flexibility, efficiency, ethics and legacy.
- g) The Society offers a wide and specialized range of Services to its members and Society. These are but not limited to professional enhancement trainings, protect, and represent members, create conducive members practicing environment and facilitate renewal of practicing certificates.

**24. FINANCIAL RESULTS FOR THE YEAR**

During the year the Society recorded a deficit of TZS 305,060,023 (2022: deficit TZS 215,182,000). The Society will continue to improve its performance through provision of efficient and prompt services while carefully managing both costs and risks. The Council will also continue to focus on improving productivity and reorganizing and aligning its staffing and operations so that the Society maintains a sustainable improvement on a year-to-year basis.

<b>Key Performance Ratios</b>		
<b>Descriptions</b>	<b>2023</b>	<b>2022</b>
Members Fees ratio (Received Fees/Total Revenue)	0.54:1	0.33:1
Other Income to Members Fees (Other Income/Total Revenue)	0.04:1	0.02:1
CLE Seminar Fee Ratio (Seminar Fees/Total Revenue)	0.39:1	0.24:1
Donor Funds Ratio (Donor Funds to Total revenue)	0.03:1	0.09:1
<b>Expenses Ratios;</b>		
Administration Expenses/Total Expenses	0.59:1	0.54:1
Staff Expenses/Total Expenses	0.41:1	0.46:1

**Liquidity**

The Society does not maintain cash resources to meet all the liabilities but maintains a balanced approach to ensure that the timing differences of cash inflows are managed properly to pay current and back liabilities. Timely members' collections in full would ensure that the day-to-day liquidity requirements of the Society are adequately met. At the year ended 31st December 2023 the current liabilities exceeded current assets by TZS 1,009,050,568 (2022: 515,944,055).

**25. SERIOUS PREJUDICIAL MATTERS**

During the year there were two cases, one was filed against Tanganyika Law Society (Restraining TLS to conduct its Extraordinary General meeting which was scheduled on 16th December, 2023) and another case Tanganyika Law Society filed a case against Tanzania Revenue Authority (TRA) and The Attorney General (challenging sections 7A of the Tax Revenue Appeals Act Cap 408 RE 2019 and section 67(2) of the Tax Administration Act Cap 438 RE 2019).

Below are the respective particulars of the two cases;

- Miscellaneous Cause no. 27673 of 2023, Bartazary Bosco Mahai Vs Tanganyika Law Society and Attorney General and
- Civil cause No. 26438 of 2023, Tanganyika Law Society Vs Tanzania Revenue Authority (TRA) and Attorney General.

However, in the opinion of the Council members, there are no serious prejudicial matters that can affect the Society from the above cases. (2022: No legal cases).

**26. SOLVENCY**

The Society's state of affairs as at 31st December 2023 is set out on page 20 of the financial statements. The financial statements have been prepared on a going concern basis on the assumption that the Society Members are committed to paying their membership fees when they fall due and that the Government and Development Partners would support TLS financially in the near future. Currently the Society working capital is stretched and plans strategy to right size the planned revenue is able to pay for the costs and deliver quality services to its members.

**TANGANYIKA LAW SOCIETY  
REPORT OF THE GOVERNING COUNCIL OF TANGANYIKA LAW SOCIETY  
FOR THE YEAR ENDED 31ST DECEMBER 2023**

**27. EMPLOYEES' WELFARE**

**27.1. Management and employees' relationship**

There was continued good relationship between employees and management for the year 2023. There were no unresolved complaints received by Management from the employees during the year. A healthy relationship continues to exist between management and staff.

The Society is an equal opportunity employer. It gives equal access to employment opportunities and ensures that the best available person is appointed to any given position free from discrimination of any kind. The relationship between employees and management for the year 2023 continued to be satisfactory. There were no unresolved complaints received from employees by the management during the year.

**27.2. Training facilities**

During the year the Society spent TZS. 5,365,000 (2022: 4,515,000) for staff training in order to improve employees' technical skills and hence effectiveness. Training programs have been and are continually being developed to ensure employees are adequately trained at all levels. All employees have some form of annual training to upgrade skills and enhance development.

**27.3. Medical assistance**

All members of staff including a maximum number of four beneficiaries (dependents) for each employee were provided with medical insurance guaranteed by the Society.

**27.4. Persons with disabilities**

Applications for employment by disabled persons are always considered, bearing in mind the aptitude of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Society continues, and appropriate training is arranged. It is the policy of the Society that training, career development and promotion of persons with disabilities should, as far as possible, be identical to that of other employees.

**27.5. Employees benefit plan**

The Society pays contributions to publicly administered pension plans on mandatory basis which qualifies to be a defined contribution plan. All permanent employees qualify for the mandatory pension plans. In addition to defined contribution plan, the Society established internal gratuity fund where employer and employee each contribute five percent towards the funds.

**28. GENDER PARITY**

Key resources to ensure sustainability of the organizations are financial resources, the good governance by the Governing Council, skilled and experienced Secretariat members and good working environment through Wakili House and a network of Chapter Offices.

The Society's recruitment policy is to give equal opportunity to all people on recruitment process to fill vacant employment posts. Thus, the Society does not discriminate between male and female applicants to the vacant posts. In this regard, great care is taken when implementing the policy in order to ensure that education/professional qualifications, competencies and key attributes which are the basic criteria for selection and appointment, is not compromised.

**TANGANYIKA LAW SOCIETY  
REPORT OF THE GOVERNING COUNCIL OF TANGANYIKA LAW SOCIETY  
FOR THE YEAR ENDED 31ST DECEMBER 2023**

As at 31st December 2023, the Society had a total of 30 employees, out of which 17 were female and 13 were male (2022: 27 employees, out of which 16 were female and 11 male).

Description	31st December 2023	Percentage (%)	31st December 2022	Percentage (%)
Male employees	13	43	11	41
Female employees	17	57	16	59
<b>Total employees</b>	<b>30</b>	<b>100</b>	<b>27</b>	<b>100</b>

**29. RELATED PARTY TRANSACTIONS AND BALANCES**

Transactions during the year with related parties were conducted at terms and conditions similar to those offered to other clients and in the normal course of business i.e. arm's length. Details of transactions and balances with related parties are included in Note 37 to the financial statements.

**30. CORPORATE RELATIONSHIPS WITH STAKEHOLDERS**

The Society continued to maintain a good relationship with all stakeholders and the Government.

**31. SOCIAL RESPONSIBILITY (CSR)**

The Society continues to assist the less privileged members of our society. During the year TLS members were assigned a total of 398 dock briefs by the Judiciary to represent clients in criminal cases.

Furthermore, TLS provided legal assistance to 263 beneficiaries. Chapters are instrumental in the provision of legal aid to the society through legal aid week and events organized as social responsibility giving back to society. During the year ended 31<sup>st</sup> December 2023 chapters served 170 beneficiaries.

**32. APPROVAL OF FINANCIAL STATEMENTS**

The financial statements set out on pages 20 to 43 were approved at a meeting of Council Members on 12<sup>th</sup> July 2024.

**33. STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance and comply with International Public Sector Accounting (IPSAS), as issued by the International Public Sector Accounting Standards Board (IPSASB) except for revenue recognition from members as explained above, and comply with the provisions of the Tanganyika Law Society Act, CAP 307 R.E. 2002.

**34. AUDITORS**

Auditax International were the Auditors of the Society for the year ended 31st December 2023. This was the second year of their appointment as approved in the members' annual general meeting (AGM) in 2022.

**Name of Auditor** : Auditax International  
**Physical Address** : Auditax house, 3rd floor Coca cola road, Dar es Salaam, Tanzania.  
**Firms Registration** : PF 222  
**TIN Number** : 110-747-985

The Auditors have expressed their willingness to be re-appointed and are eligible for reappointment. A resolution for appointment of Auditors will be tabled during the Annual General Meeting of 2024.

This report was approved by the Governing Council on 12-13/7/2024 and signed on behalf of the Governing Council by:

  
 \_\_\_\_\_  
 Adv. Harold Sungusia  
 President



## TANGANYIKA LAW SOCIETY

### STATEMENT OF GOVERNING COUNCIL'S RESPONSIBILITIES FOR THE YEAR ENDED 31ST DECEMBER 2023


The Governing Council accepts responsibility for preparing these financial statements which show a true and fair view of the Society to the date of approval of the audited financial statements, in accordance with the applicable standards, rules, regulations and legal provisions. The members also confirm compliance with the provisions of the requirements of TFRS 1 and all other statutory legislations relevant to the Society.

The Governing Council is required to prepare financial reports for each financial year that give a true and fair view of the state of affairs of the Society, its operations and sources and applications of the funds obtained during the year. The Governing Council is also responsible for safeguarding the assets of the Society.

The Governing Council handles preparation of the financial statements in accordance with International Public Sector Accounting Standards (IPSAS) and the requirements of the Tanganyika Law Society Act, Cap 307 R.E 2002 as amended, which repealed the earlier legislation and such internal controls as the Council determines are necessary to enable the preparation of the financial statements that are free from material misstatement whether due to fraud or error.

The Governing Council accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable judgments and estimates in conformity with the International Public Sector Accounting Standards (IPSAS) and in the manner required by applicable laws. The Governing Council is of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Society and of its operating results. The Governing Council further accepts responsibility for the maintenance of the accounting records, which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial controls.

The Governing Council certifies that to the best of their knowledge and belief, the information furnished to Auditors for the purpose of the audit was correct and complete in every respect. Nothing has come to the attention of the Governing Council to show that the Tanganyika Law Society will not remain a going concern for a foreseeable future from the date of this statement. Details about the Governing Council's assessment of going concern is included in Note 2 to the financial statements.

  
\_\_\_\_\_  
Adv. Harold Sungusia  
President

**TANGANYIKA LAW SOCIETY  
DECLARATION OF HEAD OF FINANCE  
FOR THE YEAR ENDED 31ST DECEMBER 2023**

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

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

I, John Mwang'ombola being the Finance Manager of Tanganyika Law Society (TLS) acknowledge my responsibility of ensuring that financial statements for the year ended 31st December 2023 have been prepared in compliance with International Public Sector Accounting Standards (IPSAs) and the requirements of the Tanganyika Law Society Act, Cap 307 R.E. 2002.

I, thus confirm that the financial statements give a true and fair view position of Tanganyika Law Society on that date and that they have been prepared based on properly maintained financial records.



**CPA John Mwang'ombola**

Registration number: ACPA 5444

For and on behalf of Tanganyika Law Society

Dar es Salaam.

Date 18-07-2024.



Head Office - Dar es Salaam: Auditax House, 3<sup>rd</sup> Floor | Coca-Cola Road  
P.O. Box 77949, Dar es Salaam  
M: +255 719 878490 | T: +255 22 212 692  
Email: info@auditaxinternational.co.tz  
Website: www.auditaxinternational.co.tz

**Independent Auditor's Report  
To the Governing Council of Tanganyika Law Society**

**Report on the Audit of the Financial Statements  
For the financial year ended 31 December 2023**

**Opinion**

We have audited the financial statements of the Tanganyika Law Society (TLS), set out on pages 20 to 42, which comprise the statement of financial position as at 31 December 2023, and the statement of financial performance, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Society as of 31<sup>st</sup> December 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) and the requirements of the TLS Act CAP 307 R.E.2002.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society in accordance with the International Ethics Standards Board for Accountants 'Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Tanzania, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. There were no key audit matters to report during the year ended 31 December 2023.

**Other Information included in the Governing Council Annual Report**

The other information comprises the Society Information, The Governing Council Information, Statement of Those Charged with Governance and Declaration by the Head of Finance. The other information does not include the financial statements and our auditor's report thereon. The Governing Council members are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance thereon.

In connection with our audit of financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IPSASs, 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.

## **Responsibilities of Management and Those Charged with Governing Council for the Financial Statements**

In preparing the financial statements, management is responsible for assessing the Society'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 Society or to cease operations or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Society's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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.

## **Report on Other Legal and Regulatory Requirements**

In our opinion, the accounting and other records required by the Tanganyika Law Society Act, Cap. 307R.E 2002 to be kept have been properly kept.

The engagement partner on the audit resulting in this independent auditor's report is CPA Dr. Straton Makundi.



**Auditax International**  
**Certified Public Accountants**  
**Dar es Salaam, Tanzania**

Signed by: CPA Dr. Straton Makundi  
Registration No. ACPA-1747




Date: 18/07/2024

**TANGANYIKA LAW SOCIETY  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2023**

	Note	31-Dec-23 TZS	Restated 31-Dec-22 TZS
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	21	4,201,646,863	4,412,029,215
Intangible Asset	22	22,209,377	29,313,000
		<u>4,223,856,240</u>	<u>4,441,342,215</u>
<b>Current Assets</b>			
Trade and other receivables	23	227,537,408	128,524,551
Publications Stock	24	22,000,000	206,668,015
Cash and Cash equivalents	25	898,727,368	542,731,640
<b>Total Current Assets</b>		<u>1,148,264,776</u>	<u>877,924,206</u>
<b>Total Assets</b>		<u>5,372,121,016</u>	<u>5,319,266,421</u>
<b>RESERVES AND LIABILITIES</b>			
<b>Capital and General Reserves</b>			
Capital Funds		1,910,000	1,910,000
General Accumulated Fund		(1,561,068,461)	(1,197,271,083)
Revaluation Reserve		602,429,948	602,429,947
Capital grant – LAAC Project	30	3,594,543,983	3,546,213,962
<b>Total Capital &amp; General Reserves</b>		<u>2,637,815,470</u>	<u>2,953,282,826</u>
<b>Non-Current Liabilities</b>			
DATF loan (for WAKILI House Project)		174,100,658	324,100,657
Provision for DATF Loan interest		331,825,773	189,490,263
<b>Total Loan</b>		<u>505,926,431</u>	<u>513,590,920</u>
<b>Current Liabilities</b>			
Trade and Other Payables	26	913,476,123	522,711,733
Members subscription received in advance		556,175,450	678,979,238
LAAC project retention		22,125,089	72,773,425
LAAC - Deferred Grant	27	558,439,537	439,855,666
Deferred Donor Grants and Contributions	28	28,162,916	108,072,613
DATF Loan	29	150,000,000	30,000,000
		<u>2,228,379,115</u>	<u>1,852,392,676</u>
<b>Total Reserves and Liabilities</b>		<u>5,372,121,016</u>	<u>5,319,266,421</u>

The financial statements were approved by the Governing Council on ..... and were signed on its behalf by:

  
\_\_\_\_\_  
Adv. Harold Sungusia  
President

  
\_\_\_\_\_  
CPA Adv. Christopher Alex Mageka  
Honorary Treasurer


**TANGANYIKA LAW SOCIETY**

**STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	2023 TZS	2022 TZS
<b>REVENUE</b>			
<b>Revenue from non-exchange</b>			
Membership subscription fees	31	1,730,593,681	1,246,546,962
Net project income	32	134,537,939	231,772,587
		<u>1,865,131,620</u>	<u>1,478,319,549</u>
<b>Revenue from exchange</b>			
Continuing legal education fees	33	1,159,104,334	941,630,723
Other income	34	111,936,287	98,392,107
		<u>1,271,040,621</u>	<u>1,040,022,830</u>
		<u>3,136,172,241</u>	<u>2,518,342,378</u>
<b>EXPENSES</b>			
Administration expenses	35	(2,100,603,985)	(1,431,584,237)
Personnel expenses	36	(1,340,628,279)	(1,301,940,233)
<b>Total</b>		<u>3,441,232,264</u>	<u>(2,733,524,470)</u>
<b>Surplus/(Deficit) for the year</b>		<u>(305,060,023)</u>	<u>(215,182,091)</u>

The financial statements were approved by the Governing Council on ..... and were signed on its behalf by:

  
 Adv. Harold Sungusia  
 President

  
 CPA Adv. Christopher Alex Mageka  
 Honorary Treasurer

TANGANYIKA LAW SOCIETY

STATEMENT OF CHANGES IN NET ASSETS  
FOR THE YEAR ENDED 31 DECEMBER 2023

	Capital Fund TZS	General Accumulated Reserves TZS	Capital grant from members contribution TZS	Revaluation Reserve TZS	Total TZS
<b>For the year ended 31 Dec, 2023</b>					
As at 1 <sup>st</sup> January 2023	1,910,000	(1,197,271,083)	3,974,738,348	602,429,948	3,381,807,213
As previously reported	-	-	(428,524,388)	-	(428,524,388)
Prior year adjustments (Note 30)	-	(58,737,355)	-	-	(58,737,355)
Adjustment (Note 44)	1,910,000	(1,256,008,438)	3,546,213,962	602,429,948	2,894,545,470
Restated balance	-	(305,060,023)	48,330,023	-	(256,730,000)
Deficit for the year	1,910,000	<b>(1,561,068,461)</b>	<b>3,594,543,985</b>	<b>602,429,948</b>	<b>2,637,815,470</b>
<b>As at 31st December 2023</b>					
<b>For the year ended 31 December 2022</b>					
As at 1st January 2022	1,910,000	(944,664,636)	3,816,582,726	602,429,947	3,476,258,037
Prior year adjustments (Note 44)-Depreciation	-	(58,737,355)	-	-	(58,737,355)
Prior year adjustments (Note 44)-Intangible	-	21,313,000	-	-	21,313,000
Restated balance	1,910,000	(982,088,991)	3,816,582,726	602,429,947	3,438,833,682
Wakili Expenditures	-	-	(270,368,764)	-	(270,368,764)
Deficit for the year	-	(215,182,092)	-	-	(215,182,092)
<b>As at 31st December 2022</b>	<b>1,910,000</b>	<b>(1,197,271,083)</b>	<b>3,546,213,962</b>	<b>602,429,947</b>	<b>2,953,282,826</b>
<b>For the year ended 31 December 2021</b>					
As at 1st January 2022	1,910,000	(98,234,497)	3,528,690,255	602,429,947	4,034,795,705
Prior year adjustments (Note 44)	-	(58,737,356)	-	-	(58,737,356)
Restated balance	1,910,000	(156,971,853)	3,528,690,255	602,429,947	3,976,058,349
Wakili Expenditures	-	-	287,892,471	-	287,892,471
Deficit for the year	-	(787,692,783)	-	-	(787,692,783)
<b>As at 31st December 2021</b>	<b>1,910,000</b>	<b>(944,664,636)</b>	<b>3,816,582,726</b>	<b>602,429,947</b>	<b>3,476,258,037</b>

**TANGANYIKA LAW SOCIETY**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023 TZS	2022 TZS
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Receipts</b>		
Receipts of subscription fees	1,730,593,680	1,925,526,199
Seminar fees	1,159,104,334	941,630,722
Receipts from sale of publications and sponsorship	111,936,288	98,392,107
<b>Payments</b>		
Payments to employees	(1,136,898,945)	(1,192,747,507)
Refund to Development Partners	(50,315,670)	(17,052,480)
Payments to suppliers of goods and services	(1,462,739,787)	(1,622,947,899)
<b>Net cash generated from operating activities</b>	<u>351,679,900</u>	<u>132,801,143</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for WAKILI house expenses	(40,208,968)	-
Acquisition of property and equipment	(750,000)	(34,438,400)
<b>Net cash used in investing activities</b>	<u>(40,958,968)</u>	<u>(34,438,400)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts from development partners	212,514,307	1,411,051,938
Payments made from donor funds	(250,105,108)	(1,401,735,179)
Movement in the DAFT Loan	(30,000,000)	(120,000,000)
Members' contribution received for WAKILI House	112,865,597	171,188,000
<b>Net cash received from financing activities</b>	<u>45,274,796</u>	<u>60,504,759</u>
Net (decrease) /increase in cash and cash equivalents	355,995,729	158,867,502
Cash and cash equivalents at the beginning of the year	542,731,640	383,864,138
<b>Cash and cash equivalents at the end of the year</b>	<u>898,727,369</u>	<u>542,731,640</u>



TANGANYIKA LAW SOCIETY

STATEMENT OF COMPARISON OF BUDGET VERSUS ACTUAL AMOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2023

<u>Descriptions</u>	<u>Original Budget</u>	<u>Adjustments</u>	<u>Approved Final Budget</u>	<u>Actual Amount on Comparable Basis</u>	<u>Variance</u>	<u>Var. %</u>	<u>Note</u>
	TZS	TZS	TZS	TZS	TZS		
<b>Revenue</b>							
Subscription Fees	1,410,000,000	139,865,784	1,549,865,784	1,730,593,680	180,727,896	12%	i
CLE Seminar Fees	1,612,000,000	(399,581,763)	1,212,418,237	1,159,104,334	(53,313,903)	(4%)	
Other Incomes	145,250,000	11,849,212	157,099,212	111,936,288	(45,162,924)	(29%)	ii
Project Income	3,200,000,000	(2,740,750,000)	459,250,000	134,537,939	(324,712,061)	(71%)	iii
<b>Total Revenue</b>	<b>6,367,250,000</b>	<b>(2,988,616,767)</b>	<b>3,378,633,233</b>	<b>3,136,172,241</b>	<b>(242,460,992)</b>	<b>(7%)</b>	
<b>Expense</b>							
Programme expenses	3,272,808,833	(2,442,816,906)	829,991,927	683,280,489	146,711,438	18%	iv
Chapter expenses	546,849,471	(163,663,467)	383,186,004	391,954,851	(8,768,847)	(2%)	
Payroll expenses	1,264,449,247	82,184,148	1,346,633,395	1,340,628,279	6,005,116	0.4%	
Operating expenses	544,098,785	241,775,933	785,874,718	1,025,368,645	(239,493,927)	(30%)	v
<b>Total Expense</b>	<b>5,628,206,336</b>	<b>(2,282,520,292)</b>	<b>3,345,686,044</b>	<b>3,441,232,264</b>	<b>(95,546,220)</b>	<b>(3%)</b>	
<b>Surplus/(Deficit)</b>	<b>739,043,664</b>	<b>(706,096,475)</b>	<b>32,947,189</b>	<b>(305,060,023)</b>	<b>338,007,212</b>	<b>365%</b>	

EXPLANATION ON THE MAJOR VARIANCE (ABOVE 5%);

**i. Subscription fees**

Collection from members' subscription fees was twelve percent (12%) above the budget. The achievement was mainly contributed by the improved fees collection systems, collaboration with Judiciary and return of government and public institution advocates who for more than five years stopped paying their membership and other fees. Starting from July 2023 fees for members from the government and public institution are paid by the institution where they work. Having more members who pay for their membership fee will lead to improvements in the revenue.

**ii. Other income**

Seventy-one percent (71%) of the budget was collected from this area. Main reason for the performance below the budget mostly was contributed by underperformance of the expected sources. These sources include sell of Law Reports, Guiding Notes and advertisements in the directory. For instance, most of the contents of the Law Reports and Guiding Notes are found online free of charge a situation which leads to poor sells from publications.

**iii. Project net income**

This is the difference between total received funds and direct project costs. The difference is formed by project contribution towards operation and payroll expenses.

**iv. Programme expenses**

Performance below the budget in this area was mainly contributed by financial constraints for implementation of the planned activities.

**v. Operating expenses**

Unfavorable variance in this area was mainly contributed by three items which include increase in depreciation charge of machinery and equipment whose costs were formerly part of the building cost, huge provision for obsolete stock due to slow movements and provision for loan interest.

## TANGANYIKA LAW SOCIETY

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

#### 1. GEAL INFORMATION

Tanganyika Law Society was established in 1954 under Tanganyika Law Society Ordinance CAP 307. The Tanganyika Law Society is currently governed by the Tanganyika Law Society Act, Cap 307 R.E. 2002 that repealed the earlier legislation. Its registered address is:  
Plot No. 391, House No. 21, Chato Street,  
Regent Estate, P.O. Box 2148,  
Dar es Salaam, Tanzania.

#### 2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

##### Changes in Accounting policies and disclosures

In the current year, the organization applied all relevant International Public Sectors Accounting Standards (IPSASs) issued by the International Public Sectors Accounting Standards Board (IPSASB) that are mandatory effective for accounting periods that begin on 1 January 2023.

##### IPSAS 43, Leases

IPSAS 43 introduces a right-of-use model that replaces the risks and rewards incidental to ownership model for lessee to be applied to all leases (i.e., all leases are treated as finance leases), whilst retaining the same approach for lessors (i.e., finance and operating leases). Lessees will be recognizing a right-of-use asset and a lease liability on the commencement of a lease. The asset is initially recognized at the amount of the lease liability plus initial direct costs; it is subsequently measured using the cost model unless the underlying asset is investment property measured at fair value or PPE measured under the revaluation model.

The liability is initially measured at the present value of the lease payments over the lease term, discounted at the rate implicit in the lease or incremental borrowing rate. On the other hand, Lessors classify leases as either operating or finance leases depending on whether all risks and rewards incidental to ownership of the leased assets have been substantially transferred to the lessee.

Further, IPSAS 43 provides an exemption to leases with a term of fewer than 12 months and leases for which the leases asset is of low value. In this case lease payments are recognized as an expense on a straight-line basis, or another systematic basis, over the lease term (i.e., operating lease treatment). IPSAS 43 will replace IPSAS 13 for reporting periods beginning on or after 1 January 2025 with early adoption encouraged.

On its adoption, the impact to the organisation financial statement will be the increase in total asset due to the recognition of Right of Use asset and the increase in liabilities which represent the present value of future rental payments.

##### IPSAS 44, Non-current Assets Held for Sale and Discontinued Operations

The Standard requires assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:

Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance. IPSAS 44 become effective for the reporting periods beginning on or after 1 January 2025 with early adoption encouraged.

On its adoption, this standard is not expected to have insignificant effect of financial statements of the organization as transactions of non-current assets held for sale and discontinued operation are very rare at TLS.

## TANGANYIKA LAW SOCIETY

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

#### 2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

##### **IPSAS 45 Property, Plant and Equipment**

The IPSASB approved IPSAS 45 in December 2022 and in May 2023, the standard was issued. IPSAS 45 was issued to add new guidance for heritage assets, infrastructure assets, and measurement for property, plant and equipment (PPE). Summary of changes (significant) is as follows:

- IPSAS 45 removes IPSAS 17 scope exclusion of Heritage assets. Heritage assets that satisfy the definition of PPE, shall be recognised as assets when they meet recognition criteria under IPSAS 45.
- IPSAS 45 introduces guidance on characteristics of heritage assets that can be used to distinguish from other PPE i.e., have restrictions on their use and/or disposal, are irreplaceable, and have long and sometimes indefinite useful life.
- IPSAS 45 introduces a requirement to disclose unrecognized heritage assets that cannot be measured reliably.
- IPSAS 45 provides that assets acquired through non-exchange transactions to be measured at their "deemed" costs as at the date of acquisition.
- Subsequent measurement for an entity that uses valuation model for PPE, shall be done using Current Operational Value or Fair Value.

IPSAS 45 will be effective for periods beginning on or after January 1, 2025, the standard has no impact to TLS as it has no heritage assets.

##### **IPSAS 46 Measurements**

The IPSASB approved IPSAS 46 in March 2023. The IPSASB approved IPSAS 46, Measurement, which brings measurement guidance together in a single standard, and introduces a public sector specific current value measurement basis for assets held for their operational capacity and provides additional generic guidance on fair value.

This completes the initial phase of the measurement project, now the IPSASB will consider the broader impact of this new guidance across IPSAS in the ongoing Measurement – Application Phase project.

IPSAS 46 will be effective for periods beginning on or after January 1, 2025.

##### **IPSAS 48 Transfer expenses**

The IPSASB approved IPSAS 48, Transfer Expenses, which provides guidance on a major area of expenditure for governments and other public sector entities.

IPSAS 48 fills a gap which had previously led to ambiguity and inconsistency of accounting policies in the public sector. IPSAS 48 will be effective for periods beginning on or after January 1, 2026.

##### **IPSAS 49 Retirement Benefit Plan**

IPSAS 49 establishes comprehensive accounting and reporting requirements for the financial statements of retirement benefit plans, with participants comprising current and former public sector employees and other eligible members. The new pronouncement will bring increased transparency and accountability to these public sector entities, ensuring they can fulfill their obligations to employees and other eligible participants who are members of the retirement benefit plan. The effective date of IPSAS 49 is January 1, 2026, with earlier application permitted.

## TANGANYIKA LAW SOCIETY

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

#### 3. SIGNIFICANT ACCOUNTING POLICIES

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

These financial statements have been prepared in compliance with the IPSAS and under the historical cost convention. The preparation of financial statements in conformity with IPSAS which require the use of estimates and assumptions. The financial statements are presented in Tanzania Shillings, which is the functional and reporting currency of the Society. The financial statements are prepared on accrual basis unless stated otherwise. The cash flow statement is prepared using the direct method.

It also requires management to exercise its judgment in the process of applying the Tanganyika Law Society's accounting policies. The areas involving a higher judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 20.

#### 4. RECOGNITION OF REVENUE

##### Revenue from Exchange Transactions

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Society and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized;

##### Membership subscription fees

Members' subscription income is accounted for on accrual basis. Members' subscriptions paid in advance are matched and recognized in the accounting period to which they relate.

##### CLE Seminar Fees

The CLE fees are received from the members who pay to attend refresher trainings conducted as part of Continuing Legal Education (CLE). Members are required to attain a minimum of ten (10) CLE points per annum to renew their practicing certificates. These are accounted for as per accrual basis.

##### Revenue from Non- exchange transactions

##### Project income (Grants and donations)

Grants and donations are recognized where there is reasonable assurance that they will be received and all attaching conditions will be complied with.

When the grant or donation relates to an expense item, it is recognized as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

Where the grant or donation relates to an asset, the fair value is credited to a deferred income account and is released to the statement of income and expenditure over the expected useful life of the relevant asset by equal annual instalments.

##### Net trading income and other income

Results arising from trading activities include all gains and losses from changes in fair value and related interest income or expense and dividends for financial assets and financial liabilities held for trading. Other income is recognized in the period in which it is earned.

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)**

**5. RECOGNITION OF EXPENSES**

The effects of expenses are recognized when they occur (and not as cash or its equivalent is paid) and they are recorded in the accounting records and reported in the financial statements of the periods to which they relate.

**6. EMPLOYEES' BENEFITS INCLUDING POST-EMPLOYMENT BENEFITS**

Short-term employment benefits such as salaries and social security contributions are recognized in the statement of income and expenditure when they fall due.

Post-retirement benefits

The Society operates a defined contribution plan whereby each of its employees and the Society contribute 10% of employee basic salary in respect of National Social Security Fund (NSSF). Apart from these monthly contributions, the Society has no further commitments or obligations to the Funds and it has no other post-retirement benefit scheme. The contributions are charged to the statement of profit or loss and other comprehensive income in the year to which they relate.

Other employee benefits

The Society provides free medical treatment to staffs and their dependents through a medical scheme at designated hospitals. The cost is charged to the statement of profit or loss and other comprehensive income.

**7. PROVISIONS**

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

Where the Society expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit or loss and other comprehensive income net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

**8. TRADE AND OTHER RECEIVABLES**

Trade and other receivables are measured at fair value, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Society cannot collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the carrying amount and the present value of estimated future cash flows discounted at the effective interest rate. The amount of the provision is recognized in the statement of comprehensive income and expenditure. Society has transferred substantially all risks and rewards of ownership.

**9. DEFERRED GRANTS AND CONTRIBUTIONS**

Grant received in monetary form to meet project expenses is treated as income and expensed to the statement of financial performance in the respective financial year. Where intended project activities in respect of the grant received are not implemented at year end, the respective income is treated as deferred grant.

**10. TRADE AND OTHER PAYABLES**

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

**11. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents as referred to in the cash flow statement comprises cash on hand, deposits held at call with banks and investments with maturity periods of three months or fewer in money market instruments.

## TANGANYIKA LAW SOCIETY

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

#### 12. IMPAIRMENT OF FINANCIAL ASSETS

The Society assesses at each balance sheet date whether there is objective evidence that a financial asset or group financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment because of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) impacts the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The Society first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If the Society determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment.

Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in the statement of comprehensive income. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognized in the statement of comprehensive income.

#### 13. DERECOGNITION OF FINANCIAL ASSETS AND LIABILITIES ABILITIES

##### Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- The rights to receive cash flows from the asset have expired;
- The Society retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- The Society has transferred its rights to receive cash flows from the asset and either;

(a) Has transferred substantially all the risks and rewards of the asset, or

(b) Has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset. When the Society has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Society's continuing involvement in the asset.

##### Financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of income and expenditure.

## TANGANYIKA LAW SOCIETY

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

#### 14. FOREIGN CURRENCY TRANSLATION

##### Functional and presentation currency

Items included in the financial statements of the Society are measured using the currency of the primary economic environment in which the Society operates ("the functional currency"). The financial statements are presented in Tanzanian Shilling (TZS), which is the Society's functional and presentation currency.

##### Transactions and balances

Foreign currency transactions are translated into Tanzanian Shilling (TZS) using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets (bid price) and liabilities (offer price) denominated in foreign currencies are recognized in the statement of income and expenditure.

#### 15. VALUE ADDED TAX

Expenses and assets are recognized inclusive of the amount of value added tax.

#### 16. INCOME TAX

Tanganyika Law Society is established as a Society by an Act of Parliament. Because of being a members' association with its revenue from members forming more than seventy-five percent (75%) of the total revenue is exempted from paying corporation tax.

#### 17. PROPERTY AND EQUIPMENT

Property and equipment are stated at historical cost amount less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly related to acquisition of the items. When significant part of property, plant and equipment are required to be replaced at intervals; the Society recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Whereas major are capitalized and depreciated over their useful life, minor repair and maintenance costs are recognized in the income statement as incurred.

Depreciation is calculated on a straight-line basis over the useful life of the assets. The annual rates of depreciation which have been consistently applied are:

<u>Description</u>	<u>Useful life (years)</u>	<u>Depreciation rate</u>
Land	-	0%
Building	40	2.5%
Office furniture and fittings	8	12.5%
Computers, printers, and scanners	3	33.3%
Machinery and Equipment	8	12.5%
Library Books	8	12.5%
Accounting Package	3	33.3%
Motor Vehicles	4	25%

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances show that the carrying value may not be recoverable.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognizing of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss and other comprehensive income in the year the asset is derecognized.

The residual values, useful lives and methods of depreciating property and equipment are reviewed, and adjusted if appropriate, at each financial year end.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount.

## TANGANYIKA LAW SOCIETY

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

#### 17. PROPERTY AND EQUIPMENT (CONTINUED)

That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of income and expenditure. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

#### 18. LEASES

Leases entered into by the Society are operating leases. The total payments made under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease. When an operating lease is ended before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognized as an expense in the period in which termination takes place.

During the year lease payments were made for chapter offices and were charged to profit and loss account.

#### 19. FINANCIAL RISK MANAGEMENT

##### Financial risk factors

The Society's activities expose it to a variety of financial risks, including market risk and credit risk. The Society's overall risk management Program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on its financial performance, but the Society does not hedge any risks.

##### a) Market risk

###### (i) Foreign exchange risk

The Society's activities expose it to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollars. Foreign exchange risk arises from future commercial transactions, and recognized assets and liabilities.

At 31 December 2023 currency exposure arising from liabilities denominated in foreign currencies was managed primarily through the holding of bank balances in the relevant foreign currencies to change by  $\pm 10\%$ , then the net results of the Society would change by TZS. nil (2022: TZS 2,630,254).

###### (ii) Interest rate risk

The Society had no borrowings at year end. Thus, the Society had no interest rate risk at year end.

##### b) Credit risk

Credit risk arises from deposits with banks, as well as trade and other receivables. The Society does not have any significant concentrations of credit risk.

The amount that best represents the Society's maximum exposure to credit risk at 31 December 2023 and 2022 is made up as follows:

	<b>Fully performing</b>
	<b>TZS</b>
<b>As at 31st December 2023</b>	
Receivables (excluding prepayments) (Note 23)	227,537,408
Cash at bank (Note 25)	898,727,368
<b>Gross financial assets</b>	<b><u>1,126,264,776</u></b>
<b>As at 31st December 2022</b>	
Receivables	128,724,553
Cash at bank	542,731,640
<b>Gross financial assets</b>	<b><u>671,456,193</u></b>



## TANGANYIKA LAW SOCIETY

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

#### 19. FINANCIAL RISK MANAGEMENT (CONTINUED)

No collateral is held for any of the above assets. The Society has banking relationships with reputable banks which rank in the top ten of total assets.

##### *c) Liquidity risk*

Prudent liquidity risk management includes maintaining sufficient cash balances, and the availability of funding from an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, the finance department maintains flexibility in funding by maintaining availability under committed credit lines.

The table below analyses the Society's financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table below are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

#### 20. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances, Property and equipment. The Governing Council in determining depreciation rates for equipment and their residual values makes critical estimates. The rates used are set out in note 17 above.

##### (i) Impairment of trade receivables

The Governing Council in determining impairment provision for bad and doubtful trade receivables makes critical estimates and judgments.

TANGANYIKA LAW SOCIETY

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

21. PROPERTY AND EQUIPMENT

Descriptions	Buildings TZS	Furniture & Fittings TZS	Motor Vehicles TZS	Library Books TZS	Machinery & Equipment TZS	Computers TZS	Land TZS	Total TZS
<b>COST</b>								
At 1 January 2023	3,538,735,063	270,692,581	102,050,761	21,897,200	825,762,307	241,870,095	476,600,000	5,477,608,007
Additions	55,808,922	750,000	-	-	-	6,985,601	-	63,544,523
<b>At 31 December 2023</b>	<b>3,594,543,985</b>	<b>271,442,581</b>	<b>102,050,761</b>	<b>21,897,200</b>	<b>825,762,307</b>	<b>248,855,696</b>	<b>476,600,000</b>	<b>5,541,152,530</b>
<b>Accumulated depreciation</b>								
At 1 January 2023	282,531,109	145,553,671	84,050,761	21,897,200	300,216,621	231,329,430	-	1,065,578,791
Prior Year Adjustment (Note 44)	(12,940,310)	-	-	-	71,677,666	-	-	58,737,356
Restated Balance	269,590,799	145,553,671	84,050,761	21,897,200	371,894,286	231,329,430	-	1,124,316,146
Charge for the year	84,269,177	25,024,859	2,250,000	-	94,855,940	8,789,544	-	215,189,520
Write-off	-	-	-	-	-	-	-	-
<b>At 31 December 2023</b>	<b>353,859,976</b>	<b>170,578,529</b>	<b>86,300,761</b>	<b>21,897,200</b>	<b>466,750,226</b>	<b>240,118,974</b>	<b>-</b>	<b>1,339,505,666</b>
<b>NET BOOK VALUE</b>								
As at 31st Dec 2023	3,240,684,009	100,864,052	15,750,000	-	359,012,081	8,736,722	476,600,000	4,201,646,863
<b>COST</b>								
At 1 January 2022	3,538,735,063	236,254,181	102,050,761	21,897,200	825,762,307	241,870,095	476,600,000	5,443,169,607
Additions	-	34,438,400	-	-	-	-	-	34,438,400
<b>At 31 December 2022</b>	<b>3,538,735,063</b>	<b>270,692,581</b>	<b>102,050,761</b>	<b>21,897,200</b>	<b>825,762,307</b>	<b>241,870,095</b>	<b>476,600,000</b>	<b>5,477,608,007</b>
<b>Accumulated depreciation</b>								
At 1 January 2022	192,667,509	122,473,315	81,800,761	21,897,200	203,729,935	207,103,800	-	829,672,520
Prior Year Adjustment (Note 44)	(12,940,310)	-	-	-	71,677,666	-	-	58,737,356
Restated Balance	179,727,199	122,473,315	81,800,761	21,897,200	275,407,601	207,103,800	-	888,409,876
Charge for the year	102,803,910	23,080,355	2,250,000	-	24,809,020	24,225,630	-	177,168,915
<b>At 31 December 2022</b>	<b>282,531,109</b>	<b>145,553,671</b>	<b>84,050,761</b>	<b>21,897,200</b>	<b>300,216,621</b>	<b>231,329,430</b>	<b>-</b>	<b>1,065,578,791</b>
<b>NET BOOK VALUE</b>								
As at 31st Dec 2022	3,256,203,954	125,138,910	18,000,000	-	525,545,686	10,540,665	-	4,412,029,215

TANGANYIKA LAW SOCIETY

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

21. PROPERTY AND EQUIPMENT (CONTINUED)

Descriptions	Buildings TZS	Furniture & Fittings TZS	Motor Vehicle TZS	Library Books TZS	Machinery & equipment TZS	Computers TZS	Land TZS	Total TZS
<b>COST</b>								
At 1 January 2021	4,112,156,389	211,244,181	102,050,761	21,897,200	238,494,051	235,540,095	476,600,000	5,397,982,677
Reclassification (Note (i))	(573,421,326)	-	-	-	573,421,326	-	-	-
Restated balance	3,538,735,063	211,244,181	102,050,761	21,897,200	811,915,377	235,540,095	476,600,000	5,397,982,677
Additions	-	25,010,000	-	-	13,846,930	6,330,000	-	45,186,929
<b>At 31 December 2021</b>	<b>3,538,735,063</b>	<b>236,254,181</b>	<b>102,050,761</b>	<b>21,897,200</b>	<b>825,762,307</b>	<b>241,870,095</b>	<b>476,600,000</b>	<b>5,443,169,606</b>
<b>Accumulated depreciation</b>								
At 1 January 2021	102,803,909	104,755,381	79,550,761	21,897,200	108,966,223	173,954,720	-	591,928,194
Prior Year Adjustment (Note 44)	(12,940,310)	-	-	-	71,677,666	-	-	58,737,356
Restated Balance	89,863,599	-	-	-	180,643,889	-	-	650,665,550
Charge for the year	102,803,909	17,717,934	2,250,000	-	23,086,046	33,149,080	-	179,006,970
Write-off	-	-	-	-	-	-	-	-
<b>At 31 December 2021</b>	<b>192,667,509</b>	<b>122,473,315</b>	<b>81,800,761</b>	<b>21,897,200</b>	<b>203,729,935</b>	<b>207,103,800</b>	<b>-</b>	<b>829,672,520</b>
<b>NET BOOK VALUE</b>								
As at 31st Dec 2021	3,346,067,554	113,780,866	20,250,000	-	622,032,372	34,766,295	476,600,000	4,613,497,086

Note (i): Reclassification of TZS 573,421,326 from building cost to equipment cost (cost of lift amounting to TZS 89,859,000, air condition cost amounting to TZS 391,762,326 and generator cost amounting to TZS 91,800,000).

**TANGANYIKA LAW SOCIETY**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)**

**22. INTANGIBLE ASSETS**

	2023	2022
	TZS	TZS
<b>Cost</b>		
At start of the year	66,234,610	66,234,610
Prior year adjustment	21,313,000	-
Restated balance	<u>87,547,610</u>	<u>-</u>
Add: Addition	-	-
	<u>87,547,610</u>	<u>66,234,610</u>
<b>Accumulated amortization</b>		
At start of the year	58,234,610	58,234,610
Amortization charge	7,103,623	-
At 31 <sup>st</sup> December	<u>65,338,233</u>	<u>58,234,610</u>
<b>Carrying value</b>	<u>22,209,377</u>	<u>8,000,000</u>

**23. TRADE AND OTHER RECEIVABLES**

Customer control Account	131,570,000	12,650,000
Staff advances and imprests	999,600	2,828,927
Prepaid expenses	5,076,150	6,938,716
Chapters imprests	89,891,658	74,724,361
TIAC Debt	-	31,582,550
	<u>227,537,408</u>	<u>128,724,553</u>

**24. STOCKS – LAW REPORT BOOKS**

Opening balance	206,668,015	215,277,199
Less: Cost of sales	(18,227,678)	-
Less: Provision for obsolete stock	(166,440,337)	(8,609,184)
<b>Closing Stock</b>	<u>22,000,000</u>	<u>206,668,015</u>

**25. CASH AND CASH EQUIVALENTS**

Cash in hand	440,419	174,419
CRDB Bank – TZS Accounts	362,484,567	130,840,450
ECO Bank – TZS Account	902,468	3,608,168
Exim Bank – TZS Accounts	100,540	17,890,490
KCB Bank – TZS Account	12,389,084	245,544
NBC –TZS Account	2,758,749	1,901,239
NMB –TZS Account	59,742,124	7,602,243
NMB A/C NO 20110048257 - ACT 2 Project	1,642,623	223,934
TCB A/C no 3301124690	39,569,830	31,391,963
TLS M PESA Collection Account	-	632,780
CRDB Bank - USD Accounts	19,625,530	20,259,823
AYL - CRDB – 0133660923500	42,696,627	11,760,700
Chapter Accounts	331,994,825	304,867,858
CRDB TZS Account (WAKILI House)	<u>24,379,982</u>	<u>11,331,251</u>
	<u>898,727,368</u>	<u>542,731,640</u>

TANGANYIKA LAW SOCIETY

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

26. TRADE AND OTHER PAYABLES

	2023 TZS	2022 TZS
Trade payables	107,976,902	222,790,770
Vodacom Control Account	-	3,599,107
Accounting / Audit Fee Accrual	25,939,572	23,720,000
Tax Provision Account	-	2,005,665
DATF Contribution Payable	-	1,343,229
EALS Subscriptions Payable	203,863,000	-
Social Security Contribution Payable	14,957,950	86,080,043
PAYE, SDL & Other Taxes Payable	200,725,975	68,438,690
HESLB Staff Loans Payable	-	5,231,625
WCF Payable	-	5,252,770
TLS Staff Contribution	299,800	1,164,800
Withholding tax Payable	4,916,079	-
MO Insurance Contribution from Members	-	2,611,944
Advocates Secured Stamps	64,915,120	29,130,586
Ilala Chapter	35,702,200	-
EALS Institutional Membership Fees	30,072,000	-
Staff Gratuity	224,107,526	71,342,502
<b>Total</b>	<b>913,476,123</b>	<b>522,711,733</b>

27. DESIGNATED MEMBERS CONTRIBUTIONS ACCOUNT

This account is comprised of contributions from members amounting to TZS 558,439,537, which have not been put in use yet, or funds have been used for activities, which are not directly related to construction activities.

	2023	2022
<b>Members contributions for designated activities;</b>		
As at 01st January		
As previously reported	11,331,251	3,969,873
Prior year adjustment (Note i)	504,938,823	504,938,823
<b>Restated amount</b>	<b>516,270,074</b>	<b>508,908,696</b>
Contributions received during the year	112,865,597	171,188,000
<b>Funds available from members for use of WAKILI House Project</b>	<b>629,135,671</b>	<b>680,096,696</b>
Payments to the contractor during the year	(40,208,968)	-
Other Expenditures	(487,166)	(43,826,621)
DATF Loan repayment	(30,000,000)	(120,000,001)
<b>Total payments made during the year</b>	<b>(70,696,134)</b>	<b>(163,826,622)</b>
<b>Balance as at 31st December owed to members</b>	<b>558,439,537</b>	<b>516,270,071</b>

TANGANYIKA LAW SOCIETY

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

28. DEFERRED REVENUE GRANTS - DEVELOPMENT PARTNERS

Description	As at 1 January 2023	Funds received during the year	Transfer to Grant Income during the year	Transfer to Donor during the year	As at 31 December 2023
	TZS	TZS	TZS	TZS	TZS
CBA Grant	63,448,963	19,293,822	(82,742,785)	-	-
EU-Death Penalty	-	29,030,885	(29,030,885)	-	-
FCS	-	35,601,140	(21,294,600)	-	14,306,541
FH	-	36,804,408	(22,948,030)	-	13,856,377
OISEA	52,306,518	-	(52,306,518)	-	-
PACT DDA	-	92,097,960	(41,782,290)	(50,315,670)	-
ACT2	(7,649,671)	-	-	7,649,671	-
<b>Total</b>	<b>108,105,810</b>	<b>212,828,215</b>	<b>(250,105,108)</b>	<b>(42,665,999)</b>	<b>28,162,918</b>

Description	As at 1 January 2022	Funds received during the year	Transfer to Grant Income during the year	Transfer to Donor during the year	As at 31 December 2022
	TZS	TZS	TZS	TZS	TZS
CBA Grant	56,360,739	322,020,069	(314,931,845)	-	63,448,963
Global Road Safety Project- Advocacy for	14,017,859	-	(14,017,859)	-	-
OSIEA	52,306,518	-	-	-	52,306,518
ACT2	(6,843,585)	1,089,031,869	(1,072,785,475)	(17,052,480)	(7,649,671)
<b>Total</b>	<b>115,841,530</b>	<b>1,411,051,938</b>	<b>(1,401,735,179)</b>	<b>(17,052,480)</b>	<b>108,105,810</b>

29. DATF LOAN

This is a loan from Deceased Advocates Trust Fund (DATF) an organ within TLS, which was requested by the Governing Council to support construction works for WAKILI house.

Descriptions	2023	2022
	TZS	TZS
Opening Balance at 01 <sup>st</sup> January	354,100,658	474,000,000
Add: Receipts		
Provision for interest	331,825,773	267,044,317
<b>Total</b>	<b>685,926,431</b>	<b>741,044,317</b>
Less: Loan Repayments	(30,000,000)	(120,000,000)
<b>Loan Balance at 31<sup>st</sup> December</b>	<b>655,926,431</b>	<b>354,000,000</b>

30. CAPITAL GRANTS FROM MEMBERS (WAKILI HOUSE)

This amount, which was received in designated bank accounts, were fully utilized for capital expenditures in connection with WAKILI House project. The whole amount has been fully capitalized.

Capital grant comprises total amount that has been spent towards WAKILI house project out of the total contributions as at 31<sup>st</sup> December 2023 amounted to TZS 3,594,543,984 (2022: 3,469,799,525).

TANGANYIKA LAW SOCIETY

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

The following table provides movements of the capital grant towards WAKILI house.

Descriptions	2023	2022
	TZS	TZS
Total value of WAKILI capital expenditures as at 01 <sup>st</sup> January		3,816,582,726
As previously reported	3,974,738,348	
Prior year adjustment	(428,524,415)	(422,853,415)
<b>Restated amount for the period</b>	<b>3,546,213,933</b>	<b>3,551,884,933</b>
Add: movements during the year	48,330,050	158,155,622
<b>Capital Grant as at 31st December</b>	<b>3,594,543,983</b>	<b>3,974,738,348</b>

The amount represents the contributions received from members for the Wakili House Project. This money has been fully utilized as part of the Wakili House Project, and a Capital Grant from members has been credited to reflect these facts.

31. MEMBERSHIP SUBSCRIPTION FEES

	2023	2022
	TZS	TZS
Membership subscription fee – practicing	1,473,017,058	1,191,236,161
Membership subscription fee - non-practicing	257,576,623	55,310,800
<b>Total</b>	<b>1,730,593,681</b>	<b>1,246,546,961</b>

32. PROJECT INCOME

Descriptions	2023	2022
Global Road Safety Project income	-	14,017,859
CBA – SIRD	82,742,785	314,931,845
European Union-Death Penalty	29,030,885	-
The Foundation for Civil Society	21,294,600	-
Freedom House	22,948,030	-
Open Society Initiatives for Eastern Africa (OSIEA)	52,306,518	-
PACT - DDA	41,782,290	-
AcT2- (KPMG ADVISORY LIMITED)	-	1,072,785,475
<b>Total Income</b>	<b>250,105,108</b>	<b>1,401,735,179</b>
<b>Less: PROJECT EXPENSES</b>		
CBA – SIRD	30,005,494	269,003,225
Freedom House	22,948,030	-
The Foundation for Civil Society	11,389,800	-
European Union	29,030,885	-
Global Road Safety Project income	-	14,017,859
PACT - DDA	22,192,960	-
ACT2 TANZANIA	-	886,941,508
<b>TOTAL PROJECT EXPENSES</b>	<b>115,567,169</b>	<b>1,169,962,593</b>
<b>NET PROJECT INCOME</b>	<b>134,537,939</b>	<b>231,772,586</b>

**TANGANYIKA LAW SOCIETY**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)**

**33. CONTINUING LEGAL EDUCATION FEES**

	2023 TZS	2022 TZS
Other CLE		
AGM CLE fee	565,235,228	446,089,465
Professional Diversity Conference	287,251,304	234,474,627
AYL Seminar Fee	188,233,675	137,328,029
	6,182,029	19,720,234
Mtwara Chapter CLE Seminars	6,036,000	3,188,000
Mwanza Chapter CLE Seminars	13,326,000	30,454,949
Mbeya Chapter CLE Seminars	2,338,000	-
Arusha Chapter CLE Seminar	14,175,000	11,056,949
Pwani Chapter CLE seminars	2,735,000	2,152,500
Shinyanga Chapter CLEs	4,820,000	11,060,000
Kigoma Chapter CLEs	3,080,000	840,000
Temeke Chapter CLEs	100,000	3,670,020
Morogoro Chapter CLEs	3,229,000	-
Dodoma Chapter CLEs	8,561,000	12,636,949
Kinondoni Chapter CLEs	5,446,000	1,112,000
Kigamboni Chapter CLEs	-	10,002,000
Tanga CLE Seminars	365,098	645,000
Tabora Chapter CLEs	4,880,000	980,000
Kagera Chapter CLEs	5,000	940,000
Ruvuma Chapter CLEs	8,980,000	-
Iringa Chapter CLEs	7,680,000	-
Ilala Chapter CLEs	15,099,000	14,320,000
Kilimanjaro Chapter CLEs	3,707,000	960,000
Ubungo Chapter CLEs	7,640,000	-
<b>Total</b>	<b>1,159,104,334</b>	<b>941,630,722</b>

**34. OTHER INCOME**

	2023 TZS	2022 TZS
Sponsorships	37,460,000	46,437,000
Legal Aid Registration Fee	945,000	2,447,500
Forums (networking events)	-	799,715
Wakili Online TV (Advertisements)	-	8,107,759
Various Sources	20,296,272	13,888,239
TLS Guiding Notes	23,058,186	7,247,000
Sale of T-Shirts and Caps	255,000	235,000
Wakili House Conference Hall	2,410,000	13,176,160
MO Insurance Admin Contribution	4,038,989	1,422,934
Sale of Law reports	1,300,000	-
Sale of Notarial Stamps (Pockets)	252,000	-
Filing Fees – Ethics Clients	25,000	-
Sale of Merchandise	165,000	-
Wakili House Rental Income	13,185,840	-
Commission on Sale of Notarial Stamps (1 set of 2 stamps)	1,026,000	-
Commission on Sale of Notarial Stamps (desk)	4,966,000	-
TIAC Arbitration sessions fee	350,000	-
Chapter Other Income	2,203,000	4,630,800
<b>Total</b>	<b>111,936,287</b>	<b>98,392,107</b>



**TANGANYIKA LAW SOCIETY**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)**

**35. ADMINISTRATIVE EXPENSES**

<b>Descriptions</b>	<b>2023 TZS</b>	<b>2022 TZS</b>
Cloud hosting	1,135,337	-
License fee	11,445,060	2,944,795
Rent and rates	-	9,151,760
Electricity expenses	27,776,750	22,637,925
Motor vehicle fuel expenses	8,301,920	8,281,416
Generator fuel	6,879,135	7,460,478
New advocates admission expenses	-	10,260,000
Kitchen supplies	13,546,295	8,656,574
Waste disposal expenses	360,000	-
Office General cleanness	20,560,000	13,532,344
Motor vehicle repairs	6,607,025	4,111,720
Repair and Maintenance	19,517,550	21,248,769
Water charges	3,557,650	15,814,850
Printing and Stationary	8,703,975	6,516,955
Security expenses	40,859,840	13,432,632
Communication expenses	30,411,035	22,825,486
Travel and Accommodation Expenses	35,455,360	5,357,358
Advertising expenses	7,383,250	15,505,813
Transport Expenses-e.g. Taxi,	9,923,450	8,899,633
Bank charges	28,705,835	30,912,523
Insurance premium expenses	9,918,092	8,550,600
Internet charges	14,825,261	8,591,388
Staff Membership fees	3,587,000	9,212,589
Depreciation expenses	222,293,143	177,168,914
Internal audit expenses	16,178,333	16,432,500
External audit expenses	16,520,000	16,520,001
Staff welfare expenses	-	778,000
Support ICT systems (Consultancy)	12,582,282	15,893,967
Staff fuel allowance	19,183,977	-
Newspapers and Periodicals Subscriptions	479,000	274,519
Voda lipa expenses	7,388,780	-
Provision for DATF Loan interest	173,357,702	44,660,066
Provision for obsolete stock	166,440,337	-
Interest Expense	35,702,200	-
EALS Institutional Membership Fees	30,072,000	-
Other expenses	15,711,070	24,633,660
Programme costs	656,354,453	660,800,405
AYL expenses	26,926,036	9,452,710
Chapter expenses	391,954,852	211,063,885
<b>Total</b>	<b>2,100,603,985</b>	<b>1,431,584,235</b>

## TANGANYIKA LAW SOCIETY

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

#### 36. PERSONNEL EXPENSES

Staff Costs	2023	2022
	TZS	TZS
Staff salaries	991,511,493	976,745,500
Social security contributions expenses	81,831,267	120,605,754
Staff medical insurance expenses	47,457,541	60,929,009
Interns and Volunteers Allowances	63,718,000	62,550,000
SDL expenses	38,482,283	42,028,392
Staff fuel allowance	-	20,856,476
WCF expenses	5,744,267	6,160,687
Reallocation expenses	7,764,000	-
Staff gratuity expenses	104,119,428	12,064,416
<b>Total</b>	<b>1,340,628,279</b>	<b>1,301,940,234</b>

#### 37. RELATED PARTY TRANSACTIONS AND BALANCES

Parties are being related if one party can control the other party or exercise significant influence over the other party in making financial or operational decisions. The volume of related party transactions for the year was as follows:

#### 38. TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

Key management personnel are described as those persons having authority and responsibility for planning, directing and controlling the activities of the Society, directly or indirectly. The Society's key management is the Executive Director and the Finance Manager. Compensation of the Society's key management personnel include basic salary, transport allowance and telephone allowance.

The compensation paid to key management personnel and Governing Council members is shown below:

Descriptions	2023	2022
	TZS	TZS
<b>(a) Key management personnel:</b>		
Salary and short-term benefits	403,159,764	394,313,616
Monthly contributions towards defined plan	40,315,976	39,431,362
	<u>443,475,740</u>	<u>433,744,978</u>
<b>(b) Governing Council Members</b>		
Transport allowance	16,249,000	9,749,000
Members annual fees	17,600,000	17,600,000
<b>Total</b>	<u>33,849,000</u>	<u>27,349,000</u>

#### 39. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

##### Capital commitments

There were no capital commitments entered by the Society as at the year end.

##### Contingent liabilities

There were no contingent liabilities as at the year end.

#### 40. PENDING LEGAL CASES'CLAIM CONTINGENCIES

There was one pending public interest legal case at year end with the following particulars; Miscellaneous civil cause No. 26438 of 2023, Tanganyika Law Society Vs Tanzania Revenue Authority (TRA) and Attorney General (2022: No legal cases).

#### 41. REVALUATION SURPLUS

During the period under review no revaluation has Miscellaneous civil cause No. 26438 of 2023 Tanganyika Law Society Vs TRA and Attorney General been done.

**TANGANYIKA LAW SOCIETY**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)**

**42. COMPERATIVE FIGURES**

Comparative figures in these financial statements have been reclassified where appropriate to make them comparable with the current year's figures and financial disclosures.

**43. EVENTS AFTER THE REPORTING PERIOD**

There are no known events that have impacted on the results for the year and the statement of affairs of the Society after the reporting date.

**44. PRIOR YEAR ADJUSTMENT**

Prior year adjustments have been made to recognize the cost of intangible assets, reclassification of assets from building to equipment and correct accumulated depreciation.

	2021	Increase/ decrease	Restated 2021	2022	Increase/ decrease	Restated 2022	2023
	TZS	TZS	TZS	TZS	TZS	TZS	TZS
<b>Non-current assets</b>							
Building	3,906,548,569	(560,481,016)	3,346,067,553	3,803,744,659	(547,540,706)	3,256,203,953	3,240,684,009
Machinery and equipment	120,288,712	501,743,660	622,032,372	95,479,692	430,065,994	525,545,686	359,012,081
Accumulated depreciation-building	205,607,819	(12,940,310)	192,667,509	308,411,729	(25,880,620)	282,531,109	353,859,976
Accumulated depreciation-machine and equipment	132,052,269	71,677,666	203,729,935	156,861,289	143,355,331	300,216,620	466,750,226
Intangible assets	-	-	-	8,000,000	21,313,000	29,313,000	29,313,000
General accumulated reserves	(885,927,281)	(58,737,356)	(944,664,636)	(1,101,109,373)	(96,161,711)	(1,197,271,083)	(1,561,068,461)

