



Annual Report

2022/2023



SIMBA PLENARY HALL
Capacity 1300 Pax.



AICC Vision

'To be a model and enabler of business tourism'

AICC Mission

To promote and provide quality business tourism services to national and international clientele for enhanced national, social and economic development.

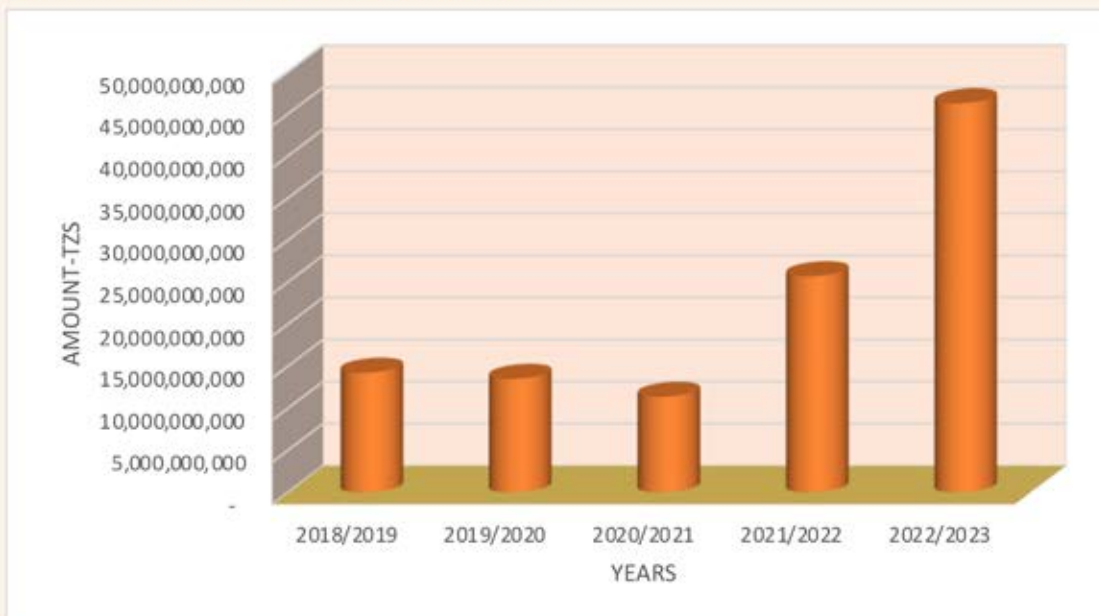
AICC Core Values

- ✔ Customer Focused;
- ✔ Creativity and Innovations;
- ✔ Integrity;
- ✔ Effective communications;
- ✔ Team work;
- ✔ Quality focused and;
- ✔ Organizational learning



Financial Highlights

Total Revenue for the past Five years (Graph)



Conference Centre

led to Tanzania'



SIMBA HALL

Corporate Information

REGISTERED OFFICE & CENTRE'S HEADQUARTERS

3rd Floor, Ngorongoro Wing,
Barabara ya Afrika Mashariki
P.O. Box 3081
23101 Arusha, Tanzania
Tel. Gen. Line: +255 27 2050181-5
Managing Director: +255 27 2050190
Fax: +255 27 2050201 | E-mail: md@aicc.co.tz
Website: <http://www.aicc.co.tz>

AUDITORS

The Controller and Auditor General,
National Audit Office,
Samora Avenue/Ohio Street,
P.O Box 9080,
Tel: +255 (022) 2115157/8
Fax: +255 (022) 2117527
E-mail: ocag@nao.go.tz
Website: www.nao.go.tz

BANKERS

BANK OF TANZANIA (BOT)
NMB BANK
NBC BANK LTD
TIB
CRDB BANK PLC

PARENT MINISTRY

Ministry of Foreign Affairs and
East African Co-operation
LAPF Building 6th Floor Makole Road
P.O Box 2933,
40466 Dodoma, Tanzania
Tel: +255 026 2323201-7
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Letter of Submission

Hon . January Makamba
Ministry of Foreign Affairs and East African Cooperation
LAPF building 6th Floor, Makole Road
P.O. Box 2933, Dodoma Tanzania



Hon. January Yusuf Makamba
Minister for Foreign Affairs and East African Cooperation

Dear Hon. Minister

In accordance with the Public Corporations Act (CAP 357 R.E. 2002 of the laws of Tanzania), I hereby submit the Annual Report with the Centre's Audited Statement of Financial Position, Statement of the Comprehensive income, Cash flow Statement and Statement of Changes in Equity for the financial year 2022/2023

Yours Sincerely,

A handwritten signature in blue ink, which appears to be "K. Taj".

Amb. Begum K. Taj,
AICC Board Chairperson

Chairperson's Statement

On behalf of the Centre's Board Directors, I have the honor to present my statement for the financial year 2022/2023.

AICC operates as a fully-fledged commercial entity without any recourse to Government subventions. Provision of Conference services is the AICC's core business. The Centre operates and manages Julius Nyerere international convention Centre(JNICC) in Dar es Salaam, rents offices at the headquarters Complex and 626 housing units. The Centre also owns other prime landed properties in Arusha's Central Business District(CBD) and Dodoma cities and provides Health services through its medium sized 32 beds hospital in Arusha.

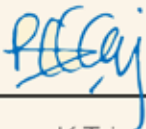
Arusha International Conference Centre(AICC) recorded a revenue of TZS 46,269,703,545 In the year ended 30th June 2023 as compared to TZS 25,707,003,104 recorded in the Financial year 2021/2022 being 80 % increase in revenue. The reported amount of revenue has been contributed by revaluation gained of TZS 27,602,000,000 and TZS 11,085,000,000 respectively.

The increase in revenue is attributed to aggressive marketing strategy employed to mitigate the adverse effects caused by COVID 19 pandemic in which restricted travels and ban of public gatherings severely affected the meetings industry. The Centre once again obtained unqualified opinion Audit Report for the Financial Year 2022/2023.

During the Financial year under Review, the Centre continued to exercise internal controls to restrict unnecessary expenditures and ensure value of money for purchased goods and services. The Centre participated in various international Trade Fairs and Exhibitions to market and seek for a strategic partner to implement Mount Kilimanjaro International Convention Centre project (MKICC). The Centre continues to refurbish its residential apartments as per budgetary allocations.

Once again on behalf of AICC Board of Directors, I wish to renew the Centre's resolve to enhance Business Tourism in the country and contribute significantly to the growth of the country's economy, improve the Centre's corporate image and leading brand through the implementation of the AICC Strategic plan.

By ORDER OF THE BOARD



Amb. Begum K. Taj

CHAIRPERSON OF THE BOARD OF DIRECTORS.



Amb. Begum K. Taj
Board Chairperson



Jurius Nyerere International Convention Center in Dar Es Salaam - Selous Plenary Hall (Capacity 1003 Pax)

AICC Board of Directors



Amb. Begum K. Taj
Board Chairperson



Amb. Daniel Ole Njoolay
Board Member



Faustine I. Masalu
Board Member



Patrick M. Mongella
Board Member



CPA Elimbora A. Muro
Board Member



Amb. Omar Yussuf Mzee
Board Member



Sethi M. Kamuhanda
Board Member



CPA Esther K. Kitoka
Board Member



Beatrice M. Kessy
Board Member

Statement of the Managing Director

It is my pleasure, on behalf of the management to present performance review of the Arusha international conference Centre (AICC) for the year ended June 2023. The Centre continued to perform its core function by providing conference services, as well as other services including, renting out office spaces, housing units and providing health services through its medium sized AICC hospital. Over the years, AICC has undergone gradual and steady improvement in various aspects, including enhancing financial management systems, recruiting new staff and maintaining existing facilities. Generally, the revenue collections from the Centre's main revenue sources was TZS 46,269,703,545 being an increase of 80 % compared to TZS 25,707,003,104. recorded in the year ended June 30th 2022. The reported amount of revenue has been contributed by revaluation gained of TZS 27,602,000,000 and TZS 11,085,000,000 respectively.



Ms. Christine G. Mwakatobe
AICC Managing Director

The Centre pledges to continue to build on the attained success and strive not to generate new debts. It also embarks on aggressive debt collections, especially those occasioned from government institutions, market available rental office space and conference facilities. Management is determined to see AICC hospital improve the delivery of health services through the existing facilities and by forging strategic partnerships to improve service delivery.

Once again the management commits to revise and implement the Centre's strategic plan to make it relevant to the current market scenario and ensure that AICC becomes a leading MICE destination in Africa.

Christine G. Mwakatobe
Managing Director



Conference Hall at JNICC - Dar Es Salaam

Centre's Income for the Past 5 years

YEAR	ESTATES	HOSPITAL	CONFERENCES	OTHERS	TOTAL
2017/2018	4,473,413,395	4,305,495,771	5,492,705,826	411,022,696	14,682,637,688
2018/2019	4,322,150,730	4,163,291,057	5,278,108,587	462,699,451	14,226,249,825
2019/2020	4,250,778,536	3,680,216,420	5,308,201,729	253,565,756	13,492,762,441
2020/2021	4,115,139,185	3,170,210,400	3,876,682,018	204,466,390	11,366,497,993
2021/2022	3,903,935,388	3,857,250,830	6,373,086,240	478,393,208	14,612,665,666

Human Resource Management

With reference to CCM Manifesto 2020 to 2025 and the President of the United Republic Tanzania opening speech of the 12th Parliament of the United Republic of Tanzania on 13th November, 2020; the Department of Human Resource and Administration outlined six (6) areas from both the manifesto and President's Parliament opening speech which will be the benchmark in executing departmental functions as well as to meet Centre's Strategic objectives. The areas including: Good Governance, Ant- corruption strategies and embezzlement of public resources, improvement in working condition and workers benefits, administering ethics and discipline of public servants, to fight against communicable and non- communicable diseases such as HIV/AIDS, COVID-19, Hepatitis B & Diabetes and to create a friendly working environment between trade unions and employers in order to continue to be an important pillar in building good working relationship. (CCM Manifesto (2020-2025) pg. 180, 161, 162, 163 and 180; President's 12th Parliament opening speech, pg. 15, 16 and 17).

To make the alignment between the Centre's Strategic Plan, Ruling Party and Manifesto (CCM), the Section of Human Resource and Administration accomplished the following strategic functions: -

- Facilitation of awareness sessions on Anti-corruption acts and unethical behavior at work place;
- To provide training on leadership skills and Good Governance to both Management and Senior Staff;
- Provision of support and awareness sessions on HIV/AIDS, Firefighting and non-communicable diseases;
- Setting targets to be accomplished in a set time through measuring deliverables/ outcomes by conducting Performance Appraisals regularly (weekly plan & report);
- Provision of good working condition based on health and safety standards as per OSHA;
- Involvement of Workers Council in employees related matters and Centre's Strategic issues;
- Effective utilization of Centre's Human Capital by reviewing job design which will involves job rotation, job enlargement and job enrichment and;
- Use of both monetary and non-monetary motivation to influence employee's performance.

Job Creation

During the financial year, the Centre's permanent staff was 130, 60 females and 70 Male.

HIV/AIDS Programme

During the financial year, the Centre continued to implement HIV/AIDS Program by facilitating employees with awareness sessions, testing and assist staffs who are living with HIV/AIDS with the necessary services required in line with Centre's Policy.

Medical Services

The employees continued to enjoy medical service through NHIF by contributing 3% and the Centre contributed the same rate of basic salary and on referral services the Centre incur full cost.

Staff Facilitation.

AICC continued to avail the Centre's employees with necessary tools for provisions of services to customers.

In the period the Centre collected customer feedbacks which were used for improvement of services where applicable.

Employee Relations

The Centre continued to maintain good working relationships among employee and strengthening the employer – employee relationship by holding regular 3 workers Council meetings, Management meetings, staff meetings and a functioning Trade Union.

Recruitment

In the period under this report, the Centre recruited Twenty-two (22) employees 7 females and 15 Male. Recruitment process was conducted competitively and on merits basis.

Talent Management and Employee Retention

In order to avail the Centre with skilled and experienced workforce which is useful for increasing productivity, the Centre continued to support employees to grow professionally through trainings, created a healthy working environment, provided rewards for outstanding performance, salary advance and retirement benefits.



AICC Staff

Conferences and Marketing

1.0 Meetings Held

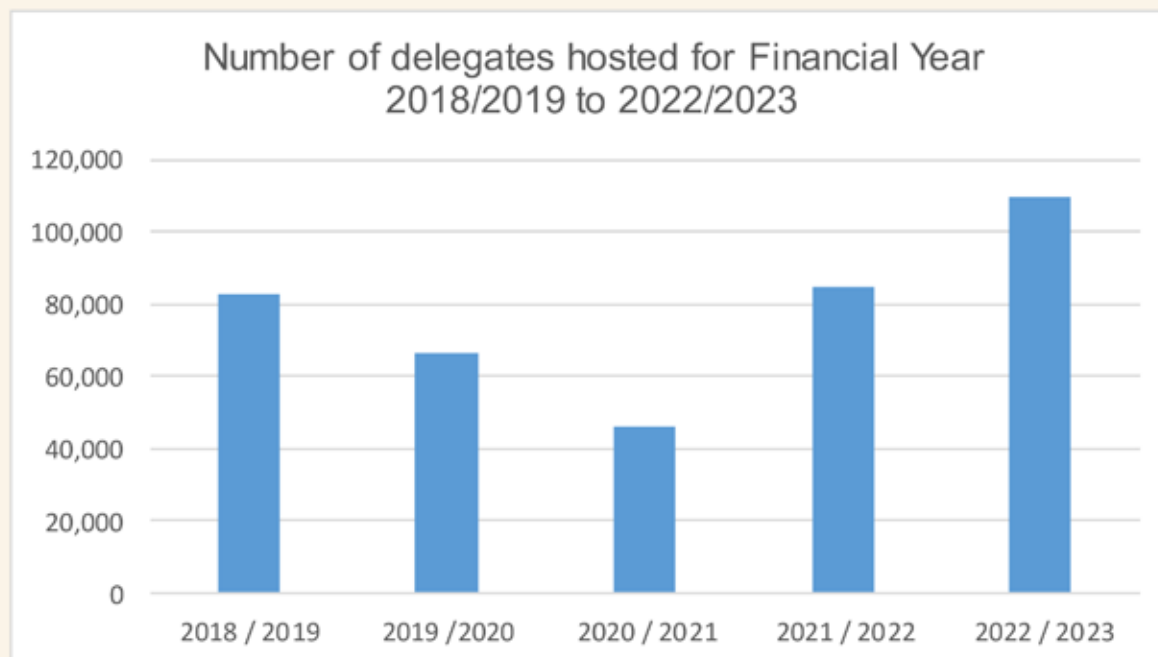
The Centre hosted 620 meetings in total, whereas 139 were held at the AICC 122 were local, 15 regional and 2 international; while JNICC hosted 481 out of which 366 were local, 05 regional and 14 International.

A total of 103,383 delegates were hosted, out of which 34,127 were served at AICC and 69,256 at JNICC, making up 169,745 attendee days in total with 71,305 at AICC and 98,440 JNICC respectively.

The Centre reported a 47% increase in the number of meetings with a 26% increase in attendee days as compared to the same period last financial year (2021/2022).

The chart below indicates a five-year comparison of the number of delegates hosted for the financial year 2018/2019 to 2022/2023.

Chart No1.



2.0 Marketing Activities

The Centre implemented the following marketing activities which resulted in securing new customers and repeating business.

a) Advertising and Promotion

Adverts for the Centre's facilities confirmed events and upcoming events for both venues were shared on the Centre's social media, website and digital billboards.

A joint campaign of Confirmed events publicity was conducted through press interviews with organizers of events and the AICC higher officials that resulted in facilities awareness/ visibility.

Also, adverts for the vacant office space and conference facilities adverts were placed in the Twiga inflight magazine issue from July to September 2022.

b) Trade Fairs and Exhibitions

The Centre participated in three local exhibition fairs which were the Sabasaba, Nanenane and the Swahili Expo to achieve its marketing and publicity goals, through direct communication with visitors, as well as increasing its publicity. Both fairs' participation resulted in nine conference facilities bookings and 12 potential leads.

During the period of the report, the Centre also participated in six international exhibitions which were IMEX America, Dubai Expo, FIFA World Cup in Doha, Meetings Africa, the Tanzania Road Show in Eastern Europe and IMEX – German. Both shows resulted in creating Tanzania destination awareness for MICE and also sourcing for 8 international leads.

c) Digital Marketing

Continued to use online platforms for creating awareness and market Centre's facilities & services through its social media pages and website.

d) Door-to-door marketing

The Centre identified potential leads from different sources of which 28 institutions with potential leads were visited for the following which resulted in the 5 events that were hosted at the Centre's facilities.

e) Membership Associations

The Centre continued to benefit from its international membership affiliation with the AIPC and ICCA where it can access data for potential events, and get current industry trends through participation in association virtual & physical workshops. The membership also allows the Centre to access global industry trends and survey reports, and keep the Centre updated on current industry news and updates.

e) Membership Associations

The Centre continued to benefit from its international membership affiliation with the AIPC and ICCA where it can access data for potential events, and get current industry trends through participation in association virtual & physical workshops. The membership also allows the Centre to access global industry trends and survey reports, and keep the Centre updated on current industry news and updates.

f) Event Sponsorship and discounted rates.

The Centre hosted some events on discounted rates and sponsorship to increase its customer base, its competitiveness and maintain relations with price-sensitive clients.

3.0 Challenges

During the period under report, the Centre faced the following challenges:

- 1) The existing structure of AICC Complex needs a major renovation.
- 2) Limited facility space that hinders the Centre from bidding for and hosting events with more than 1,350 participants at the Plenary Hall.
- 3) Stiff market competition in the conference and real estate business.
- 4) Saturation in the real estate business resulted in low occupancy levels of vacant office space.

Despite the challenges the Center successfully hosted some high-profile events including:-



AICC

Esaamlg Meeting @ Simba Hall AICC

12th -16th July 22: Tanzania Revenue Authority Annual Review Meeting with 350 pax.

19th July 22: East Africa Community Head of State Summit and Retreat with 650 pax.

27th -29th July 22 Mkutano wa Mawaziri wa Nchi zinazozalisha Almasi Afrika with 100 pax.

28th -29th July 22: Tanzania Insurance Brokers Association Meeting with 200 pax.

10th Aug 22: CAF General Assembly with 400 pax.

14th -16th Sep 22: 15th Annual Internal Audit Conference with 400 pax.

12th Nov 22: NICOL 8th Annual General Meeting with 200 pax

24th -25th Nov 22: Tanzania Institute of Quality Surveyors Meeting with 300 pax

24th -25th Nov 22: Scientific & Technological Conference with 150 pax

26th -28th Nov 2022: TRAMPA AGM with 1500 pax.

28th Nov -2nd Dec 22: 1st Insurance Regulators Retreat Africa

28th Nov - 9th Dec 22: 42nd African Union Advisory Board on Corruption "AUABC" Board Ordinary Session with 27pax.

1st -2nd Dec 22: Institute of Engineers Tanzania 13th International Conference with 600 pax.

6th -8th Dec: 13th Procurement and Supplies Professionals Technical Board with 1200 pax.

12th Dec 22: Tanzania Film Festival Award 2022 with 1200 pax

12th -17th Dec 22: African Regional Seminar and workshop on Performance Based Contract with 70 pax.

13th Dec 22: Regional Commissioners Committee, Regional Administrative secretaries and Local Government Authorities Executive Directors with 1300 pax.

16th Dec 22: The 24th Institute of Accountants and Auditors Graduation Ceremony with 1200 pax.

9th -12th Jan 2023, TRA Mid-Year Performance Review Management Meeting with 400 delegates.

23rd -27th Jan 2023 East Africa Revenue Authority Technical Committee Meeting with 50 delegates.

8th -10th Feb 2023, eGA Meeting with 1,250 delegates.

2nd - 4th Mar 2023, Tanzania Ministers Training with 200 delegates.

15th -17th Mar 2023: The Second Mining Local Content Forum and Exhibition with 400 delegates.

6th -9th April 2023 Association of Tanzania Adventist Congress with 1000 pax,

20th -25th June 2023 International Christian Medical Doctors Association Congress "ICMDA" World Congress 2023 with 890 pax.

11th -13th May 2023. Tanganyika Law Society "TLS" Annual General Meeting with 800 pax.

19th -20th May 2023 CRDB Bank Ltd Stakeholder Annual General Meeting and Seminar with 1000 pax.

24th -26th May 2023. National Board of Accountants and Auditors Training with 500 pax.

29th - 30th May 2023 ALAT 37th Annual General Meeting with 1000 pax.

31st May to 2nd June 2023, International Seminar on Sustainable Road Freight Transport for Economic and Social Development with 130 pax.

At the JNICC:

05th July 2022 Investors, Buyers and Sellers Meeting – TANTRADE with 900 pax.

6th - 7th July 2022 World- Swahili Day Celebration (MASIKIDU) – Ministry of Culture and Sports with 1000 pax.

11th -13th July 2022 AMECEA 20th Plenary Meeting - Tanzania Episcopal Conference (TEC) 250 pax.

14th – 15th July 2022 AFCO-TOA Scientific Conference - The Tanzania Optometric Association with 200 pax.

16th - 17th July 2022 Africa Pharmaceutical Symposium - Tanzania Pharmaceutical Student Association (TAPSA) with 200 pax.

02 - 04th August 2022 Tanzania Oil & Gas Congress 2022 - Ocean Business Partners with 250 pax.

17th - 19th August 2022 International Quality Education Conference-TENMENT 340 pax

22nd August 2022 TGGA International Meeting-Tanzania Girl Association 190 pax

25th - 27th August 2022 11TH IFATSEA-Africa General Conference-TANZANIA AIR TRAFFIC SAFETY ELECTRONICS ASSOCIATION 120 pax

7th September 2022 GSK Alumni Gathering-REPUBLIC OF KOREA 50 pax

9th - 14th September 2022 Women and Youth in Trade Conference (AfCFTA)-GIZ 500 pax

9th - 16th September 2022; 15th Eumetsat User Forum in Africa-with 150 pax

30th September 2022 Tanzania - Italy Business & Investment Forum- 500 pax



JNICC

The Launch of the Royal Tour Film @ Selous Hall JNICC

- 5th -7th October 2022 Kongamano la Kisayansi na Mkutano Mkutano Mkuu wa Mwaka-MeLSAT 300 pax
- 8th - 9th October 2022 World Posts Day-TANZANIA POSTS CORPORATION 250 pax
- 11th - 13th October 2022 Tanzania Health Summit 2022-THS 500 pax
- 27th - 29th October 2022 International Deaf Cultural Arts Festival-WIZARA YA UTAMADUNI, SANAA, NA MICHEZO 1000 pax
- 01st-02nd October Clean Cooking Conference-TPDC International 1000 pax
- 3rd November 2023 USDA Conference -US EMBASSY 70 pax
- 9th November 2022 Tanzania-DRC Transport and Infrastructure Ministerial-TPA 80 pax
- 15th November 2022 Higher Education Fair-EMBASSY OF FRANCE 250 pax
- 25th November 2022 Tanzania Air Traffic Controllers Association Meeting-TATCA 110 pax
- 25th - 26th November 2022 Music in Africa Foundation-MUSIC IN AFRICA 1000 pax
- 29th November 2022 International Children Day-MONTAGE LIMITED 300 pax
- 5th - 7th December 2022 Annual Planners Conference - MINISTRY OF FINANCE AND PLANNING Local 200
- 8th December 2022 LHRC Meeting - LEGAL AND HUMAN CENTRE 350 pax
- 17th December 2022 Kongamano Wadau Sekta ya Habari - MINISTRY OF INFORMATION, COMMUNICATION AND TECHNOLOGY 1000 pax
- 20th January 2023 Uzinduzi wa TAWOSCO- TANZANIA ASSOCIATION OF WOMEN OWNERS OF SCHOOLS AND COLLEGES Local 400
- 24th January 2023 Conference with the Minister of Energy-RURAL ENERGY AGENCY 150 pax
- 25th January 2023 Halal Conference-MICO INTERNATIONAL HALAL BUREAU LTD 1000 pax
- 27th January 2023 Meeting Between Minister of Health, Religious Leaders and Elders Representative-MINISTRY OF HEALTH 250 pax
- 28th January 2023 TARANGINI Event-TARANGINI TANZANIA 1000 pax

12th - 13th February 2023 ACARE Meeting-ANN ARBOR c/o TANZANIA FISHERIES RESEARCH INSTITUTE
150 pax

13th - 17th February 2023 ACARE Meeting and GLOW 10 Meeting-ANN ARBOR c/o TANZANIA FISHERIES
RESEARCH INSTITUTE 150 pax

21st - 24th February 2023 Tanzania and EU Business Forum-NIRAS AND MFAEAC 600 pax

3rd - 4th March 2023 MEWATA AGM- THE MEDICAL WOMEN ASSOCIATION OF TANZANIA 200 pax

10th - 12th March 2023 CRDB Uwekezaji Day- CRDB BANK 1000 pax

15th - 17th March 2023 IUCEA APPPF & Exhibition-INTER UNIVERSITY COUNCIL EA 180 pax

16th April 2023 KCB Meeting-KENYA COMMERCIAL BANK 260 pax

27th April 2023 National Youth Summit-SPECIAL OLYMPICS TANZANIA 100 pax

27th - 28th April 2023 International HR Conference-AFRICAN ASSOCIATION OF PUBLIC ADMINISTRATION
AND MANAGEMENT(AAPAM) 270 pax

28th April 2023 FIC Event-FORUM FOR INTERNATIONAL COOPERATION 200 pax

29th April 2023 Social & Cultural Based Play-The Lohana Mahajan with 1000 pax.

11th-13th May 2023 SATA Annual Scientific Conference-Society of Anaesthesiologist of Tanzania with 100
pax.

19th May 2023 Launching of Heads of State Human Capital Summit-WORLD BANK TANZANIA with 200 pax.

4th June 2023 Indian Culture Event-ALMUSTAFA INTER, FOUNDATION 1000 with pax.

14th - 16th June 2023 Stice Conference 2023-COSTECH 500 with pax.

17th June 2023 DCB AGM-DCB BANK with 600 pax.

27th June 2023 2ND Blue Economy Conference (2023) - Dar es-Salaam Martine Institute with 200 pax.



One of the centres' residential apartment at River Road Arusha

Estates And Projects Directorate

The Centre continued to offer estates management services by performing repair and maintenance of properties; land management as well as planning and supervision of Centre's new projects. The overall objective is to realize maximum returns from existing properties and to develop new ones in order to increase the Centre's revenue and housing stock in Arusha City.

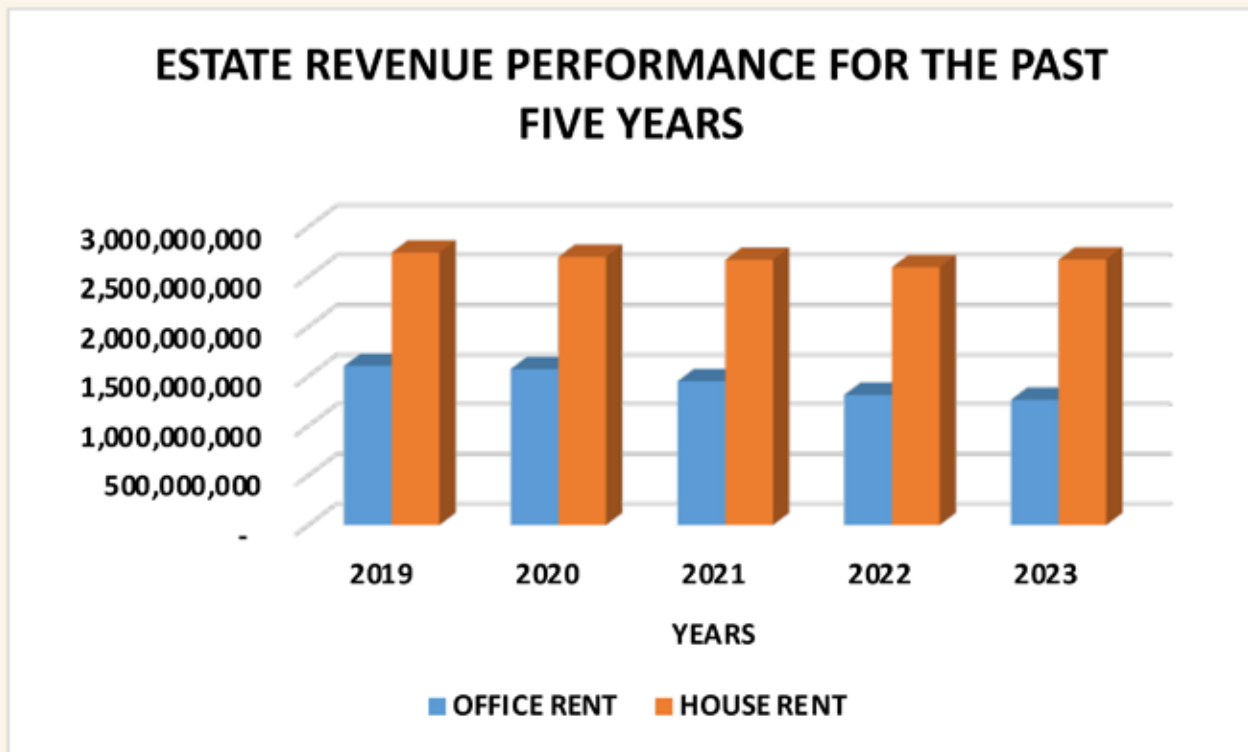
In the year under review the Directorate performed the following activities:

A. Repair & Maintenance of properties

Repair and maintenance works were performed to 270 housing units, office blocks, hospital premises and conference facilities in Arusha and at JNICC to enhance their value as well as maintain aesthetic conditions. Repair and maintenance works included; routine plumbing works, carpentry works, replacement of electrical fittings, painting, masonry works, repair of roof leakages as well as cleaning, landscaping and compounds maintenance works.

B. Land Administration

The Centre has 23,000 square meters of office space to lease to potential tenants at its headquarters in Arusha. AICC also owns 172 acres of land in Arusha, 22 acres in Mtwara, 15 acres in Dodoma City and 50 acres in Iringa. During the year the Centre ensured protection of its landed properties as well as payment of statutory fees. Follow up efforts continued at relevant Government offices over the landed properties without certificate of right of occupancy. During this period, the Centre initiated the process of acquisition of land measuring approximately 10 acres for the expansion of Julius Nyerere International Convention Centre (JNICC) in the Central Business District (CBD) of Dar es Salaam.



C. New projects

New projects in the reporting period the Centre started preparations of the following projects;

- i. Construction of MK-ICC project at Site D1 in Kijenge area, the Centre initiated the process for Phase One of the MK-ICC project to construct Exhibition Facility and Banqueting hall in Arusha City.
- ii. Expansion and rehabilitation of JNICC, the Centre initiated the process of construction of a new exhibition hall in Kisambusa Area, measuring (2434.42m²),
- iii. Construction of new hospital building was at the design stage.
- iv. The Centre initiated the construction of a new canteen for hospital clients and other clients and construction of three consultation rooms to minimize congestion caused by the inadequate number of rooms to accommodate clinics and other medical activities.
- v. Construction of residential houses, the Centre initiated the process to construct Commercial cum Residential block of flats, Fully Serviced Apartments and Two Residential Houses for Executive Diplomatic Leaders at Corridor area in Arusha.
- vi. The Centre initiated the process of development of Estate Master Plan for all AICC landed properties in Arusha.

Hospital Services



Doctors Attend a Patient at AICC Hospital

The well equipped 32 beds, medium size hospital caters for conference delegates and tourists in Arusha City

ANNUAL HOSPITAL OPERATIONAL REPORT JULY 2022 TO JUNE 2023

The Hospital continued with the role of curative and preventive services to staff, general public, local and international conference delegates and members of various health insurance schemes. During this period a total 91,643 patients were attended in different clinics, both general and specialized ones, 1843 patients were admitted

The table below show the number of outpatient and inpatient attended for the period of July 2022 to June 2023

Month	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
OPD	7019	6589	6643	7324	6865	6963	8042	8394	9329	7322	8450	6860
IPD	136	127	140	165	160	169	163	157	162	139	159	164

During the same period between July 2021 and June 2022, a total of 1,598 inpatients and 85,770 outpatients were seen in different clinics both general and specialized ones. These figures show an increase in number of patients when compared to the previous period of July 2021 to June 2022.

Achievements

- Hospital in collaboration with consultant specialists from KCMC continues to be a reliable source for specialist services in Arusha.
- AICC Hospital runs one of the most reliable daily Paediatric clinic in Arusha.

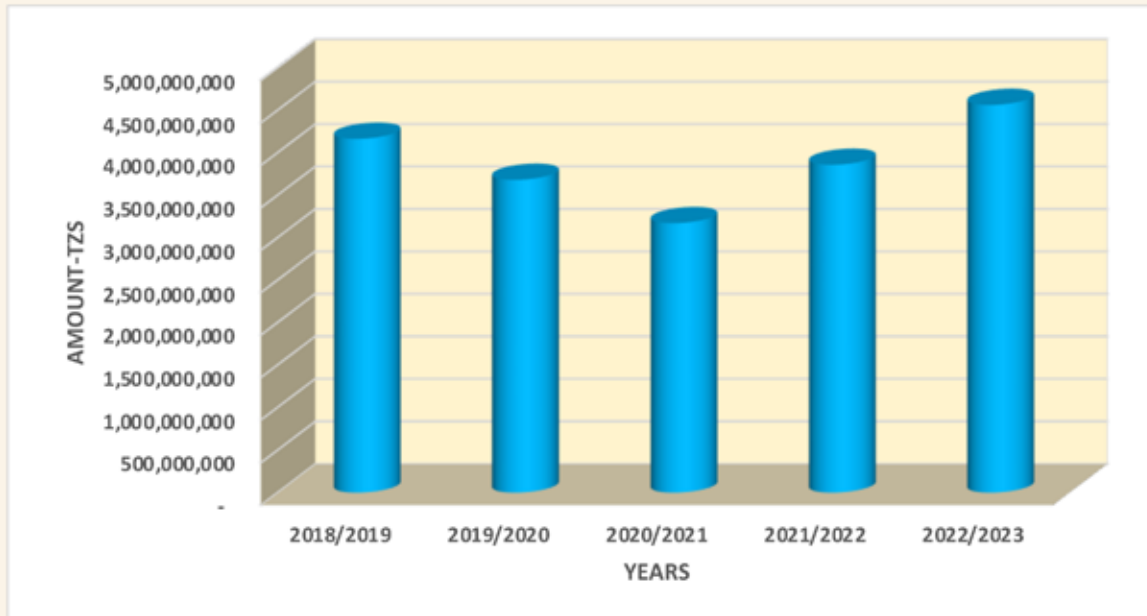
Challenges

- The Hospital infrastructure does not support the increased the number of clients attended on daily basis hence hindering addition of new services.

Way forward

- To expand the Hospital services and infrastructures to cater for the increased number of clients and demand for new medical services.

Hospital Income for the past Five years



Mwakatobe

Christine G. Mwakatobe
Managing Director





LION AT SELOUS GAME RESERVE

Legal Unit

CONTINGENT LIABILITIES

Pending Legal Claims during the year under audit the Arusha International Conference Centre (AICC) had eight (8) legal cases which were at various stages of hearing. These cases, had estimated value of TZS 827,532,738. Directors believe that these claims shall not crystallize and therefore no provision in the financial statements. In the event these cases are not ruled in favour of the Arusha International Conference Centre they may have significant financial impact on the operations of the Centre.

AICC Management Team



Ms. Christine G. Mwakatobe
AICC Managing Director



CPA. Sava S. Mung'ong'o
Director of Finance and Administration



Mrs. Mkunde S. Mushi
Director of Conferences and Marketing



Eng. Victor M. Kamagenge
Director of Estate and Projects



Catherine A. Kilinda
Manager JNCC



Dr. Elipokea P. Sarakikya
Acting Director of Hospital Services



Mr. Augustine S. Karadogo
Chief Accountant



Mr. Sothenes Chacha
Head of Procurement Management Unit



Mrs. Sitty H. Gamba
Ag. Chief Internal Auditor



Festo F. Mramba
Head of Human Resources and Administration



Mr. Freddy E. Muro
Senior Public Relations Officer



Mrs. Fabiola Kisanika
Senior Legal Officer



Mr. Rutunda B. Rutunda
Senior ICT Officer



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

ARUSHA INTERNATIONAL CONFERENCE CENTRE (AICC)

**REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE
FINANCIAL STATEMENTS AND COMPLIANCE AUDIT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

Controller and Auditor General,
National Audit Office,
Audit House,
4 Ukaguzi Road,
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Website: www.nao.go.tz

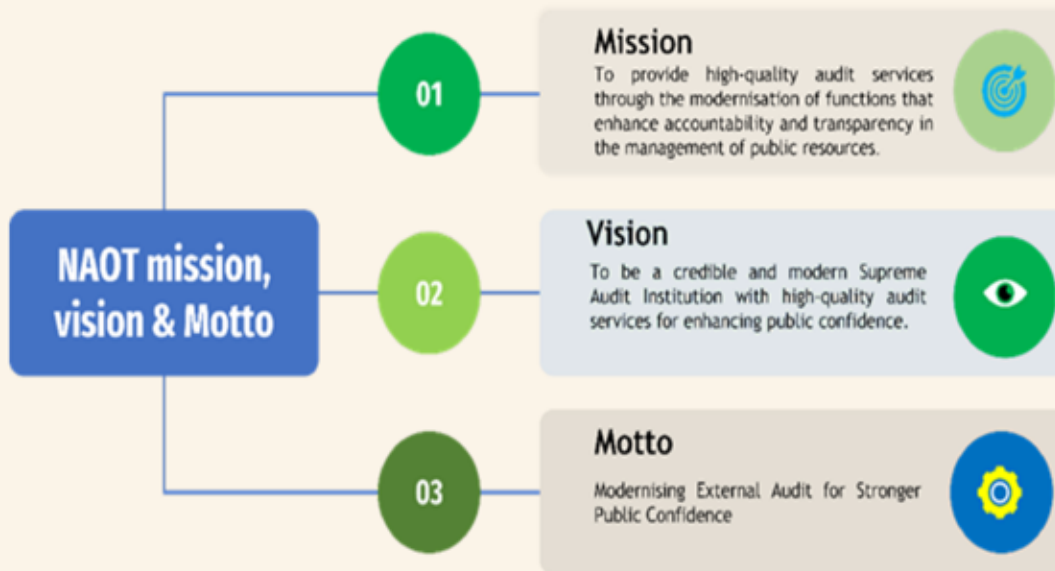
March, 2024.

REF: AR/PA/AICC/2022/223

About the National Audit Office

Mandate

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



Independence and objectivity

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

Teamwork Spirit

We value and work together with internal and external stakeholders.

Results-Oriented

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



Professional competence

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

Integrity

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

Creativity and Innovation

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

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ABBREVIATIONS

AICC	Arusha International Conference Centre
AIDS	Acquired Immune Deficiency Syndrome
Amb.	Ambassador
CAG	Controller and Auditor General
CPA	Certified Public Accountants
IAS	International Standards on Auditing
HIV	Human Immunodeficiency Virus
ICT	Information and Communications Technology
IESBA	International Ethics Standards Board for Accountants
IFRS	International Financial Reporting Standards
IASB	International Accounting Standard Board
ISSAI	International Standard of Supreme Audit Institutions
IFRIC	International Financial Reporting Interpretations Committee
JNICC	Julius Nyerere International Conference Centre
NAO	National Audit Office
NBAA	The National Board of Accountants and Auditors
NHIF	National Health Insurance Fund
NIC	National Insurance Corporation
PPP	Public Private Partnership
SACCOS	Savings and Credit Co-operative Society
TAPSEA	Tanzania Association of Special Secretaries
TZS	Tanzania Shillings
TRAMPA	The Tanzania Records and Archives Management Professionals Association

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Chairperson of Board of Directors,

Arusha International Conference Centre,

P. O. Box 3081,

ARUSHA, TANZANIA.

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of Arusha International Conference Centre, which comprise the statement of financial position as at 30 June 2023, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly in all material respects, the financial position of Arusha International Conference Centre as at 30 June 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the manner required by the Public Finance Act, Cap. 348.

Basis for Opinion

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAI). My responsibilities under those standards are further described in the below section entitled "Responsibilities of the Controller and Auditor General for the Audit of the Financial Statements". I am independent of Arusha International Conference Centre, 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 my audit of the financial statements in Tanzania, and I have fulfilled my other ethical responsibilities in accordance with these requirements.

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

Key Audit Matters

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

Other Information

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

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

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

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the entity to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Further, Section 48(3) of the Public Procurement Act, Cap 410 [R.E 2022] requires me to state in my annual audit report whether or not the audited entity has complied with the procedures prescribed in the Procurement Act and its Regulations.

1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS

1.2.1 Compliance with the Public Procurement Laws

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

I performed a compliance audit on procurement of goods, works and services for Arusha International Conference Centre (AICC) for the financial year 2022/23 as per the Public Procurement Laws.

Conclusion

Based on the audit work performed, I state that procurement of goods, works and services of Arusha International Conference Centre (AICC) is generally in compliance with the requirements of the Public Procurement Laws.

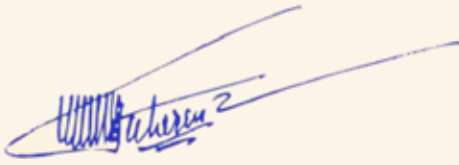
1.2.2 Compliance with the Budget Act and other Budget Guidelines

Subject matter: Budget formulation and execution

I performed a compliance audit on budget formulation and execution in the Arusha International Conference Centre (AICC) for the financial year 2022/23 as per the Budget Act and other Budget Guidelines.

Conclusion

Based on the audit work performed, I state that Budget formulation and execution of Arusha International Conference Centre (AICC) is generally in compliance with the requirements of the Budget Act and other Budget Guidelines.



Charles E. Kichere

Controller and Auditor General,

Dodoma, United Republic of Tanzania.

March 2024

2.0 THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2023

The Members charged with governance hereby submit their report together with the audited financial statements for the period ended 30 June 2023 which disclose the financial position of Arusha International Conference Centre. The financial statements are set out on pages 23 to 63 of the report.

2.1 BACKGROUND

Arusha International Conference Centre was established under the Public Corporations Act, 1969, by a Presidential Order, viz, the Arusha International Conference Centre (Establishment) Order, 1978 issued through Government Notice No. 115 published on the 25 August 1978. On 19 March 2014, the President signed establishment order (Amendments) 2014 which added Julius Nyerere International Convention Centre to the list of properties of the Centre.

Centre's Vision

To be a model and enabler of business tourism.

Centre's Mission

To promote and provide quality business tourism services to national and international clientele for enhanced national, social and economic development.

Principal Functions of Arusha International Conference Centre

The objectives of the Centre include:

To manage and control the headquarters complex of the defunct East African Community and all other premises and lands in Arusha City that belonged to the defunct East African Community and Manage Julius Nyerere International Convention Centre; and

To provide facilities and services in the complex for the purpose of conferences, meetings, seminars, etc.

In exercising its functions of control and management, the Centre shall have due regard to:

- The political, economic and social aspirations of the people of the United Republic of Tanzania;
- The health and general welfare of the members of the public by guiding its operations in a manner that conserves the environment in a coherent and sustainable way; and
- Crucial to this, is the Centre's societal responsibility where AICC has nursed a strong sense of belonging among the local communities, not only in Arusha Region and the city, but also nationally.

2.2 CORPORATE GOVERNANCE

We believe in adopting the best practices in Corporate Governance. Those charged with governance, Management and employees are committed to upholding the core values of transparency, integrity, honesty and accountability, which are fundamental to the attainment of good governance and excellent performance in any organization.

Members charged with Governance

Function

Those charged with governance are responsible and accountable for providing effective corporate governance, direction and control of the Centre. The directors have a duty to exercise leadership, enterprise, integrity and judgment based on transparency, fairness, accountability and responsibility.

The members charged with governance are responsible for approving management appointment, adopting a corporate strategy, policies, procedures and monitoring operational performance including identifying risks impacting the Centre. It is also responsible for managing good relationships with all the stakeholders, Chairman and Secretary.

Composition of directors

Those charged with governance comprises a Team of seven non-executive directors and one executive director with a mix of skills, experience and diversity. On 28 December 2021 the President of the United Republic appointed **Amb. Begum Karim Taj** to be the new Chairperson of those charged with governance for Arusha International Conference Centre (AICC), concurrently the Minister of Foreign Affairs and East African Co-operation appointed members charged with governance for a three years term ending 27 December 2024.

SN	Name	Position	Gender	Age	Qualification	Date appointed	Nationality
1	Amb. Begum Karim Taj	Chairperson	Female	69	Masters in politics & Development Studies	28 December 2021	Tanzanian
2	Amb. Daniel Ole Njoolay	Member	Male	71	M.A in Economics	28 December 2021	Tanzanian
3	CPA. Elimbora Abia Muro	Member	Female	52	CPA(T), (MBA) Corporate Finance	28 December 2021	Tanzanian
4	Mr. Patrick Magologozi Mongella	Member	Male	52	MBA in Corporate Management	28 December 2021	Tanzanian
5	Mr. Faustine Ilobi Masalu	Member	Male	61	MSc. In Management of Natural Resources for Sustainable Agriculture	28 December 2021	Tanzanian
6	Amb. Yussuf Omar Mzee	Member	Male	64	Master in Statistics (Demography)	01 September 2022	Tanzanian
7	Mr. Seth Mbulawabo Kamuhanda	Member	Male	70	MA in Development Studies	28 December 2021	Tanzanian
8	CPA. Esther Kileo Kitoka	Member	Female	52	Master of Commerce in Banking and business Information System	28 November 2022	Tanzanian

9	Ms. Beatrice Modest Kessy	Member	Female	45	MSc Tourism Development	28 December 2021	Tanzanian
10	Mr. Ephraim B.** Mafuru	Secretary	Male	52	MA. Business Administration	09 February 2023	Tanzanian
11	Ms. Christine Gideon Mwakatobe***	Secretary	Female	51	MBA, BA Economics	15 March 2024	Tanzanian
12	CPA Savo Mung'ong'o*	Secretary	Male	57	CPA(T), Post Graduate Diploma in Accountancy	28 December 2021	Tanzanian

Source: Register of the Centre's Directors

* CPA Savo S Mung'ong'o ceased to Act as Board Secretary from 9 February 2023 after a new Managing Director Mr. Ephraim B. Mafuru was appointed.

** Mr. Ephraim B. Mafuru assumed the role of Managing Director of the Centre and the Board of Directors Secretary from 9 February 2023 to 15 March 2024. His role as the Board Secretary ceased on 15 March 2024 following his appointment as the Managing Director of Tanzania Tourist Board.

*** Christine assumed the Board Secretary role buy virtual of her position as the Managing Director of the Centre effective 15 March 2024.

Attendance to the Board and Committees meetings

The Board Secretary at the date of this report, who also served the position since 9 February to the date of this report was the Managing Director. The Attendance of the Board and its committee meetings are shown in Table 2 below:

Table No. 2 Attendance of the members at the quarterly meetings, held during the year:

<i>SN</i>	<i>Name</i>	<i>Sept-22</i>	<i>Dec-22</i>	<i>Mar-23</i>	<i>Jun-23</i>	<i>Attendance</i>
1	Amb. Begum Karim Taj	☐	☐	☐	☐	100%
2	Amb. Daniel Ole Njoolay	☐	☐	☐	☐	100%
3	CPA Elimbora Abia Muro	☐	☐	☐	☐	100%
4	Mr. Patrick Magologozi Mongella	☐	☐	☐	☐	100%
5	Mr. Faustine Ilobi Masalu	☐	☐	☐	☐	100%
6	Mr. Sethi Mbulawabo Kamuhanda	☐	☐	☐	☐	100%
7	*Amb. Omar Yussuf Mzee	-	-	☐	☐	50%
8	**CPA Esther K. Kitoka	-	-	☐	☐	50%
9	Ms. Beatrice Modest Kessy	☐	☐	☐	☐	100%
10	Mr. Ephraim B. Mafuru	-	-	☐	☐	50%
11	CPA Savo S. Mung'ong'o	☐	☐	-	-	50%

Source: Centre's register of Board of Directors meeting

*Amb. Omar Yussuf Mzee has attended 50% of the meetings since he was appointed on 1 September 2022.

** CPA Esther K. Kitoka has attended 50% of the meetings since she was appointed on 28 November 2022.

During the meetings the members charged with governance discussed and deliberated on audited financial statements, management letter, the Centre strategic plan implementation, budget approval, debtors' collection strategy, approval of various policies, operation and financial performance and the company objectives.

Code of Corporate Practice and Conduct

The Centre is committed to the principles of effective corporate governance and the members charged with governance are of the opinion that the Centre currently complies with principles of good Corporate Governance.

Business ethics and organizational integrity

The Centre's Code of Conduct commits it to the highest standards of integrity, conduct and ethics in its dealings with all parties concerned, including its directors, managers, employees, customers, suppliers, competitors, investors, shareholders and the public in general. The directors and staff are expected to fulfil their ethical obligations in such a way that the business is run strictly according to fair commercial competitive practices.

Centre's Board Committees

The Centre's board has been divided into three committees for discussion of risks, Investment and Finance as categorized below;

(i) Risk and Audit Committee

During the year 2022/23, the Risk and Audit Committee convened four (4) Ordinary meetings and one (1) Extra-Ordinary meeting. Whereby following responsibilities were executed among others;

(a) Responsibilities of the Committee Members

- i. To study and understand the papers provided;
- ii. To apply analytical skills, objectivity and good judgment on questions and core issues; and
- iii. Express opinions constructively and frankly.

(b) Responsibilities and duties in relation to internal auditing

- i. Approve the appointment, replacement, or dismissal of the Internal Auditor.
- ii. Review and evaluate the internal auditor's objectives, competence and resourcing and the overall effectiveness of the internal audit function
- iii. Review and approve the internal audit risk assessment, annual work plan and annual budget.

- iv. Review and recommend the internal audit charter for approval by the Board noting that the Head of Internal Audit maintains a direct functional reporting line to the Committee.
- v. Review the effectiveness of the internal audit function, including compliance with the Standards for the Professional Practice of Internal Auditing of the Institute of Internal Auditors.
- vi. Confirm that there are no unjustified restrictions or limitations on internal audit.
- vii. Review the coordination of audit efforts between the internal audit staff and the independent auditor to ensure completeness of coverage and efficient use of audit resources.
- viii. Review with management and the Internal Auditor significant internal auditing findings and recommendations related to the adequacy of internal controls, compliance with policies and procedures, and effective and efficient use of Centre's resources, as well as management's response to the audit recommendations.
- ix. Approve changes to the internal audit manual or any other relevant documents for efficient functioning of the Internal Audit Unit
- x. Satisfy itself that the goals, objectives, resources and Annual plans of Internal Audit function adequately to support Audit and risk Committee
- xi. Meet separately with the Internal Auditor, regularly, to discuss any matters that the Committee or the Internal Auditor believe should be discussed privately.

(c) Responsibilities and duties in relation to statutory auditors

- i. Post-audit discussion with Statutory Auditors to ascertain areas of concern.
- ii. Conducting a “post-audit review” of the financial statements and audit findings including any suggestions for improvements provided to management by the Statutory Auditors.
- iii. Annually obtaining and reviewing a report by the Statutory Auditor describing:
 - any material issues raised by the most recent peer review of the firm
 - any inquiry or investigation by governmental or professional authorities within the preceding five years in respect of one or more independent audits carried out by the firm and any steps taken to deal with any such issues
 - all relationships between the Statutory Auditor and the Centre so as to assess the Statutory Auditor’s independence;
 - to recommend the signing of the audited financial statement by the Board and Managing Director;
 - to satisfy itself that the Centre has appropriate mechanism in place to review and implement the Statutory Auditor’s recommendations;
- i. Reviewing and evaluating the Statutory Auditor including if necessary to consider and advise on rotation of the Statutory Auditor in consultation with the Management.
- ii. Regularly reviewing with the Statutory Auditor any audit problems or difficulties and management’s response thereon.

- any accounting adjustments that were noted or proposed by the Statutory Auditor but were “passed” (as immaterial or otherwise)
- any “management” or “internal control” letter issued or proposed to be issued by the audit firm to the Centre

(d) Responsibilities in relation to the Centre’s financial statements

- i. Review of the Centre’s accounting policies, internal accounting controls, financial and risk management policies and such other matters as the Audit & Risk Committee deems appropriate.
- ii. Overseeing of the Centre’s financial reporting process and the disclosure of its financial information to ensure that the financial statements are materially correct.
- iii. Review and discuss the audited financial statements with management and the Statutory Auditors and determine whether they are complete and consistent with the information known to committee members as well as assess whether the financial statements reflect appropriate accounting principles.
- iv. Make recommendations arising from the above reviews, for consideration by the Board, in connection with the approval and disclosure of Centre’s statutory financial reports.

(e) Responsibilities in relation to the Governance Compliance

- i. To review governance framework and process and advise the Board appropriately;

- ii. Determine whether management has appropriately considered legal and other governance attribute/areas including compliance risks as part of the Centre's management framework;
- iii. Review the effectiveness of the management system for monitoring the Centre's compliance with relevant laws, regulations and associated government policies.
- iv. Review the process for communicating the public code of conduct to Centre's personnel and for monitoring compliance therewith
- v. Deliberate regular updates from Management and regarding compliance matters

(f) Responsibilities in relation to Risk Management

- The ultimate responsibility for risk oversight and risk management rests with the full Board.
- The Committee shall
 - i. Facilitate the development and implementation of Risk Management Framework
 - ii. advise the Board on the Centre's overall risk appetite, tolerance and strategy, taking account of the current and prospective macroeconomic and financial environment and drawing on financial stability assessments such as those published by relevant industry and regulatory authorities or the Centre's risk policies;
 - iii. oversee and advise the Board on the current risk exposures of the Company and future risk strategy;

- iv. In relation to risk assessment:
- keep under review the Centre's overall risk assessment processes that inform the Board's decision making;
 - set a standard for the accurate and timely monitoring of large exposures and certain risk types of critical importance;
 - and,
 - review the Centre's capability to identify and manage new risk types.
- i. Monitoring compliance with the Risk Management Framework and satisfy itself that the Centre operates with due regard to the risk appetite
- ii. review reports on any material breaches of risk limits and the adequacy of proposed action;
- iii. keep under review the effectiveness of the Centre's internal financial controls and internal controls and risk management systems and review and approve the statements to be included in the annual report concerning internal controls and risk management; and
- iv. make recommendations to the Board it deems appropriate on any area within its remit

(g) Responsibilities in relation to Internal Control Framework

- i. To review whether the management approach to maintaining effective internal control framework including over external parties, e.g. contractors is sound and effective;
- ii. To review whether management has in place relevant policies and procedure and that they are periodically reviewed and updated;
- iii. To determine whether appropriate process is in place for assessing at least once a year whether the policies and procedure in place are complied with;
- iv. Consider whether and how management identifies any needed changes to the design or implementation of Internal Controls; and,
- v. To review whether management has taken steps to embed culture which is committed to ethical value and law-abiding behavior.
- vi. To satisfy itself that the Centre has performance management framework linked to organizational objectives and outcome

(h) Responsibility in relation to Anti-bribery and corruption

- i. Monitor and review Centre's strategies and procedures relating to management of risks associated with bribery and corruption and
- ii. Monitor and review Centre's compliance with (including the quality and effectiveness of implementation) anti-bribery and corruption strategies

(i) Other general responsibilities

- i. Regularly report to the Board of Directors its conclusions with respect to the various matters that the Audit & Risk Committee has considered as well as the independence of the Internal Auditor to the full Board.
- ii. Review management's monitoring of compliance with Centre's standards of Business conduct.
- iii. Reviewing on a need basis and if considered necessary, in conjunction with outside legal, accounting or other advisors any matters that could have a significant impact on the Centre's financial statements.
- iv. Overseeing and reviewing of the Centre's asset management policies, including an annual review of the Centre's investment policies and performance for cash and short-term investments.
- v. Reporting regularly to the Board with respect to:
 - the quality or integrity of the Centre's financial statements;
 - Centre's compliance with legal or regulatory requirements; and
 - The performance of the Statutory Auditor as well as the Internal Audit function.
- i. Reviewing, approving and monitoring the Centre's code of ethics for its Principals and Finance Officers.
- ii. Review the functioning of the Whistle Blower mechanism

(j) Additional Responsibilities

In addition to the above primary responsibilities, the Audit & Risk Committee will undertake such other duties as the Board of Directors delegates to it, and will report, at least annually, to the Board regarding the Committee's examinations/findings and recommendations.

(k) The responsibilities of the Committee may be revised or expanded in consultation with the Board.

The details of members to the Audit and Risk Committee who served during the financial year ended 30 June 2023 are included in the table No.3 below:

Table No. 3 the Audit and Risk Committee Composition

S/N	Name	Position	Gender	Nationality
1	CPA. Elimbora Abia Muro	Chairperson	Female	Tanzanian
2	Amb. Daniel Ole Njoolay	Member	Male	Tanzanian
3	CPA. Esther Kileo Kitoka	Member	Female	Tanzanian

The Audit and Risk Committee meeting attendance details are included in the table No.4 below:

Table No. 4 Committee Attendance

<i>SN</i>	<i>Name</i>	<i>Sept-22</i>	<i>Dec-22</i>	<i>Mar-23</i>	<i>Jun-23</i>	<i>Attendance</i>
1	CPA. Elimbora Abia Muro	☐	☐	☐	☐	100%
2	Amb. Daniel Ole Njoolay	☐	☐	☐	☐	100%
3	CPA Esther K. Kitoka	-	-	☐	☐	50%

Source: Audit Committee meetings attendance register.

(ii) Investment Committee

During the year 2022/23, the Investment Committee convened four (4) Ordinary meetings and one (1) Extra-Ordinary meeting.

Whereby following responsibilities were executed;

Review the Institution's investment policy and strategies and provide policy guidance to Management. Such guidance shall include but not be limited to:

- a) Overall investment strategy and guidelines,
- b) Evaluation of asset classes for investment,
- c) Selection of new investment,
- d) Termination of existing investment,
- e) Review investment performance and compliance with investment guidelines.

- f) Oversee the maintenance of organizational-wide assets, including prudent management of organizational investments,
- g) Review and recommend to the Board overall Investment Policy and Guidelines, including asset allocation ranges,
- h) Approve target asset allocations,
- i) Review and make recommendations to the Board on all capital-related issues,
- j) Review and recommend to the Board all corporate acquisitions, as well as disposals of business segments or subsidiaries, and joint ventures; and
- k) Review and recommend to the Board all major new business initiatives, especially that requiring capital allocation.

The details of the Investment Committee composition and meeting attendance are included in the below table No.5 and 6 respectively.

Table No. 5 the Investment Committee Composition;

S/N	Name	Position	Gender	Nationality
1	Mr. Patrick Magologozi Mongella	Chairperson	Male	Tanzanian
2	Amb.Yussuf Omar Mzee	Member	Male	Tanzanian
3	Ms. Beatrice Modest Kessy	Member	Female	Tanzanian

Table No. 6 Committee Attendance

<i>SN</i>	<i>Name</i>	<i>Sept-22</i>	<i>Dec-22</i>	<i>Mar-23</i>	<i>Jun-23</i>	<i>Attendance</i>
1	Mr. Patrick Magologozi Mongella	☐	☐	☐	☐	100%
2	Amb. Omar Yussuf Mzee	-	-	☐	☐	50%
3	Ms. Beatrice Modest Kessy	☐	☐	☐	☐	100%

Source: Investment Committee meetings attendance register.

(iii) Finance, Human Resource and ICT Committee

During the year 2022/23, the Finance, Human Resource and ICT Committee convened four (4) Ordinary meetings and one (2) Extra-Ordinary meeting to to execute the following responsibilities:

The Committee's specific responsibilities include:

- a) **HR Oversight.** Overseeing the Centre's human resources function and related workplace culture and management efforts by:
 - i. Compensation: Overseeing the overall compensation and benefits structure, policies and programs, including recommending to the Board a statement of the Centre's compensation philosophy and overseeing adherence to whatever philosophy the Board adopts;
 - ii. Personnel Trends: Receiving reports on personnel trends, themes, and key metrics of employee engagement, such as turnover rates and progress towards diversity, equity, and inclusion goals; the General Counsel, and the MDs about any

questions, concerns, or recommendations regarding these trends; and reporting to the Board on an annual basis regarding the trends and progress towards key metrics;

- iii. **Employee Relations:** Receiving annual statistics regarding the receipt, investigation, and resolution of complaints; any concerning or notable trends regarding the same; and any modifications or changes the Centre is planning on making to the underlying policies regarding the same;
- iv. **Workforce Development:** Overseeing the Centre's workforce development efforts, including performance management, succession planning, talent acquisition, leadership development, and training, including ensuring the Centre is requiring appropriate anti-harassment training for all supervisors.
- v. **Appointment and Disciplinary matters,** to advise the Board on appointments and disciplinary issues of senior management personnel.

b) Budgeting and Financial Planning

- i. Review and recommend approval of the budget to the Board.
- ii. Review budget implementation on quarterly basis.
- iii. Review proposed Strategic Plan and oversees its implementation.
- iv. Review Board's performance contract on quarterly basis.
- v. Review performance, operation and management accounts reports on quarterly basis.

c) Information Communication and Technology

- i. Periodically review ICT Strategy and ensure it is aligned with business strategy,
- ii. Evaluate Management reports on benefits delivered by ICT projects,
- iii. Issue high level ICT policy guidance,
- iv. To ensure e-Government guidelines and standards are implemented and
- v. To review and approve institutional disaster recovery plan and ensure its effective implementation.

The details of Finance, Human Resources and ICT Committee and their meeting attendance details are included in the below table No. 7 and 8 respectively.

Table No. 7 the Finance, Human Resource and ICT Committee Composition

S/N	Name	Position	Gender	Nationality
1	Mr. Faustine Ilobi Masalu	Chairperson	Male	Tanzanian
2	Mr. Seth Mbulawabo Kamuhanda	Member	Male	Tanzanian
3	CPA. Esther Kileo Kitoka	Member	Female	Tanzanian

Table No.8 Committee Attendance

<i>SN</i>	<i>Name</i>	<i>Sept-22</i>	<i>Dec-22</i>	<i>Mar-23</i>	<i>Jun-23</i>	<i>Attendance</i>
1	Mr. Faustine Ilobi Masalu	☐	☐	☐	☐	100%
2	Mr. Sethi Mbulawabo Kamuhanda	☐	☐	☐	☐	100%
3	CPA Esther K. Kitoka	-	-	☐	☐	50%

Source: Finance, Human Resources and ICT Committee meetings attendance register.

2.3 CAPITAL STRUCTURE

The Centre's capital structure for the year under review consists of the following:

- (a) Capital Fund;
- (b) Capital Grants; and
- (c) Accumulated Surplus.

2.4 SENIOR MANAGEMENT

The Management of the Centre is under the Managing Director who is assisted by the following Directorates/Units:

- (a) Finance and Administration Directorate;

The Directorate is responsible for all Finance and Administration issues including Budget and Financial Statement preparation, Coordinating preparation and implementing five-year Strategic Plan, Staff development and retention; Policy development, Appointment and Disciplinary matters.

(b) Estates & Projects Directorate;

The Directorate is responsible for supervision of project design and implementation, Leasing of Centre's properties, Repair and Maintenance of properties, Land Management, Landscaping and gardening

(c) Conferences & Marketing Directorate;

The Directorate is responsible for marketing of the Centre's activities; Planning and Implementation of Conferences, Exhibition and Events

(d) Hospital Services Directorate;

The Directorate is responsible for provision of medical Services to Centre's delegates, Arusha residents, Tourist and International Community Staff in Arusha.

(e) Internal Audit Unit;

The Unit is responsible to ensure adherence to Internal Controls in place, Compliance to all laws and regulation governing the Centre's operation, Follow-up of Implementation of CAG recommendation, and report Audit recommendation to Those Charged with Governance to strengthen Internal Controls.

(f) Procurement Management Unit;

The Unit is responsible for all Centre's Procurement in accordance with Public Procurement Act 2011 and its Regulation 2013 as amended 2016, Preparation and submission of quarterly and monthly report to Public Procurement Regulatory Authority.

(g) ICT Unit;

The unit is responsible for a Periodical review of ICT Strategy and aligns with business strategy; review the Centre's disaster recovery plan and its effective implementation.

(h) Legal

The Unit is responsible for all Legal Matters of the Centre including representing the Centre before the Court of Law, drafting Legal Documents, Vetting Contracts, and providing Secretarial services to the Board and Management.

(i) Public Relations and Communication.

The Unit is responsible for Promoting and maintaining Centre's Image, Develop Public Relations Strategies, and coordination of CSR activities.

2.5 FUTURE DEVELOPMENT PLANS

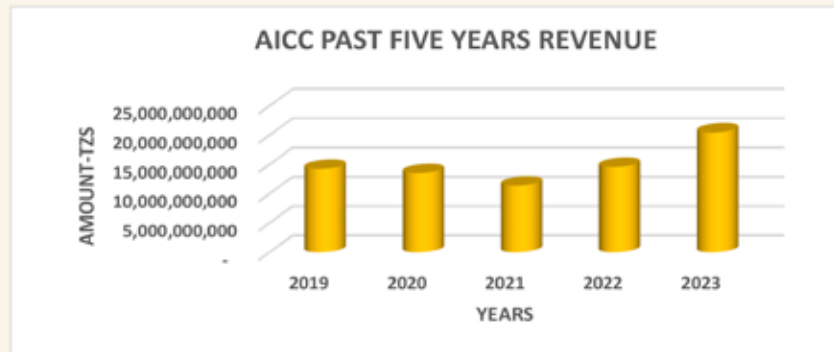
The Centre will continue to improve its profitability, the Centre is exploring options and intends to construct a modern convention Centres in Arusha, Dodoma and Iringa. When these projects commence, the Centre intends to use various financing options which includes government capital injection and or Private-Public Partnership arrangements.

The Centre continues to implementation its five (5) years strategic plan focusing on quality services and broaden revenue Base.

2.6 PERFORMANCE DURING THE YEAR

During the year ended 30 June 2023 the Centre reported a profit before tax of TZS 29,333,222,349 as compared to a profit before tax of TZS 13,304,401,707 reported in 2022. The good operating performance of the Centre is a result of increased number of conference and events hosted as well as increased number of patients served by the Centre's Hospital. The Centre also realized a gain on valuation of its investment properties by TZS 27.60 billion and a tax charge of TZS 9.55 billion. The gain on valuation of investment properties has significantly increased in the current and prior year due to significant changes in values of land across different locations.

The below chat No. 2.1 indicates the Centre's past five years revenue trends:



Source: Centre's statement of profit or loss for the respective years.

Statement of Profit or Loss and Other Comprehensive Income:

The Centre managed to generate 18.28 billion from its operations for the year ended June 2023; the highest revenue ever recorded by the Centre compared to TZS 14.14 billion generated during the financial year ended 30 June 2022.

There have been fluctuations in the Centre's income; and has in place a well-articulated corporate plan that guides the organization in its operations both in the short term and the foreseeable future.

The Centres expenses increased from TZS 11.44 billion in 2021/22 to TZS 15.90 billion in 2022/23 mainly due to increased activities on conferences activities during the year compared to prior year performance.

Statement of Financial Position.

During the year ended 30 June 2023, the Centre's total assets have grown to TZS 409.16 billion from TZS 377.94 billion (2021/22). The Increase in total assets is mainly due to increase in investment properties from TZS 361.16 billion to TZS 390.38 billion. Investment properties were last revalued in 2018, hence a significant increase in their fair values.

During the year ended 30 June 2023, total liabilities increased from TZS 17.61 billion in 2022 to TZS 29.19 billion in 2023. The increase in liabilities is mainly due to increase in Deferred tax liabilities from Deferred liabilities of TZS 13.46 billion to a Deferred tax liability of TZS 22.94 billion while other liabilities had marginal increase during the year.

Statement of Cash Flows.

During the year ended 30 June 2023, the Centre generated positive cash flow from its operating amounting to TZS 5.10 billion compared to TZS 2.13 billion in prior year (2021/22). The Centre also generated an increase in cash and cash equivalent of TZS 3.68 billion compared to TZS 0.96 billion in prior year(2021/22). The increase in cash and cash equivalent is a demonstration of good cash management by the Centre. The Centre made payment of TZS 150 million to the government of Tanzania through Treasurer Registrar which was an increase by 50% compared to prior year (2021/22) paid dividend of TZS 100 million.

Annual reports based on the audited accounts were prepared and presented before the relevant Parliamentary Committees and subsequently tabled before the Parliament through the Minister for Foreign Affairs and East African Co-operation as per the enabling law.

a) Segment Performance as at 30 June 2023

	CONFERENCE HQ	CONFERENCE HQ	JNICC	JNICC	HOSPITAL	HOSPITAL	ESTATE UNIT	ESTATE UNIT
Financial year	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/2022
Descriptions	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS
Revenue	5,353,620,467	3,231,900,667	4,432,889,357	3,141,185,573	4,562,400,970	3,857,250,830	3,931,008,822	3,903,935,388
Other revenue	77,556,786	95,678,642	77,556,786	95,678,642	77,556,786	95,678,642	155,113,571	191,357,283
Total revenue-(a)	5,431,177,253	3,327,579,309	4,510,446,143	3,236,864,215	4,639,957,756	3,952,929,472	4,086,122,393	4,095,292,671
Expenses							-	-
Personnel emoluments	422,571,831	404,002,037	541,407,799	535,126,385	1,133,226,183	997,376,312	381,079,471	372,360,766
Operational expenses	2,253,078,146	1,473,016,936	2,112,831,417	1,901,704,259	2,164,391,948	2,048,578,780	2,049,607,679	1,647,933,723
Administrative expenses	1,271,181,504	429,552,075	1,192,054,622	554,563,216	1,221,144,955	597,393,854	1,156,383,935	480,560,224
Total expenses-(b)	3,946,831,481	2,306,571,048	3,846,293,838	2,991,393,860	4,518,763,086	3,643,348,946	3,587,071,085	2,500,854,713
profit before Depreciation and taxation (A-B)	1,484,345,772	1,021,008,261	664,152,305	245,470,355	121,194,670	309,580,526	499,051,308	1,594,437,958
Less: depreciation	207,504,341	192,086,566	207,504,341	192,086,566	207,504,341	192,086,566	415,008,683	384,173,132
Profit before taxation	1,276,841,431	828,921,695	456,647,964	53,383,789	(86,309,671)	117,493,960	84,042,625	1,210,264,826

Table No.9 below, provides details of selected ratios of the Centre as at 30 June 2023.

Table No. 9 Accounting ratios

SN	Description	30 June 2023	30 June 2022	Interpretation
1	Revenue growth rate	29%	25%	Revenue growth is higher than the standard rate of 10% set by TRO which resulted from increased conference and Hospital revenue.
2	Net profit margin	13%	456%	The ratio indicate that EBIT has fallen this year as compared to Last year due to increased operational expenses despite of higher revenue recorded
3	Current ratio	5:0	5:8	Ability of the Centre to pay its current obligation using current Asset is five times over the standard set rate of two, hence demand for capital investment.
4	Return on asset	0.6%	19.6%	The ratio shows utilization of Centre's Assets (418) in generation of profit being lower than the standard set rate of 15%, hence demand for re-development of aging properties.
5	Return on equity	5%	22.41%	The ratio illustrates the Centre's use of its Capital (388b) to generate profit is still lower than the set standard rate of 20%.

6	Debt to equity ratio	8%	5%	The ratio indicate that the Centre is highly financed by equity other than debts and is within the set standard rate of maximum 50%
7	Employee efficiency cost	15%	18%	This ratio indicates that personal emolument cost in relation to generated revenue is within the TRO set standard rate of Max 30%
8	Revenue collection efficiency	98%	106%	The Centre's Collection efforts against revenue earned is approaching to TRO 100% set standard.
9	Contribution to capital expenditure	12%	3%	This implies that revenue allocated by the Centre to development expenditure is minimal as compared to TRO Min 25% standard rate set.

Source: Statement of profit or loss and statement of financial position as at 30 June 2023.

The main factors that led to the above situation were:

- Careful and continuous evaluations and analysis of the underlying business environment that is followed by appropriate measures by those charged with governance;
 - Positive economic effect of Royal Tour over the sixth Phase Government initiatives;
 - Government support and grants;
 - Changes in the functional currency as compared to last year; and
 - Under -utilization of Assets.
- i. During the year, the Centre achieved the following results from its core business operation:

Statement of Profit or Loss and Other Comprehensive Income:

The Centre managed to generate 18.28 billion from its operations for the year ended June 2023; the highest revenue ever recorded by the Centre compared to TZS 14.14 billion generated during the financial year ended 30 June 2022.

There have been fluctuations in the Centre's income; and has in place a well-articulated corporate plan that guides the organization in its operations both in the short term and the foreseeable future.

The Centres expenses increased from TZS 11.44 billion in 2021/22 to TZS 15.90 billion in 2022/23 mainly due to increased activities on conferences activities during the year compared to prior year performance.

Statement of Financial Position.

During the year ended 30 June 2023, the Centre's total assets have grown to TZS 409.16 billion from TZS 377.94 billion (2021/22). The Increase in total assets is mainly due to increase in investment properties from TZS 361.16 billion to TZS 390.38 billion. Investment properties were last revalued in 2018, hence a significant increase in their fair values.

During the year ended 30 June 2023, total liabilities increased from TZS 17.61 billion in 2022 to TZS 29.19 billion in 2023. The increase in liabilities is mainly due to increase in Deferred tax liabilities from Deferred liabilities of TZS 13.46 billion to a Deferred tax liability of TZS 22.94 billion while other liabilities had marginal increase during the year.

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

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. Whilst no system, of internal control can provide absolute assurance against misstatement or losses, the Centre system is designed to provide the Members charged with governance with reasonable assurance that the procedures in place are operating effectively.

2.7 SOLVENCY OF THE CENTRE

The Management confirms that applicable accounting standards have been followed and that the financial statements have been prepared on a going-concern-basis. The Management reasonably expects that the Centre has adequate resources to continue in operational existence for the foreseeable future.

2.8 EMPLOYEES' WELFARE

2.8.1 Management and Employees' Relationship

Good relationship between employees and Management continued during the year and there were no unresolved complains from the employees. A healthy relationship continues to exist between Management and Trade Union. The Centre is an equal opportunity

employer which gives equal access to employment opportunities and ensures that the best available persons appointed to any given position.

2.8.2 Training Facilities

During the year ended 30 June 2023, the Centre spent a sum of TZS 136,891,487 as compared to TZS 75,881,827 for the last year, categorised under office running expense for staff training to improve their technical skills and therefore increase their efficiency. Training programs have been and are continually being developed to ensure employees are adequately trained at all levels.

During the year all employees under Records Management and Personal Secretaries Cadre were supported to attend training organized by TRAMPA and TAPSEA events held in Zanzibar. For the future project development; one staff attended Public Private Partnership (PPP) training in Dar es Salaam.

2.8.3 Medical Assistance

All employees and their dependants were availed with medical insurance guaranteed by the those charged with governance. Currently these services are provided by National Health Insurance Fund (NHIF), employer and employee each contributed 3% of basic salary where the employer contributed TZS 63,547,241.

2.8.4 Health and Safety

A safe working environment is ensured for all employee and contractors by providing adequate and proper personal protective equipment, training and supervision as necessary.

2.8.5 Financial Assistance to Staff

Salary advances of TZS 126,301,032 were provided to all confirmed employees depending on the assessment of and the discretion of Management as to the need and circumstances. The Centre has a Savings and Credit Co-operative Society (SACCOS) which provides financial support to its employees. Employees have access to staff loans from Commercial Banks through employer's guarantee.

2.8.6 Worker's Compensation Fund

The Centre complies with the provisions of Worker's Compensation Act of 2008. In the event of member of staff is injured or becomes incapacitated while executing his/her duty, efforts will be made to ensure that he/she is compensated. During the year, three employees were injured and compensated TZS 998,452. In total TZS 14,744,627 was contributed to WCF over the year.

2.8.7 Employees' Benefit Plan

The Centre pays contributions to a publicly administered pension plans on mandatory basis which qualifies to be a defined contribution plan.

2.8.8 Endowment Scheme

The Centre has a Group Endowment Scheme operating as an insurance policy designed to offer life cover; the obligations of which are assured by the National Insurance Corporation (NIC). The policy pays out a lump sum amount of one-year salary in the event of the death of a member (employee) and pays a maturity (retirement) benefit if the member (employee) survives to the age of fifty-five

(55). During the year TZS 92,754,663 was paid in form of maturity benefits to five (5) employees whereas, two attained the age of fifty five(55) and three employees were transferred to other Institutions. As at 30 June 2023 the Centre's investment to the scheme was TZS 1,491,574,474 (2021/22: 1,494,650,130) as disclosed in note 32.

2.8.9 Short Term Benefits

The cost of all short-term employee benefits such as salaries, employees' entitlements, leave pay, medical aids, long service award, other contributions, etc. are recognized during the period in which the employees rendered the related services.

2.8.10 Termination Benefits

The Centre has statutory obligations to contribute to various pension schemes in favour of all the employees employed under permanent and pensionable terms. The contributions to the defined benefit schemes amounting to TZS 340,278,592 were recognized as an expense during the year.

The Centre has no legal or constructive obligations to pay further contributions if the Funds have no sufficient assets to pay all employees the benefits relevant to their services in the current and prior period.

2.8.11 GENDER PARITY

The average number of employees during the year was 129, out of whom 60 were female and 69 were male (2021/22:116, out of whom 60 were females and 56 were male).

2.9 RELATED PARTY TRANSACTIONS

All related party transactions and balances are disclosed in Note 33 to these financial statements.

2.10 CHARITABLE DONATIONS

Donations made to charitable organizations during the year ended 30 June 2023 was TZS 28,435,900, (2021/22: TZS 9,962,000).

2.11 ENVIRONMENTAL MANAGEMENT

The Centre recognizes importance of environmental management thus adheres to the environmental issues in the development projects carried out. The Centre has been active to ensure its estates remains in sound and clean environment by providing sufficient facilities for waste collection and engaging the agent for carrying wastes to City disposal area and during the year the Centre used TZS 19,785,000 for wastes collection.

2.12 HIV/AIDS POLICY

The Centre is executing its HIV/AIDS Policy. During the period all employees were provided with HIV/AIDS awareness training and were encouraged to get tested. The policy supports all employees who declare their HIV status.

2.13 ANTI-CORRUPTION AT WORKPLACE

AICC implements National Anti-Corruption Policy at workplace by adhering to good governance principles. The staff regulations set platform for anti-corruption guidelines.

2.14 COMPLIANCE WITH LAWS AND REGULATIONS

In carrying out its activities, the Centre is required to comply with various statutory requirements, including Laws and regulations. Nothing has come to the attention of the members charged with governance to indicate non-compliance with statutory requirement.

2.15 AICC OPERATING MODEL

The Centre offers conference services to local and international delegates through the Centre's venues located at Arusha and Dar Es Salaam.

The Centre leases its property to individuals and corporate customers for periodic lease payments. The lease terms are covered under the operating lease contract which is subject to renewal at the expiry of the lease.

The Centre also offers medical services to patients through the Centre's owned hospital (AICC Hospital). More than 75% of services rendered to patients are financed through health insurance cover between AICC and health insurance service providers.

2.16 DIVIDEND

Basing on dividend Policy, the Centre has provided the Dividend of TZS 150,000,000 pending approval of Annual General Meeting.

2.17 RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE

The members charged with governance accept responsibility for preparing these financial statements which show a true and fair view of the Company 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 Company.

2.18 STATUTORY AUDITORS

The Controller and Auditor General (CAG) is the statutory auditor of the Centre by virtue of Article 143 of the Constitution of the United Republic of Tanzania, 1977 as amplified in Section 32(4) of the Public Audit Act, Cap. 418 [R.E. 2021]. However, in accordance with Section 33 of the same Act, M/S BDO East Africa were authorized to carry out joint audit of the Centre together with the Controller and Auditor General.

ON BEHALF OF THOSE CHARGED WITH GOVERNANCE



Amb. Begum Karim Taj

Chairperson

Date: 25 March 2024



Ms. Christine Gideon Mwakatobe

Managing Director

Date: 25 March 2024

3.0 STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE FOR THE PERIOD ENDED 30 JUNE 2023

These financial statements have been prepared by the management of the Arusha International Conference Centre in compliance with the provisions of Sect 25(4) of the Public Finance Act. No 6 of 2001 (Revised 2004). The financial statements as required by the said Act are presented in a manner consistent with the International Financial Reporting Standards (IFRS).

Those charged with governance of AICC are responsible for establishing and maintaining a system of effective Internal Control designed to provide reasonable assurance that the transactions recorded in the accounts are within the statutory authority and that they contain the receipt and use of all public financial resources by AICC.

To the best of my knowledge, the system of Internal Control has operated adequately throughout the reporting period and that the financial statements and underlying records provide a reasonable basis for the preparation of the financial statements for the period ended 30 June 2023.

I accept responsibility for the integrity of the financial statements, the information they contain and their compliance with the Public Finance Act No. 6 of 2001 (revised 2004) and instructions issued by Treasury in respect of the year under review.

ON BEHALF OF THOSE CHARGED WITH GOVERNANCE



Amb. Begum Karim Taj

Chairperson

Date: 25 March 2024



Ms. Christine Gideon Mwakatobe

Managing Director

Date: 25 March 2024

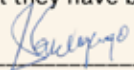
4.0 DECLARATION OF THE HEAD OF FINANCE FOR THE YEAR ENDED 30 JUNE 2023

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

It is the duty of a Professional Accountant to assist those charged with governance 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 those charged with governance as under the statement of their responsibilities on an earlier page.

I, CPA. Savo S. Mung'ong'o, being the Director of Finance and Administration of Arusha International Conference Centre hereby acknowledge my responsibility of ensuring that financial statements for the period ended 30 June 2023 have been prepared in compliance with applicable accounting standards and statutory requirements.

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



Signed by:

CPA. Savo S. Mung'ong'o

Director of Finance and Administration

Arusha, Tanzania

Date: 25 March 2024

5.0 FINANCIAL STATEMENTS FOR THE
YEAR ENDED 30 JUNE 2023

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

ASSETS	NOTE	Restated	
		2022/23	2021/22
		TZS	TZS
Non-current assets			
Property and equipment	5	5,322,168,568	5,900,768,806
Investment properties	6	390,377,844,653	361,159,665,340
Intangible assets	7	6,704,023	8,403,694
Works in progress	8	34,708,510	34,708,510
Total non-current assets		395,741,425,754	367,103,546,350
Current assets			
Inventories	9	511,095,532	396,396,565
Trade and other receivables	10	4,051,367,767	5,967,326,943
Income tax recoverable	11	28,295,517	4,337,087
Cash and bank balances	12	8,156,830,597	4,471,946,960
Open ended investments	13	667,951,823	-

Total current assets		13,415,541,236	10,840,007,555	9,265,653,427
		409,156,966,990	377,943,553,905	365,815,136,103
Total assets				
Equity and liabilities				
Capital and retained earnings				
Capital fund	14	54,564,627,003	54,564,627,003	54,564,627,003
Retained earnings		325,405,800,513	305,768,489,792	295,938,923,256
		379,970,427,516	360,333,116,795	350,503,550,259
Non-current liabilities				
Deferred capital grants	15	2,828,194,880	1,533,353,316	1,917,416,555
Security deposits	16	712,306,000	622,711,966	620,796,956
Borrowing-long term loan	17	-	-	272,948,666
Deferred tax liability	18(c)	22,939,023,411	13,462,078,504	10,139,100,391
Total non-current liabilities		26,479,524,291	15,618,143,786	12,950,262,568
Current liabilities				
Trade and other payables	19	2,707,015,183	1,877,129,146	1,858,220,501
Income tax payable		-	-	9,224,914
Borrowings	17	-	115,164,178	493,877,861
Total current liabilities		2,707,015,183	1,992,293,323	2,361,323,276
Total liabilities		29,186,539,474	17,610,437,109	15,311,585,844
Total equity and liabilities		409,156,966,990	377,943,553,905	365,815,136,103

These financial statements have been signed on behalf of those charged with governance by:



25 March 2024



Amb. Begum Karim Taj

Date

Ms. Christine Gideon Mwakatobe

Chairperson

Managing Director

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	2022/23	2021/22
		TZS	TZS
INCOME			
Revenue from operations	20	18,279,919,617	14,143,609,896
Other income	21	75,825,492	94,329,969
Fair value gains	22	27,602,000,000	11,085,000,000
Amortisation of capital grants	15	311,958,436	384,063,239
Total revenue		46,269,703,545	25,707,003,104
EXPENSES			
Operational expenses	23	(9,299,201,159)	(7,872,784,036)
Administrative expenses	24	(5,993,428,686)	(3,225,216,388)
Marketing expenses	25	(427,846,628)	(276,465,929)
Other expenses	26	(178,483,016)	(67,702,214)
Total expenses		(15,898,959,489)	(11,442,168,567)
Profit before depreciation, amortization and taxation		30,370,744,056	14,264,834,537
Depreciation and Amortization	31	(1,037,521,707)	(960,432,830)
Profit before taxation		29,333,222,349	13,304,401,707

Income tax ccharge	18(a)	(9,545,911,628)	(3,374,834,872)
Profit for the year		19,787,310,721	9,929,566,835
Other comprehensive income		-	-
Total comprehensive income for the year		19,787,310,721	9,929,566,835

Amb. Begum Karim Taj

Date

Ms. Christine Gideon Mwakatobe Chairperson

Managing Director

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

	Capital fund	Revaluation reserve	Retained earnings	Total
	TZS	TZS	TZS	TZS
As previously reported - 1 July 2021	54,564,627,003	155,896,268,383	5,332,302,515	215,793,197,901
Prior year adjustment (Note 34)	-	(155,896,268,383)	290,606,620,442	134,710,352,059
At 1 July 2021 – as restated	54,564,627,003	-	295,938,922,957	350,503,549,960

<i>Comprehensive income for the year</i>				
Profit for the year	-	-	9,929,566,835	9,929,566,835
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	9,929,566,835	9,929,566,835
<i>Transactions with owners</i>				
Transfer to Treasurer Registrar	-	-	(100,000,000)	(100,000,000)
Total transaction with owners	-	-	(100,000,000)	(100,000,000)
At 30 June 2022	54,564,627,003	-	305,768,489,792	360,333,116,795

The amount transferred to the Treasurer Registrar is on a discretionary basis of the Board based on the performance of the Centre.

These financial statements have been signed on behalf of those charged with governance by



Amb. Begum Karim Taj
Chairperson

25 March 2024

Date



Ms. Christine Gideon Mwakatobe
Managing Director

STATEMENT OF CHANGE IN EQUITY AS AT 30 JUNE 2023

	Capital fund	Revaluation reserve	Retained earnings	Total
	TZS	TZS	TZS	TZS
At 1 July, 2022	54,564,627,003	-	305,768,489,792	360,333,116,795
<i>Comprehensive income for the year</i>				
Profit for the year	-	-	19,787,310,721	19,787,310,721
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	19,787,310,721	19,787,310,721
<i>Transactions with owners</i>				
Transfer to the Treasurer Registrar	-	-	(150,000,000)	(150,000,000)
Total transaction with owners	-	-	(150,000,000)	(150,000,000)
At 30 June 2023	54,564,627,003	-	325,405,800,513	379,970,427,516

The amount transferred to the Treasurer Registrar is on a discretionary basis of the Board based on the performance of the Centre.

These financial statements have been signed on behalf of those charged with governance by



Amb. Begum Karim Taj
Chairperson

25 March 2024

Date



Ms. Christine Gideon Mwakatobe
Managing Director

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

		2023	2022
	NOTE	TZS	TZS
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers	27	18,370,700,591	13,756,237,742
Cash payments to suppliers and employees	28	(13,181,048,031)	(11,563,945,264)
CASH GENERATED FROM OPERATIONS		5,189,652,560	2,192,292,478
Tax paid/withholding tax utilized	29	(92,925,151)	(65,418,757)
NET CASH FROM OPERATING ACTIVITIES		5,096,727,409	2,126,873,721
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property and Equipment	5	(487,300,281)	(414,759,966)
Purchase of UTT units	13	(650,000,000)	-
Acquisition of investment property	6	(1,616,179,313)	(5,399,099)
NET CASH USED IN INVESTING ACTIVITIES		(2,753,479,594)	(420,159,065)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	30	(115,164,178)	(651,662,349)

Dividend paid		(150,000,000)	(100,000,000)
Capital grant received	15	1,606,800,000	-
NET CASH USED IN FINANCING ACTIVITIES		1,341,635,822	(751,662,349)
INCREASE IN CASH AND CASH EQUIVALENTS		3,684,883,637	955,052,307
Cash and cash equivalent at the beginning of year	12	4,471,946,960	3,516,894,653
Cash and cash equivalent at end of year	12	8,156,830,597	4,471,946,960



 Amb. Begum Karim

25 March 2024

 Date



 Ms. Christine Gideon Mwakatobe

Taj

Chairperson

Managing Director

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**1. GENERAL INFORMATION**

Arusha International Conference Centre was established under the Public Corporations Act, 1969, by a Presidential Order, viz, the Arusha International Conference Centre (Establishment) Order, issued through Government Notice No. 115 published on the 25 August 1978.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**(a) Basis of preparation**

The financial statements of AICC have been prepared in accordance with the International

Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standard Board (IASB). The financial statements have been prepared under the historical cost convention except where otherwise stated in the accounting policies below. The financial statements are presented in Tanzania Shillings (TZS).

The preparation of financial statements in conformity with International Financial Reporting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Centre's accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

(b) Changes in accounting policy and disclosures*(i) New and amended standards adopted by the Centre*

The company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 July 2022 (unless otherwise stated). The Centre has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

New standards or amendments	Effective date
Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)	Effective 1 January 2022
Annual Improvements to IFRS Standards 2018– 2020	Effective 1 January 2022
Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)	Effective 1 January 2022

There are no other IFRSs or IFRIC interpretations that are effective for the first time for the year beginning on or after 1 July 2022 that would be expected to have a material impact on the Centre.

None of these are expected to have a significant effect on the financial statements of the Centre.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Forthcoming requirements

As at 30 June 2023, the following standards and interpretations had been issued but were not yet effective for adoption.

IAS 1 Presentation of Financial Statements (Amendment – Classification of Liabilities as Current or Non-Current)	Effective 2024	1	January
IAS 1 Presentation of Financial Statements (Amendment – Non-Current Liabilities with Covenants Non-current Liabilities with Covenants)	Effective 2024	1	January
Lease Liability in a Sale and Leaseback (Amendment to IFRS 16)	Effective 2024	1	January
AS 1 Presentation of Financial Statements and IFRS Practice Statement 2 (Amendment – Disclosure of Accounting Policies)	Effective 2023	1	January
IAS 8 Accounting policies, Changes in Accounting Estimates and Errors (Amendment - Definition of Accounting Estimates)	Effective 2023	1	January
IAS 12 Income Taxes (Amendment – Deferred Tax related to Assets and Liabilities arising from a Single Transaction)	Effective 2023	1	January

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Centre.

(c) Foreign currency translation

(i) Functional and presentation currency

The Centre has chosen Tanzania Shilling (TZS) as the functional currency reflecting the fact that it is the currency of primary economic environment in which the Centre operates ("the functional currency") and also the fact that substantially all of the capital and transactions are denominated in TZS. Therefore, the Centre considers Tanzania Shillings to be the Centre's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the Tanzanian Shillings using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities at the statement of financial position date, which are expressed in foreign currencies, are translated in Tanzanian Shillings at the rate ruling at that date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the accounting period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit or loss and other comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

(d) Revenue recognition

Main sources of revenue for the Centre include rent income and income from conference services provided to customers. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Centre and the revenue can be reliably measured, regardless of when payment is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding discounts, rebates and Value Added Tax.

Lease income from operating leases is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognized as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature. Income from other sources is recognized on accrual basis of accounting only when it is probable that the economic benefits associated with the transaction will flow to the Centre.

(a) Property and equipment

Property and equipment are stated at deemed cost net of accumulated depreciation and accumulated impairment losses, if any. Certain items of property and equipment that had been revalued to fair value on or prior to 01 July 2003 the date of transition to IFRS, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation. Such costs include the cost of replacing part of the property and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

When significant parts of property and equipment are required to be replaced at intervals, the Centre recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement cost if the recognition criteria are satisfied. All other repair and maintenance costs are charged to the profit or loss as and when incurred.

Depreciation on property and equipment is computed on a straight-line method over the estimated useful lives of the assets.

The rates of depreciation used are as follows:

Asset Description	Rate Per Annum %
Buildings	2
Plant and Machinery	6.67
Office, Conference and Hospital Furniture	20
Office, Conference and Hospital Equipment	20
Domestic Furniture and Equipment	10
Motor Vehicles	20
Fixtures and Fittings	10
Intangible Asset	10

Depreciation is charged on assets from the date when they are ready for use and stop on the date when the asset is derecognized by the Centre. An item of property and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

(f) Investment properties

Investment properties comprises freehold land and buildings. It is carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Centre uses alternative valuation methods such as discounted cash flow projections or recent prices in less active markets. These valuations are reviewed annually by an independent valuation expert. Investment property that is being redeveloped for continuing use as investment property, or for which the market has become less active, continues to be measured at fair value. Changes in fair values are recorded in the other comprehensive income of the statement of profit or loss and other comprehensive income.

yields and is not occupied by the Centre. The initial cost of the property is the lower of the fair value of the property and the present value of the minimum lease payments. The property is carried at fair value after initial recognition.

If an item of property and equipment becomes an investment property because its use has changed, any difference arising between the carrying amount and the fair value of this item at the date of transfer is recognized in the profit or loss.

Revaluation of investment properties

The Centre carries its investment properties at fair value, with changes in fair value being recognized in the profit or loss. In addition, it measures land and buildings at revalued amounts with changes in fair value being recognized in profit or loss. The Centre engages independent valuation specialists to determine fair value after every five years.

Investment in land comprises plots acquired by the Centre for future developments projects or value appreciation.

Work in progress relates to buildings under various stages of completion. Work in progress disclosed under Note 8 to these financial statements relates to consultancy towards construction OPD hospital building.

(g) Inventories

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(h) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The useful life of intangible assets is 10 years. Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

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

(i) Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables are amounts due from tenants for leased premises or customers for services performed or goods supplied to them in the ordinary course of business. If collection is expected in one year or less (or in the normal operating capacity cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade receivables other than leases are recognized and carried at fair value. A provision for impairment of trade and other receivables is established when there is objective evidence that the Centre will not be able to collect all amounts due according to the original terms of receivables. Evidence of impairment may include indications that the debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. The amount of the provision is the difference between the asset's 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 profit or loss. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables.

Lease receivables

Lease receivables are accounted for at amortised costs as they do not contain financing component. The Centre uses simplified approach in accounting for impairment provisions at the balance sheet date. Under this approach, the Centre recognises lifetime expected losses on all its lease receivables that result from all possible default events over the expected tenure of the lease contract.

(j) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Cash and cash equivalents are stated in the Statement of Financial Position at face value. For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, deposits held with financial institutions and investments with original maturities of not more than three months.

(k) Accounts payable

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

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

Group Endowment scheme

The Centre operates a group endowment scheme with the National Insurance Corporation, where the Centre has pay insurance premiums to fund a post-employment benefit plan. The Group Endowment scheme has been treated as a defined contribution plan as the Centre have no (either directly, or indirectly through the plan) a legal or constructive obligation either:

- (a) to pay the employee benefits directly when they fall due; or
- (b) to pay further amounts if the insurer does not pay all future employee benefits relating to employee service in the current and prior periods.

The Centre's premium to the group endowment scheme are charged to the income statement in the year to which they relate.

(n) Impairment of non-financial assets

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

Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

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

Impairment losses of continuing operations, including impairment on inventories, are recognised in profit or loss in those expense categories consistent with the function of the impaired asset. For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Centre estimates the assets or cash-generating unit's recoverable amount.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

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

(o) Taxation*Current income tax*

Income tax expense is the aggregate of the charge to the statement of profit or loss or other comprehensive income in respect of current income tax and deferred income tax.

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

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

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS*Deferred tax*

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

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

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

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

(i) Critical judgements in applying accounting policies

Income tax

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

(ii) Key sources of estimation uncertainty

Property and equipment

Critical estimates are made by those charged with governance in determining the useful lives of Plant, property and equipment and their residual values. The rates are set out in note 2(e) above.

Fair value measurements and Valuation process

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

4. FINANCIAL RISK MANAGEMENT

The Centre's activities potentially expose it to a variety of financial risks, including credit risk and the effects of the changes in foreign currency exchange rates. The Centre's overall risk management programme takes account of the unpredictability of foreign exchange rate trends and seeks to minimise potential adverse effects on its financial performance.

(i) Foreign exchange risk

AICC has some exposure to foreign currencies as part of its income is US Dollars, while significant operating expenditure are incurred principally in local currency. However, this exposure does not result in a significant risk as foreign currency assets and liabilities are normally settled within a fairly short time.

Interest rate risk

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

a) Credit risk

Credit risk arises from cash and cash equivalents, deposits with financial institutions and outstanding receivables. Reputable banks are used by the Centre for all deposits. The amount that represents the Centre's exposure to credit risk at 30 June 2023 is as follows:

	2022/23	2021/22
	TZS	TZS
Bank balances	8,156,830,596	4,471,946,960
Trade receivables	3,670,960,988	5,508,057,476
	11,827,791,584	9,980,004,436

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

Credit risk relating to lease receivables. The investment properties are leased to tenants under operating leases with rentals payable annually in advance. There are no lease payments that depend on an index or rate. Where considered necessary to reduce credit risk, the Centre may obtain bank guarantees for the term of the lease. Although the Centre is exposed to credit risk at the end of the current leases, the typically enters into new operating leases and therefore will not immediately realise credit loss the end of these leases.

b) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and cash equivalents, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions. Management monitors rolling forecasts of the Centre's liquidity reserve on the basis of expected cash flows. The table below analyses the Centre's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting date to the contractual maturity date. The amounts disclosed

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

	2022/23	2021/22
	TZS	TZS
Trade and other payables Within 1 year	2,225,020,492	1,783,881,241
Trade and other payables Above 1 year	353,423,612	90,640,154
At end of the year	2,578,444,104	1,874,521,395

Trade and other payables above include trade creditors, accrued audit fees and other creditors. Management monitors budgets of the Centre's liquidity reserve on the basis of expected cash flows.

Capital risk management

The Centre's objectives when managing capital are to safeguard the Centre's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Centre may limit the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt. There are no other borrowings apart from overdrawn bank

5. PROPERTY, PLANT & EQUIPMENT

DESCRIPTION	LAND	BUILDINGS	PLANT AND MACHINERY	OFFICE, CONFERENCE & HOSPITAL FURNITURE	OFFICE, CONFERENCE & HOSPITAL EQUIPMENT	DOMESTIC FURNITURE & EQUIPMENT	MOTOR VEHICLES	FIXTURE & FITTINGS	TOTAL
	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS
Cost									
At 1 July 2022	2,841,471,749	630,268,239	282,980,000	1,243,368,363	2,822,010,756	171,374,892	705,995,107	503,222,606	9,200,691,712
Additions during the year	-	82,871,483	-	125,688,002	278,740,796	-	-	-	487,300,281
Disposals/transfers	-	-	-	-	-	(95,953,958)	-	-	(95,953,958)
At 30 June 2023	2,841,471,749	713,139,722	282,980,000	1,369,056,365	3,100,751,552	75,420,934	705,995,107	503,222,606	9,592,038,035
Depreciation									
At 1 July 2022	-	146,153,128	73,291,820	740,260,742	1,356,599,685	131,458,473	382,730,362	469,428,696	3,299,922,906
Charge during the year	-	12,605,365	18,959,660	259,772,985	585,929,413	5,473,593	141,199,021	11,881,999	1,035,822,036
Adjustments/disposals	-	-	-	-	-	(65,875,475)	-	-	(65,875,475)
At 30 June 2023	-	158,758,493	92,251,480	1,000,033,727	1,942,529,098	71,056,591	523,929,383	481,310,695	4,269,869,467
Cost									
At 1 July 2021	2,841,471,749	630,268,239	282,980,000	1,242,918,363	2,407,700,790	171,374,892	705,995,107	503,222,606	8,785,931,746
Additions during the year	-	-	-	450,000	414,309,966	-	-	-	414,759,966
At 30 June 2022	2,841,471,749	630,268,239	282,980,000	1,243,368,363	2,822,010,756	171,374,892	705,995,107	503,222,606	9,200,691,712
Depreciation									
At 1 July 2021	-	133,547,763	54,332,160	491,654,569	850,230,786	116,942,845	241,531,340	452,184,358	2,340,423,821
Charge during the year	-	12,605,365	18,959,660	248,606,173	506,368,899	14,515,628	141,199,022	17,244,338	959,499,085
At 30 June 2022	-	146,153,128	73,291,820	740,260,742	1,356,599,685	131,458,473	382,730,362	469,428,696	3,299,922,906
At 30 June 2023	2,841,471,749	554,381,229	190,728,520	369,022,639	1,158,222,454	4,364,342	182,065,724	21,911,911	5,322,168,568
At 30 June 2022	2,841,471,749	484,115,111	209,688,180	503,107,621	1,465,411,071	39,916,418	323,264,745	33,793,910	5,900,768,806

**6 INVESTMENT
PROPERTIES**

Fair value measurement

The investment properties were valued using replacement cost valuation technique carried out by external independent qualified valuers with recent experience valuing investment properties in United Republic of Tanzania.

Land and buildings were revalued as at 30 June 2023 by a professional valuer, Fello Consult Limited of P.O. Box 33320, Dar- Es-Salaam.

The following valuation techniques were used;

- The Direct Capital Comparison method of valuation to determine the market value of the land components; and
- The Replacement Cost approach to determine the Insurable values and market values of unexhausted components on the land in terms of brick and mortar.

The revaluation surplus net of the applicable income taxes was credited to profit or loss. Significant inputs applied by the valuer in the revaluation are unobservable, consequently, directors have classified the fair values of the assets as level 3.

Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of the property, plant and equipment as well as the significant unobservable inputs:

Valuation technique	Significant unobservable inputs
<p>The Centre has used the Depreciated Replacement Cost/Market Value in the valuation of buildings. This approach is a common method of valuing specialized as well as non-income producing assets where the valuer takes the Replacement Cost of the said asset less an allowance for its physical, economic and functional obsolescence. Where the asset under consideration is not new or is obsolete, the Replacement Cost thus established is depreciated to derive the asset's Depreciated Replacement Cost which would then be a proxy of the assets Market Value.</p>	<ul style="list-style-type: none"> • Selling price of similar pieces of land as subject plots reviewed including considerations for location, level and amount of services provided, accessibility, land size, parties to the transaction, condition of the assets and the unexpired tenure in case of leases. Cost of construction per square-meter (compared with indicative rates provided by the National Construction Council); • Depreciation rates.

6. INVESTMENT PROPERTIES (CONTINUED)

A reconciliation of the opening and closing fair value balance is provided below:

	2022/23	2021/22
Valuation	TZS	TZS
At beginning of year	361,159,665,340	350,069,266,241
Additions	1,616,179,313	5,399,099
Gain on revaluation	27,602,000,000	11,085,000,000
At end of year	390,377,844,653	361,159,665,340

The valuation technique and significant unobservable inputs used in determining the fair value measurement of investment property, as well as the inter-relationship between key unobservable inputs and fair value.

INTANGIBLE ASSETS		
	2022/23	2021/22
	TZS	TZS
At start and end of year	16,996,708	16,996,708
Accumulated amortization		
At start of the year	(8,593,014)	(7,659,270)
Charge during the year	(1,699,671)	(933,744)
	(10,292,685)	(8,593,014)
Carrying amount at 30 June	6,704,023	8,403,694

10	TRADE AND OTHER RECEIVABLES		
	Trade receivables	7,751,566,360	7,694,879,631
	Prepayments	28,257,225	32,814,643
	Staff receivables	94,430,028	99,850,336
	Advance to suppliers	352,149,554	372,521,579
	Value Added Tax	-	53,933,245
		8,226,403,167	8,253,999,434
	Impairment allowance on trade receivables	(4,175,035,400)	(2,286,672,491)
	TOTAL	4,051,367,767	5,967,326,943
	Movement of impairment allowances		
	Impairment at beginning of year	2,286,672,491	2,191,165,280
	Charge for year	1,888,362,909	95,507,211
		4,175,035,400	2,286,672,491
	Impairment charges		
	Charge for year	1,888,362,909	95,507,211
	Write off of receivables	700,001	-
		1,889,062,910	95,507,211

11	INCOME TAX RECOVERABLE/PAYABLE		
	Balance as at 1 July 2022	4,337,087	(9,224,912)
	Add: Withhold Tax utilized	41,533,043	25,418,757
	Less: Income tax expense for the year	(68,966,721)	(51,856,758)
	Less:0.5% minimum Tax Paid for the year	51,392,108	40,000,000
	Income tax (payable)/recoverable	28,295,517	4,337,087

12	CASH AND CASH EQUIVALENTS		
	Bank of Tanzania – USD	6,365,651,393	3,294,063,687
	Bank of Tanzania – TZS	1,728,507,542	808,754,754
	NBC A/C 1564	9,982,720	100,146,811
	NBC A/C 1552	449,263	152,427,505
	NBC A/C 0055	3,320,000	8,437,826
	NBC US\$ A/C 976	1,919,474	23,743,512
	NBC USD A/C 1755	34,739	34,391
	TCB-TZS A/C 19	188,744	35,533,744
	TCB-TZS A/C 18	211,070	13,211,070
	CRDB A/C 335260	26,178,230	23,307,310
	CRDB Sub-account	20,387,422	11,986,350
	NMB A/C25075	-	300,000
	TOTAL	8,156,830,597	4,471,946,960

		TZS	TZS
13	OPEN ENDED INVESTMENT		
	Openging Balance	-	-
	Units purchased during the year	650,000,000	
	Interest earned for the period	17,951,823	-
	Balance at 30 June 2023	667,951,823	-

Open ended investment represents 1,844,409.58 UTT Liquid fund scheme units which were purchased in March 2023.

14	CAPITAL FUND	2022/23	2021/22
		TZS	TZS
	Balance as at 30 June 2023	54,564,627,003	54,564,627,003

The capital fund balance represents the value of assets inherited by the Centre at its formation and the contribution in form of assets grant related to Julius International Convention Centre in Dar es Salaam vested to AICC vide Government Notice No.84 dated 04 April 2014.

15	CAPITAL GRANTS	2022/23	2021/22
		TZS	TZS
	At the start of the year	1,533,353,316	1,917,416,555
	Additions	1,606,800,000	-
		3,140,153,316	1,917,416,555
	Amortization during the Year	(311,958,436)	(384,063,239)
	At the end of the year	2,828,194,880	1,533,353,316

During the year the Centre received furniture, motor vehicles and conference equipments f from Government of China and Ministry of Finance. Ther Centre deferred these grants to be amortized over the their respective useful lives.

		2022/23	2021/22
		TZS	TZS
16	SECURITY DEPOSITS		
	At start of the year	622,711,966	620,796,956
	Movement during the year	89,594,034	1,915,010
	At the end of the year	712,306,000	622,711,966

17	LONG TERM LOAN		
	Balance as at 01 July 2022	115,164,178	766,826,527
	Payment during the year	(115,164,178)	(651,662,349)
	Balance as at 30 June	-	115,164,178

17 LONG TERM LOAN (CONTINUED)

The Centre secured a term loan facility of TZS 3.25 billion from NBC to finance construction of blocks of flats on Plot No. 138 Block "E" Amani Road - Fire Area and on Plot No. 25 Range Road - Corridor Area. The loan was recorded as and when received and carries an interest rate of 14% per annum. According to the repayment schedule, the loan is repayable effectively from 1 June 2014 and the last instalment was paid as scheduled on 01 May 2020. The above loan was secured by a legal mortgage over existing nine buildings of the Centre and two new buildings financed by the loan.

A second loan of TZS 2.4 billion secured from the same Bank for construction of an exhibition facility (lake Nyasa Hall) at Arusha Headquarter, effective date of payment was 1 May 2017 and the loan was liquidated in full in August 2022.

18 INCOME TAX EXPENSE	2022/23	2021/22
	TZS	TZS
(a) Analysis of tax credit in the year		
Current tax expense	68,966,721	51,856,758
Deferred tax charge/(credit)	9,476,944,907	3,322,978,114
	9,545,911,628	3,374,834,872

The Centre's accounts for tax at 0.5% on turnover excluding Hospital turnover in accordance with the Income Tax Act, 2019 which imposes the tax after the company has recorded a loss for three consecutive years.

(b) Factors affecting current tax charge

The tax on the Centre's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profit as follows:

	2022/23	2021/22
	TZS	TZS
Turnover	18,667,703,544	14,612,665,666
Less: Hospital income	(4,562,400,970)	(3,857,250,830)
Amortisation of capital grants	(311,958,436)	(384,063,239)
Turnover (adjusted/taxable)	13,793,344,138	10,371,351,597
Opening balance	4,337,007	(9,224,992)
Alternative Minimum Tax @0.5%	(68,966,721)	(51,856,758)
Less:0.5% Minimum Tax Paid for the year	51,392,108	40,000,000
Less: Withhold tax utilized/tax paid in advance	41,533,043	25,418,757
Balance as at 30 June 2023	28,295,437	4,337,007

18 INCOME TAX EXPENSE (CONTINUED)

(c) Deferred tax liability

Deferred income tax is calculated on all temporary differences using a principal tax rate of 30% (2019: 30%).

Deferred income tax assets and liabilities, deferred income tax charge in profit or loss, and deferred income tax charge in other comprehensive income (OCI) are attributable to the following items:

30 June 2023

	As at 1 July 2022 TZS	Charge to profit or loss	At 30 June 2023 TZS
Accelerated capital allowances	19,749,976,469	9,419,608,342	29,169,584,811
Accumulated losses	(5,587,013,316)	(38,373,383)	(5,625,386,699)
Other timing differences	(700,884,649)	95,709,948	(605,174,701)
	13,462,078,504	9,476,944,907	22,939,023,411
30 June 2022			
Accelerated capital allowances	15,231,547,832	4,518,428,637	19,749,976,469

Accumulated losses	(5,097,943,849)	(489,069,467)	(5,587,013,316)
Other timing differences	5,496,408	(706,381,057)	(700,884,649)
	10,139,100,391	3,322,978,114	13,462,078,504

19	TRADE AND OTHER PAYABLES	2022/23	2022/23
		TZS	TZS
	Trade payables	1,671,873,687	1,163,500,625
	Customers' advances	479,588,168	476,600,254
	VAT payable	109,245,026	-
	Accrued salaries and wages	161,169,534	83,285,268
	Withholding tax payable	19,326,752	2,607,750
	Utilities payable	79,798,236	70,472,109
	Audit fees and expenses payables	108,800,000	73,216,000
	Other payables	77,213,780	7,447,140
		2,707,015,183	1,877,129,146

		2022/23	2021/22
		TZS	TZS
20	REVENUE		
	Conference income – AICC	5,353,620,467	3,231,900,667
	Conference income - JNICC	4,432,889,357	3,141,185,573
	House rental income	2,670,598,263	2,593,533,862
	Office rental income	1,260,410,559	1,310,401,526
	Medical income	4,562,400,971	3,857,250,830
		18,279,919,617	14,134,272,458
21	OTHER INCOME		
	Miscellaneous income	22,857,590	94,329,969
	Intererest on UTT & rent defaulters	52,967,902	-
		75,825,492	94,329,969
22	FAIR VALUE GAINS		
	Investment properties fair value gains	27,602,000,000	11,085,000,000

23	OPERATIONAL EXPENSES		
	Conference expense - JNICC	2,444,298,589	2,186,713,201
	Conference expenses - AICC	2,049,007,157	1,420,663,349
	Medical expenses	2,766,614,997	2,601,708,026
	Rented office expenses	1,542,965,947	1,325,646,143
	Residential house expenses	457,240,528	302,288,289
	NHIF contributions	39,073,941	35,765,029
		9,299,201,159	7,872,784,036
24	ADMINISTRATIVE EXPENSES		
	Personnel emoluments	1,931,382,541	1,957,034,916
	Office running expenses	1,008,088,615	582,386,022
	Directors' fees and expenses	339,664,088	164,566,428
	Security services	207,015,119	223,728,307
	Terminal benefits	168,335,596	87,254,584
	Debts collection expenses	51,157,267	23,676,920
	Audit fees and expenses	192,141,666	67,600,000
	Project feasibility study	-	13,500,000
	NHIF contributions	24,473,300	25,652,375
	Donations	28,435,900	9,962,000

	Doubtful receivables	1,889,062,910	95,507,211
		5,993,428,686	3,225,216,388

		2022/23	2021/22
		TZS	TZS
25	MARKETING EXPENSES		
	Advertising and publicity	69,760,110	31,343,048
	Exhibitions and fairs	325,252,870	204,970,317
	Sales promotion	25,018,648	34,330,975
	Nane Nane exhibitions	7,815,000	2,851,589
	Historical book	-	2,970,000
		427,846,628	276,465,929
26	OTHER EXPENSES		
	Disposal of property, plant and equipment	30,078,483	-
	Exchange losses	128,186,093	49,609,672
	Bank charges	20,218,440	18,092,542
		178,483,016	67,702,214

27 CASH RECEIPTS FROM CUSTOMERS		
Trade receivables at the beginning of year (Note 10)	7,694,879,631	7,220,599,936
Total revenue for year (Note 20)	18,279,919,617	14,134,272,458
Other income (Note 21)	75,825,492	94,329,969
Security deposit received (Note 16)	89,594,034	1,915,010
Trade receivables at end of year (Note 10)	(7,751,566,360)	(7,694,879,631)
Accrued interest on open investments (Note 13)	(17,951,823)	-
Total collections from customers during the year	18,370,700,591	13,756,237,742

28 PAYMENTS TO SUPPLIERS		
Trade and other payables at the beginning of year (Note 19)	1,877,129,146	1,858,220,501
Operational expenses (Note 23)	9,299,201,159	7,872,784,036

Administrative expenses (Note 24)	5,993,428,686	3,225,216,388
Marketing expenses (Note 25)	427,846,628	276,465,929
Other expenses (Note 26)	178,483,016	67,702,214
Net inventory purchased (Note 9)	114,698,967	53,959,927
Net supplier and other advances	(84,282,997)	182,232,626
Impairment of trade receivables (Note 10, 24)	(1,889,062,910)	(95,507,211)
written off receivables (Note 10)	700,001	-
Loss on disposal of disposal of (Note 26)	(30,078,483)	-
Amount due to suppliers at the end of the year	(2,707,015,182)	(1,877,129,146)
Total payments to suppliers during the year	13,181,048,031	11,563,945,264

		2022/23	2021/22
		TZS	TZS
29	TAX PAID/WITHHOLDING TAXES UTILISED		
	Withholding tax utilized	41,533,043	25,418,757
	Minimum Tax Paid	51,392,108	40,000,000
	At 30 June 2023	92,925,151	65,418,757
30	REPAYMENT OF BORROWINGS		
	Opening balance	115,164,178	766,826,527
	Less: Closing balance	(115,164,178)	(651,662,349)
	Repayments during the year	-	115,164,178
31	DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT		
	Depreciation of PPE (Note 5)	1,035,822,036	959,499,086
	Depreciation of Intangible Assets (note 7)	1,699,671	933,744
	At 30 June 2023	1,037,521,707	960,432,830

32 GROUP ENDOWMENT SCHEME

The Centre operates a group endowment scheme with the National Insurance Corporation, where the Centre pay insurance premiums to fund a post-employment benefit plan. The Group Endowment scheme is a defined contribution plan as the Centre have no (either directly, or indirectly through the plan) a legal or constructive obligation either:

- (a) To pay the employee benefits directly when they fall due; or
- (b) To pay further amounts if the insurer does not pay all future employee benefits relating to employee service in the current and prior periods.

The Centre's premium to the group endowment scheme is charged to the income statement in the year to which they relate.

Commencement of the Contract

The scheme commenced in July 2010 and was managed by African Life Insurance and later on AICC contracted Sanlam Life Insurance (T) Limited to manage the Scheme whereby it accumulated premium of TZS 1,431,686,892 as at 31 September 2020.

The scheme is currently managed by National Insurance Corporation (NIC), the contract with NIC was deemed to commence in October 2020 where the accumulated premium of TZS 1,431,686,892 was transferred to NIC's account from M/s Sanlam Life Insurance (T) Limited.

Endowment Fund Movement			
		2022/23	2021/22
		TZS	TZS
Fund Position		1,494,650,130	1,488,954,368
Add: Interest earned (6%)		89,679,008	89,337,262
Total Fund Deposit		1,584,329,138	1,578,291,630
Less: Paid Claims		(92,754,664)	(83,641,500)
Total Fund Balance		1,491,574,474	1,494,650,130

Valuation of Insurance Scheme

A lump sum benefit is payable on maturity (retirement) equal to annual salary of each life assured current on the date of entry or on annuals renewal date. The assurance in respect for each life assured from the date of entry to the scheme as provided in the underlying policies and agreements.

The scheme has been valued by the insurance specialist and the projected value of the scheme at the time of retirement is TZS 5,433,465,546. The discount rate used is 5 per cent per year.

The discounted obligation built up for employees at the time of retirement, assuming that there are no changes in actuarial assumptions are shown below:

	2022/23	2021/22
	TZS	TZS
Individual discounted value		
Opening obligation	1,667,773,450	1,500,996,105
Current service cost	185,308,162	166,777,345
Closing obligation	1,853,081,612	1,667,773,450
Individual Fair value		
Fair value at the beginning	1,494,650,130	1,488,954,368
Interest earned (6%)	89,679,008	89,337,262
Fair value at the end	1,584,329,138	1,578,291,630
Net scheme Benefit	268,752,474	89,481,820

Rights and Liabilities

Notwithstanding any reference to the scheme in any of the policies the insurer (National Insurance Corporation) is liable to the payment of the sum assured and surrender values granted. The Centre's fund is secured as per the prevailing provisions of the Insurance Act that clearly stipulates the measures to follow in the event of liquidation of the Insurer and/Broker.

33 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related party transactions effected during the year 2021/22 included salaries, allowances, social security contributions, fees and other expenses as follows:

All transactions with related parties are at arm's length in the normal course of business, and on terms and conditions similar to those applicable to others.

Board Members and Key Management Personnel			
		2022/23	2021/22
		TZS	TZS
Board:			
Board Members fees		82,000,000	36,000,000
Board Members expenses		58,354,000	19,692,200
Other Board expenses		199,310,088	108,026,500
		339,664,088	163,718,700

Management:

Salaries and allowances	1,026,064,784	643,031,328
Outstanding on loans	7,938,500	16,402,000
Other advances	32,769,250	21,023,281
Employer's Social Contributions	153,909,718	54,778,239
	1,220,682,252	735,234,848

34 PRIOR YEAR ADJUSTMENTS

During the year, the Centre noted that, investment properties were incorrectly accounted at cost instead of fair value at the same time, the Centre had a fair value reserve which arose from valuation of investment properties before adopting cost model. Investment Properties were therefore depreciated while reserve was being amortized. As a result, a prior year adjustment has been made on investment properties, retained earnings, revaluation reserve and depreciation expense of investment properties. The Centre also noted that, deferred tax liabilities were overstated due to incorrect computations arising from failure to exclude cost of land in the depreciable assets. The impact of the adjustments is as indicated below:

34 PRIOR YEAR ADJUSTMENTS (CONTINUED)

(i) Statement of financial position				
	30 June 2022		30 June 2022	
	TZS		TZS	
Descriptions	As previously reported	Adjustments	As restated	
	Financials			
Assets				
Investment properties	262,125,192,878	99,034,472,462	361,159,665,340	
Equity and liabilities				
Opening retained earnings	5,332,302,515	290,606,620,441	295,938,922,956	
Revaluation reserve	155,896,268,383	(155,896,268,383)	-	
Deferred tax liability	60,995,085,951	(47,533,007,447)	13,462,078,504	
TOTAL	222,223,656,849	87,177,344,611	309,401,001,460	

34B (ii) Statement of profit or loss and other comprehensive income				
		30 June 2022		30 June 2022
		TZS	TZS	TZS
Descriptions	As previously reported	Adjustments	As restated	
Fair value gains	-	11,085,000,000	11,085,000,000	
Depreciation expense	3,821,997,066	(2,861,564,239)	960,432,827	
Tax credit/(expense)	146,288,408	(3,521,123,280)	(3,374,834,872)	
TOTAL	3,968,285,474	4,702,312,481	8,670,597,955	

35 CAPITAL COMMITMENTS

At the end of the financial year, the Arusha International Conference Centre (AICC) had committed to pay the Consultant for the expansion of AICC Hospital (Plot No. 43 &44 Old Moshi Road) with initial payment of TZS 34,708,510.

36 COMPARATIVE FIGURES

Previous year's figures have been re-grouped and classified whenever considered necessary to conform to current year's presentation.

36 OWNER OF THE CENTRE

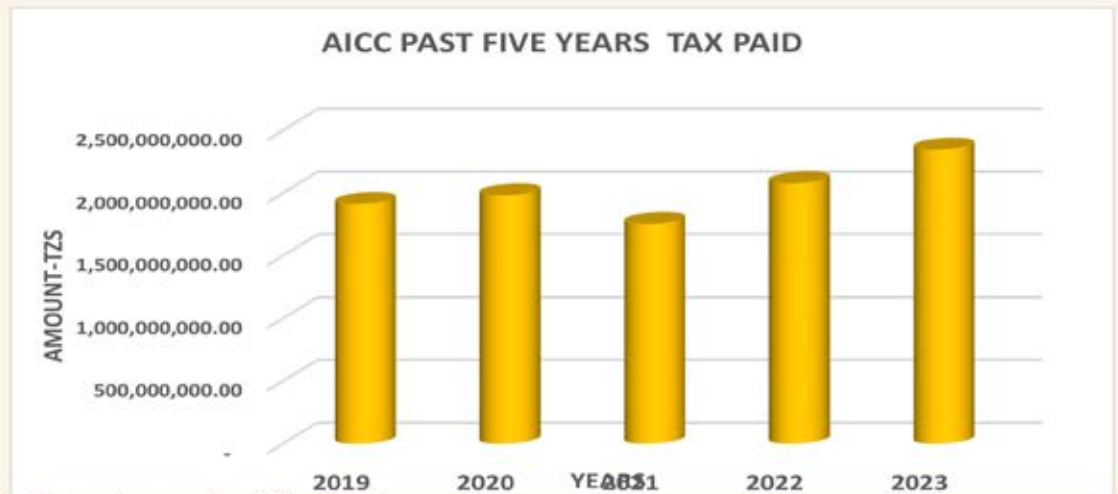
The Government of the United Republic of Tanzania is the ultimate owner of the Centre.

37. CONTINGENT LIABILITIES (CONTINUED)**TRA Tax Audit**

During the financial year 2022/23 Tanzania Revenue Authority (TRA) conducted a comprehensive tax audit on the year 2017/18, 2018/19, 2019/20, 2020/21 and 2021/22. As at 30 June 2023 no final assessment had been received as the TRA were still considering the Centre's tax liability as indicated by the notes of discussion dated 04 July 2023 amounting to TZS 325,174,846.

Pending to tax assessment, the Centre has been categorized as the larger tax payer department located at Dar es salaam. The table below shows tax paid for the past five years:

Chart No. 2 below provide an overview of various taxes paid by the Centre in the past 5 years.



Source: Tax payment data and records of the Centre.

38. CONTINGENT LIABILITIES**Pending Legal Claims**

During the year under review the Centre had a total of eight cases in various courts, tribunals and negotiations under the office of solicitor general that are at different stages of hearing. The Centre is the respondent in four cases claiming a relief of TZS 172,669,952 for three cases out of the four and is the applicant in four cases involving TZS 827,532,738 for two cases out of the four. Further, there are three cases with no established monetary value where the Centre is both the respondents and an applicant.

39. EVENTS AFTER THE REPORTING PERIOD

There were no events after the reporting period that had material impact to the Centre financial statements.





Welcome To
**Julius Nyerere International
Convention Centre (JNICC)**



This is a state-of-the-art convention Centre that lies in the heart of Dar es Salaam city, a major gateway to the world renowned "southern tourist circuit", the "coastal tourist circuit", and Zanzibar in Tanzania. JNICC has 12 conference rooms that can seat 5 - 300 flexible styles including theatre, classroom, conference, half-moons, hollow-squares, horse shoe, etc. The largest hall can accommodate 1003 delegates' theatre style.

Facilities include SIS of up to 4 languages, sophisticated audio video, LCD projectors and internet facilities. JNICC can host meetings, conferences, exhibitions, weddings, cocktail parties, banquets, fashion shows, and the like.

For More Information please contact the Manager

Julius Nyerere International Convention Centre (JNICC)

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