REPORT OF THE CONTROLLER AND AUDITOR GENERAL

THE UNITED REPUBLIC OF TANZANIA

NATIONAL AUDIT OFFICE

ISO 9001:2015 Certified

ARDHI UNIVERSITY (ARU)

REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE FINANCIAL AND COMPLIANCE AUDIT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Controller and Auditor General
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March 2026

AR/PA/ARU/2024/25

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.

NAOT Vision, Mission & Motto

Vision

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

mission

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

Motto

Modernizing External Audit for Stronger Public Confidence

Core Values

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

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.

Results-Oriented: We focus on achievements of reliable, timely, accurate, useful, and clear performance targets.

Team Work Spirit: We value and work together with internal and external stakeholders.

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Abbreviations

ABECC	ARU Built Environment Consulting Company
AF	Accounting and Finance
ARU	Ardhi University
BA	Bachelor of Arts
BSc	Bachelor of Science
CE	Civil Engineering
CRDB	Cooperative and Rural Development Bank
DICT	Directorate of Information and Communication Technology
FAM	Financial Audit Manual
HEET	Higher Education for Economic Transformation
IASB	International Accounting Standards Board
IBR	Institute of Building Research
ICT	Information and Communication Technology
IPSAS	International Public Sector Accounting Standards
IPSASB	International Public Sector Accounting Standards Board
ISSAIs	International Standards of Supreme Audit Institutions
MA	Master of Arts
MoU	Memorandum of Understanding
MSc	Master of Science
MTRSP	Medium Term Rolling Strategic Plan
NBAA	National Board of Accountants and Auditors
NAO	National Audit Office
NHBRA	National Housing Building Research Agency
NMB	National Microfinance Bank
PhD	Doctor of Philosophy
PLC	Public Limited Company
PPRA	Public Procurement Regulatory Authority
QA	Quality Assurance
SERBI	School of Earth Sciences, Real Estate, Business and Informatics
TCU	Tanzania Commission for Universities
TFRS	Tanzania Financial Reporting Standards
TZS	Tanzania Shillings
UDSM	University of Dar es Salaam
VC	Vice Chancellor

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Chairman,
University Council,
Ardhi University,
P.O. Box 35176,
Dar es Salaam, Tanzania.

1.0 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of Ardhi University (ARU), which comprise the statement of financial position as at 30 June 2025, the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Ardhi University (ARU) as at 30 June 2025, and its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (IPSAS) Accrual basis of accounting, as issued by the International Public Sector Accounting Standards Board (IPSASB) and in the manner required by the Public Finance Act, Cap. 348.

Basis for Opinion

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

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

Key Audit Matters

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

Other Information

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

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

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

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the entity to cease to continue as a going concern; and
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

1.1 REPORT ON COMPLIANCE WITH LEGISLATIONS

1.1.1 Compliance with the Public Procurement laws

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

I conducted a compliance audit of the procurement of works, goods and services at Ardhi University for the year ended 30 June 2025 as per the Public Procurement Act, 2023 the Public Procurement Regulations, 2024, and related directives. I examined each phase of the procurement life cycle, including advertising of tenders, evaluation of bids, award of contracts and contract management, to confirm that the entity issued competitive solicitations, applied approved evaluation criteria, secured authorizations before award and maintained complete transaction records.

Based on the audit procedures performed, I conclude that, except for the matter described below, Ardhi University generally complies, in all material respects, with the requirements of the Public Procurement laws in Tanzania.

1. Non-implementation of the annual procurement plan activities worth TZS 66.5 million

In accordance with Reg. 79(3) Public procurement Regulations, 2024 Ardhi University is required to forecast its requirements for goods, services and works as accurately as is practicable by reference to services or undertakings already programmed in the annual work plan and included in the annual estimates.

However, our review of the annual procurement plan, implementation reports and related records availed during the audit, I revealed that the approved budgeted procurements of TZS 66,549,161 were not implemented as of 30 June 2025.

2. Delays in Delivery of Procured Goods by Suppliers (Delays Ranging from 10 to 189 Days)

The Terms and Conditions of Local Purchase Orders (LPOs) issued by ARU in financial year 2024/25 stipulate the expected delivery timelines for goods and services.

However, a review of Local Purchase Orders (LPOs), delivery notes, and inspection reports revealed that four suppliers delayed the delivery of goods, with delays ranging between 10 and 189 days beyond the agreed timelines.

1.1.2 Compliance with the Budget Act and other Budget Guidelines

Subject matter: Budget formulation and execution

I conducted a compliance audit of budget formulation and execution at Ardhi University for the year ended 30 June 2025 as per the Public Finance Act (Budget Act), Cap. 439 and the Budget Guidelines issued by the Ministry of Finance. I reviewed budget submissions, approval memoranda, commitment registers, ledger entries and variance analyses to confirm that the entity prepared estimates in the prescribed format, obtained timely authorizations before incurring obligations, recorded transactions accurately and reported variances as required.

Based on the audit procedures performed, I conclude that, except for the matters described below, Ardhi University generally complies, in all material respects, with the requirements of the Budget Act and related Budget Guidelines.

Unapproved Utilization of Carry-Over Budget TZS 499 million

Section 36(1) of the Budget Act, 2015 and Regulation 100 of the Public Finance Regulations, 2017 stipulate that carry-over funds should be fully utilized within the first quarter of the subsequent financial year. Where utilization is not possible, the respective entity is required to seek approval from the Treasury Registrar (TR) for further extension of the carry-over period.

Audit review of the carry-over budget and transaction accounts for ARU noted that ARU carried forward a total of TZS 2,714,627,177 and managed to utilize only 50.6% i.e TZS 1,375,743,853.96 of the total carried over budget, leaving TZS 1,338,883,323.53 as unutilized budget for the year under audit.

Furthermore, we noted that from the utilized amount of 1,375,743,853.96 only TZS 338,293,612.33 was utilized in the first quarter and TZS 538,495,593.55 was requested for extension beyond first quarter via letter No BE153/408/01 dated 18 September 2014. However, the remaining balance of TZS 498,954,648.08 was utilized in the remaining quarter without approval of the Treasury Registrar, contrary to the stipulated regulations.

Charles E. Kichere
Controller and Auditor General,
Dodoma, United Republic of Tanzania.
March 2026

2.0 THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2025

2.1 INTRODUCTION

The Council of Ardhi University (ARU) is pleased to present its report together with the financial statements for the year that ended on 30 June 2025, which discloses the situation of the University. The Governance report has been prepared using the Tanzania Financial Reporting Standards No. 1 (TFRS No. 1) approved and issued by the NBAA Governing Board on its 182nd meeting held on 22 June 2020. The standard replaces TFRS 1 on Directors' Report that was issued by the NBAA on 1 January 2010 and the standard become operative for financial statements covering accounting periods beginning on or after 1 January 2021.

The standard aims at assisting the Council in setting out the analysis of the University's operations and financial reviews with a forward-looking orientation. This helps primary users and other stakeholders to assess strategies adopted by ARU and the potential for those strategies to succeed in creating value over the short, medium, and long-term periods.

2.2 PRINCIPAL PLACE OF BUSINESS

Address:

Ardhi University (ARU),
P. O. Box 35176,
DAR ES SALAAM.

BANKERS:

BANKERS
National Microfinance Bank (NMB) PLC,
University Branch,
P.O. Box 35199,
DAR ES SALAAM.
National Bank of Commerce Limited,

Mlimani City Branch,
P. O. Box 72375
DAR ES SALAAM.
CRDB Bank PLC,

Mlimani City Branch,
P. O. Box 35407,
DAR ES SALAAM.
Bank of Tanzania,
2 Mirambo Street,
P.O. Box 2939,
DAR ES SALAAM.

Tanzania Commercial bank,
Head Office 10th LAPF Towers,
Bagamoyo Road, Opp Makumbusho Village,
Kijitonyama,
P.O BOX 9300,
DAR ES SALAAM.

PARENT MINISTRY: Ministry of Education, Science and Technology,

Block 10,
College of Humanities,
P. O. Box 10,
DODOMA-TANZANIA

2.3 ESTABLISHMENT

The history of Ardhi University (ARU) goes back to 1956 when the colonial government established a Survey Training Centre (STC) at Mgulani, Dar es Salaam. The Survey Training Centre (STC) was charged with the duty of training technician land surveyors since these were considered important to help map the country. The award given was a certificate. The Survey Training Centre (STC) and its successor the Ardhi Institute were under the Ministry responsible for lands.

During the 1990s, Ardhi Institute contemplated its future, and realised that it was inevitable for it to be transformed into a university. Among the various options considered and later adopted to attain this goal was the transformation of the Institute into a University College of the University of Dar es Salaam, named the University College of Lands and Architectural Studies (UCLAS) as an interim measure during which, the University College would be nurtured so as to become a fully-fledged University standing on its own. Two legal instruments namely GN 148 of 29 June 1996 and the University of Dar es Salaam (UDSM) Act No. 12 of 1970 were the basis for the establishment of University College of Lands and Architectural Studies (UCLAS).

Within a period of ten (10) years of its existence from 1996 to 2006, University College of Lands and Architectural Studies (UCLAS) increased the number of academic programs from six (6) to thirty-nine (39). The College had two faculties namely, the Faculty of Architecture and Planning (FAP) and the Faculty of Lands and Environmental Engineering (FLEE). The College offered courses ranging from diploma to PhD.

Ardhi University came into being after the signing of the Ardhi University Charter by His Excellency the then President of the United Republic of Tanzania, Dr. Jakaya Mrisho Kikwete on 28 March 2007. The University Charter was prepared based on the Universities Act, No. 7 of 2005. In September 2018, ARU established a Consulting company called *ARU Built Environment Consulting Company* (ABECC) *Ltd* to carry out Consultancy and Works Services in line with the University Vision and Mission. The company was fully incorporated in Tanzania under the Company Act. No. 12 of 2002 as a limited company by shares in September 2018. The Treasury Registrar approved the establishment of the company in May 2019.

2.4 VISION, MISSION AND CORE VALUES

2.4.1 Vision

To be a centre of excellence in seeking knowledge and disseminating it to a wide spectrum of beneficiaries at national, regional and global level

2.4.2 Mission

To provide integrated teaching, research and public services that is geared towards achieving sustainable socio-economic development of Tanzania and the World at large.

2.4.3 Core Values

The University adheres to the following core values: -

(i) Effectiveness
(ii) Efficiency
(iii) Pursuit of excellence
(iv) Creativity and innovativeness
(v) Equality and social justice
(vi) Integrity
(vii) Transparency
(viii) Accountability

2.5 ENTITY OPERATING MODEL

The Ardhi University is a higher learning institution engaged in training, research, outreach and consultancy whose inputs, operations, outputs, and outcomes are as follows: -

2.5.1 Inputs

The University has quality academic and administrative staff, adequate infrastructure, and communication facilities for daily activities. Facilities include multipurpose laboratory (760 students), workshops (495 students), studio building (780 students), and classrooms (4,100 students).

Notwithstanding the quality of inputs, the University is progressing in achieving resource allocation, and has requested the government to address staff inadequacy. Other inputs included, but not limited to the following: -

The University had 569 members of staff (Including 317 male and 252 female);

The University enrolled 6,647 students which includes 6,288 undergraduate and non-degree program (3,420 male and 2,868 female); and 359 postgraduate students (241 male and 118 female);

Continued with maintenance, rehabilitation, and construction of teaching, learning and related supporting infrastructure.

The University benefited from the Higher Education for Economic Transformation (HEET) program funded by the World Bank, and it has received a sum of TZS 67.7 billion for implementation of the HEET project at ARU.

Established the Industrial Advisory Committee to advise the University on employment market needs.

The University continued to mainstream gender issues in all its activities; during the year has improved the infrastructure for handing students with special learning needs; and distributed 2 tricycles; 6 tablets and 2 audiometers to students with special needs.

2.5.2 Operating/Business Activities

ARU aims to advance knowledge, creativity, and education through research, consultancy, and public service, while nurturing intellectual, aesthetic, social, and moral growth in students.

The principal activities of Ardhi University as stipulated under Article 5 of the ARU Charter 2007, among others are as follows: -

(a) To preserve, enhance and transmit knowledge by practical-oriented teaching and research;
(b) To engage in applied research in the current disciplines as well as others to be introduced later and use the results to improve teaching, learning and the provision of public services;
(c) To routinely evaluate and adjust the quality of training so as to remain relevant locally and globally;
(d) To provide consultancy and advisory services:
(e) To promote continuing education to Tanzanians in order to maintain labour productivity and global competitiveness;
(f) To ensure an effective and efficient legal and institutional framework and to develop and maintain a supportive organizational culture;
(g) To engage in resource mobilization activities that are within the mission of the University;
(h) To promote effective and efficient Human Resource Management functions at the University;
(i) To employ modern library, technology and management techniques in the provision of training, research, consultancy and advisory services;
(j) To stimulate and promote intellectual, scientific and technological development;
(k) To establish mutually negotiated beneficial links in areas of learning, research, consultancy and community outreach; and
(l) To promote gender balance and mainstreaming at the University and in the society.

The day-to-day operations of the University are managed through Schools, Institutes, Directorates, Departments and Units having different functions as shown in **Table 1.**

Table 1: The University's schools/directorates/Units as of 30 June 2025

SN	Unit	Functions in accomplishment of principal activities
1.0	The Office of the Vice Chancellor (VC)	The office is headed by the Vice-Chancellor who is the Chief Executive Academic and Administrative Officer of the University and ex-officio Chairman of the Senate . The VC is responsible implementation of the decisions of the Council. Under the VC office are five (5) units with the functions shown in 1.1 to 1.5 below: -
1.1	Procurement Management Unit (PMU)	The Unit is the Secretariat to the Tender Board, and is responsible for preparation and implementation of the Annual Procurement Plan after approval by University Council. It provides technical advice to management in matters related with procurement and acts as a link between the University and PPRA on procurement matters.

SN	Unit	Functions in accomplishment of principal activities
1.2	Internal Audit Unit	The Unit is responsible in assisting the University Management in matters related with effectiveness of control systems, adherence to financial and audit standards, including preparation and execution of annual audit plans. The Unit is also responsible to collaborate with External Auditors, monitoring annual budget performance, and evaluating the authenticity of various payments within the University.
1.3	Legal/Counsel Unit	The Legal Services Unit is responsible with provision of legal services, guidance, and advice, including interpreting laws, reviewing legal documents, for the University. Also, handling property rights and acquisition, drafting legal opinions, maintaining legal documents like title deeds, contracts, and statutes; maintenance of the legal database of the University, and handling court cases.
1.4	Communication and Marketing Unit	The functions of the Communication and Marketing include the managing of the communication activities, coordination of the implementation of various marketing activities of the University programs and products.
1.5	Quality Assurance Bureau	The functions of the Quality Assurance Unit include overseeing the development and operationalization of the Quality Assurance Policy, operational manuals, and performance standards. In addition, it is responsible with coordinating of institutional self-evaluation and external evaluation exercises for institutional accreditation; as well as monitoring and ensuring quality in teaching, learning, research, outreach, and service provision.
2.0	The Office of the Deputy Vice Chancellor, Academic, Research and Consultancy (DVC-ARC)	The Deputy Vice Chancellor responsible for academic, research and consultancy heads the office and in the absence of the Vice Chancellor, deputize for the Vice Chancellor. This office comprises units with the functions shown in 2.1 to 2.16 below.
2.1	School of Architecture Construction Economics and Management (SACEM)	The school offers four (4) undergraduate and seven (7) postgraduate programs namely: 1) Bachelor of Architecture (B. Arch) 2) BSc in Interior Design (BSc. ID) 3) BSc in Landscape Architecture (BSc. LA) 4) BSc in Quantity Surveying and Construction Economics (BSc QS & CE) 5) Master of Architecture (M. Arch.) 6) MSc in Construction Economics and Management (MSc. CEM) 7) Master of Project Management (MPM) 8) PhD in Architecture (PhD Arch) 9) PhD in Construction Economics and Management (PhD CEM), 10) PhD in Construction Management (PhD CM), 11) PhD in Urban Design by Coursework and Dissertation
2.2	School of Earth Sciences, Real Estate,	The school offers nine (9) undergraduate and fifteen (15) postgraduate programs namely:

SN	Unit	Functions in accomplishment of principal activities
	Business and Informatics (SERBI)	1) Diploma in Geo-Information Science and Earth Observations (GFM4) 2) BSc in Geomatics (BSc. GM) 3) BSc in Information Systems Management (BSc. ISM) 4) BSc in Geographical Information Systems and Remote Sensing (BSc. GIS and RS) 5) BSc in Land Management and Valuation (BSc. LMV) 6) BSc in Real Estate (Finance and Investment) (BSc. REFI) 7) BSc in Property and Facilities Management (BSc. PFM) 8) BSc in Accounting and Finance (BSc. AF) 9) BSc in Computer Systems and Networks (BSc CSN) 10) MSc. Land Administration (By Coursework and Dissertation) 11) MSc in Land Management (By Thesis) 12) MSc in Real Estate Economics and Finance 13) MSc in Real Estate Valuation (M.Sc. Real Estate Valuation) 14) MSc in Real Estate Business (M.Sc. Real Estate (Business) 15) MSc in Geomatics (MSc. GM) 16) MSc in Geomatics (MSc. GM) (By Thesis) 17) MSc in Geographical Information Systems and Remote Sensing (MSc. GIS and RS) (By Coursework & Dissertation) Fulltime 18) MSc in Geographical Information Systems and Remote Sensing (MSc. GIS and RS) (By Coursework & Dissertation) Part-Time 19) MSc in Geographical Information Systems (MSc. GIS) (By Coursework & Dissertation) 20) PhD in Geospatial Science (PhD. GS) 21) PhD in Real Estate (PhD. RE) 22) PhD in Land Administration by Coursework and Dissertation (PhD. LA) - By Coursework and Dissertation 23) PhD in Real Estate Economics by Coursework and Dissertation (PhD. REE) 24) PhD in Land Management (By Thesis)
2.3	School of Engineering and Environmental Studies (SEES)	The school offers five (5) undergraduate and nine (9) postgraduate programs namely: 1) BSc in Environmental Engineering (B.Sc. EE) 2) BSc in Municipal and Industrial Services Engineering (B.Sc. MISE) 3) BSc in Environmental Science and Management (B.Sc. ESM) 4) BSc in Environmental Laboratory Science and Technology (BSc. ELST) 5) BSc in Civil Engineering (BSc. CE) 6) MSc in Environmental Technology and Management (MSc. ETM) - (By Coursework and Dissertation) 7) MSc in Environmental Technology and Management (MSc. ETM) - (By Thesis) 8) Master of Disaster Risk Management (M. DRM) (By Coursework and Dissertation) 9) Master of Disaster Risk Management (M. DRM)- (By Thesis) 10) PhD in Environmental Engineering (PhD EE) - (By Thesis) 11) PhD in Environmental Technology and Management (PhD ETM) - (By Thesis)

SN	Unit	Functions in accomplishment of principal activities
		12) PhD in Environmental Science and Management (PhD ESM)- (By Thesis) 13) PhD in Disaster Management (PhD DM)- (By Thesis) 14) PhD in Laboratory Science and Management (PhD LSM) - (By Thesis)
2.4	School of Spatial Planning and Social Sciences (SSPSS)	The school offers five (5) undergraduate and eight (8) postgraduate programs namely: 1) BSc in Urban and Regional Planning (BSc. URP) 2) BSc in Regional Development Planning (BSc. RDP) 3) BSc in Housing and Infrastructure Planning (BSc. HIP) 4) Bachelor of Arts in Economics (BA. ECON.) 1) Bachelor of Arts in Community and Development Studies (BA. CDS) 2) MSc in Urban Planning and Management (MSc UPM) - Evening Program 3) MSc in Urban Planning and Management (MSc UPM) - Evening 4) MSc in Urban Planning and Management (MSc UPM) - Full Time 5) MSc in Urban and Regional Development Planning and Management (MSc. URPM) (By Coursework & Dissertation) 6) PhD in Urban and Regional Planning (PhD URP), 7) PhD in Urban Planning and Management (Housing and Infrastructure), 8) PhD in Economics (PhD Econ) 9) PhD in Urban and Regional Planning (PhD. URP) (By Coursework and Dissertation)
2.5	Institute of Human Settlements Studies (IHSS)	The Institute offers three (3) Masters and six (6) PhD programs namely: 1) MSc. Housing; 2) MSc. Public Policy Analysis and Programme Management; 3) MA. Development Studies; 4) PhD in Built Environment and Analysis; 5) PhD in Climate Change Studies; 6) PhD in Housing and Settlements Studies; 7) PhD in Policy Analysis and Programme Management; 8) PhD in Development Studies; and 9) PhD in Urban Governance and Environmental Studies.
2.6	Institute of Building Research (IBR)	The Institute stands as a beacon of excellence and innovation in the realm of construction and building research in Tanzania. Formerly recognized as the National Housing Building Research Agency (NHBRA), IBR has forged a profound legacy of pioneering contributions to the development, sustainability, and advancement of the construction industry in the region. The key objectives of IBR include the following: 1) Coordination of construction-related research efforts among stakeholders within and outside the country; 2) To ensure research results and technical information on construction and housing-related matters are available to the public;

SN	Unit	Functions in accomplishment of principal activities
		3) To promote affordable housing and durable local construction materials and associated technologies; 4) To facilitate training on innovative construction materials and associated technologies to stakeholders; and, 5) To provide construction and housing-related consultancy services
2.7	Directorate of Undergraduate Programs (DUP)	The directorate performs overall coordination and monitoring of undergraduate studies including admissions, registration, examinations; and serve as a Custodian to all the information and data related to undergraduate training
2.8	Directorate of Postgraduate Studies, Research and Publications (DPRP).	The directorate coordinates postgraduate studies, research activities, and technology transfer for ARU Researchers. It handles institutional linkages, facilitates fund mobilization, coordinates new technology development, ensuring compliance with corporate strategic plans. .
3.0	The Office of the Deputy Vice Chancellor, Planning, Finance and Administration (DVC-PFA)	The office is headed by the Deputy Vice Chancellor responsible for Planning, Finance and Administration matters of the University, and the office comprises of units with the functions shown in 3.1 to 3.11 below:
3.1	Directorate of Administration and Human Resources Management	The Directorate offers a range of services aimed at supporting the staff with both administrative and academic matters towards realisation of University Strategic goals.
3.2	Directorate of Planning and Investment (DPI).	Directorate of Planning and Investment (DPI) is charged to ensure that University goals and values are reflected in the day-to-day operations of the University. The functions include managing the University budget, approving monitoring expenditures, developing master plans, interpreting government policies, and overseeing data for decision-making purposes.
3.3	Directorate of Finance and Accounts (DFA)	Established to assist the University in management of all financial affairs including management of revenue, payroll, expenditure, final accounts, students' loans and research grants.
3.4	Directorate Information and Communication Technology (DICT).	DICT serves as the University's arm for Information and Communication Technologies (ICT) matters in services, research, teaching, and consultancy.
3.5	Directorate of Students' Services (DSS)	The directorate is responsible for students' welfare. Also is responsible for disciplinary matters pertaining to guiding students' lives in pursuit of their transformation into lifelong learners.
SN	Unit	Functions in accomplishment of principal activities
1.0	The Office of the Vice Chancellor (VC)	The office is headed by the Vice-Chancellor who is the Chief Executive Academic and Administrative Officer of the University and ex-officio Chairman of the Senate . The VC is responsible to the Council for the implementation of the decisions

SN	Unit	Functions in accomplishment of principal activities
		of the Council. The Office of the VC comprises five (5) units with the functions shown in 1.1 to 1.5 below: -
1.1	Procurement Management Unit (PMU)	The functions of the unit are: - 1. To serve as the Secretary to the Tender Board 2. To prepare and update the Annual procurement Plan for the procurement of goods, works, non - consultancy and consultancy services 3. To prepare monthly information used for the implementation of the procurement plan for the Tender Board, management, user department and other stakeholders 4. To ensure adherence to the procurement process and procedures as per the Public Procurement Act and its regulations 5. To procure, maintain and manage supplies, materials, and services to obtain the best value for money in terms of price, quality, and delivery 6. To ensure proper handling and storage, adequate and timely distribution of office supplies and materials 7. To provide technical advice to management, Tender Board user departments, and other stakeholders on matters pertaining to procurement practices pursuant, procurement principles and procedures 8. To play as a link between the University and PPRA on matters related to procurement 9. To bid documents for the procurement of goods, works, non - consultant services and disposal of assets as per regulation 10. To assist contract management and administration, including coordination of contracts as well as issuing of approved contracts. 11. To prepare and maintain the fixed assets register of the University.
1.2	Internal Audit Unit	The functions of the unit are: - 1. To assist the University Management in evaluating the effectiveness of control systems to safeguard the interests of the University. 2. To guide and ensure the University expenditures comply with the laid down financial and audit standards (local and international). 3. To prepare and execute Annual Audit Plans. 4. To collaborate and assist External Auditors while undertaking their duties in the University. 5. To monitor the performance of the annual budgets across the University. 6. To evaluate the genuine of various payments.
1.3	Legal/Counsel Unit	The main functions of the Legal Services Unit are: - 1. To provide legal services, guidance, and advice to the University. Such services include and not limited to, interpreting laws, ruling and regulations of the University management and community, drafting reviewing and

SN	Unit	Functions in accomplishment of principal activities
		participating in preparation of all legal documents which concern the operations of university in all units of the University 2. To handle issues of property rights and acquisition 3. To gather relevant information or evidence 4. To draft or write legal opinions 5. To be the custodian of and maintain all legal documents such as title deeds, contracts, MoU, statutes such as the Universities Act, University Charter and regulations/bylaws made under the Charter 6. To maintain the legal database of the University 7. To handle court cases involving the University 8. To liaise with the Attorney General Chamber and external legal counsels hired by the University for guidance and legal services 9. To handle labour disputes and complaints filed at the Commission for Mediation and Arbitration and Labour Court in collaboration with the Directorate of Human Resources and Administration.
1.4	Communication and Marketing Unit	The functions of the unit are: - 1. To guide and manage internal and external communication activities and public relations. 2. To organize and participate in coordination of the University events, media relations and the University news. 3. To handle the preparation and keep records of press cuttings of Radio and TV programmes. 4. To Maintaining photographic records of special and major events. 5. To receive news assignments, investigate news leads, mobilize, and assemble news reports into stable stories.
1.5	Quality Assurance Bureau	The functions of the unit are: - 1. To develop, strategize, promote, and oversee the implementation of the Quality Assurance Policy 2. To develop and maintain appropriate and relevant general operational manuals including internal self-evaluation instruments to guide University-level QA operations 3. To set performance standards including updating in every five years, operational manuals to guide university-level quality assurance operations as well as instruments for use in internal evaluations 4. To evaluate the link between various University policies and quality assurance framework and devise harmonization strategies. 5. To formulate and oversee the implementation of various responsive strategies for quality assurance and promotion in accordance with changes and challenges 6. To evaluate resource availability for training, research and outreach programmes and advise accordingly 7. To coordinate institutional self-evaluation on quality assurance systems

SN	Unit	Functions in accomplishment of principal activities
		8. To carry out analysis of quality assurance reports such as students' course evaluations; External examiners reports, external evaluation/audit reports and identifying issues for short, medium- or long-term implementation and their implementing units 9. To coordinate external evaluation or institutional audits. 10. To initiate and maintain links with TCU and Quality Bureaus/Directorates/Units in sister universities and colleges and forging partnership with relevant regional QA bodies for mutual benefit 11. To monitor, evaluate and ensure quality in teaching, learning, research, outreach, and service provision 12. To evaluate and ensure that all staff and students implement set institutional quality standards in teaching, learning, research, outreach, and service provision 13. To conduct periodic training on quality assurance issues 14. To keep abreast with topical quality assurance matters in higher education at national, regional, and global levels and determine how the University can actively participate in any debates and/or practices arising thereof 15. Perform any other duties related to QA as shall be determined by the University 16. To ensure continued supply of quality training materials and aids and manage lecture rooms supplies and ensuring their adequacy 17. To guide the University Management on compliance to National and International quality management standards 18. To prepare and conduct in house training to the University Leaders on various quality assurance and management matters.
2.0	The Office of the Deputy Vice Chancellor, Academic, Research and Consultancy (DVC-ARC)	The office is headed by the Deputy Vice Chancellor responsible for academic, research and consultancy who is the principal assistant of and responsible to the Vice Chancellor in all matters pertaining to the academic activities of the University and in the absence of the Vice Chancellor, deputize for the Vice Chancellor. This office comprises units with the functions shown in 2.1 to 2.16 below.
2.1	School of Architecture Construction Economics and Management (SACEM)	The school offers Undergraduate and Postgraduate Training Programmes leading to B.Sc., M.Sc., and PhD qualifications. The school is also acquainted with staff competent in performance of research and outreach. **UNDERGRADUATE PROGRAMMES** 1. Bachelor of Architecture (B. Arch) 2. Bachelor of Science in Interior Design (BSc. ID) 3. Bachelor of Science in Landscape Architecture (BSc. LA) 4. Bachelor of Science in Quantity Surveying and Construction Economics (BSc. QSCE) 5. Bachelor of Science in Civil Engineering (BSc. CE) **POSTGRADUATE PROGRAMMES** 1. Postgraduate Diploma in Architecture (PGD Arch.) 2. Postgraduate Diploma in Construction Economics and Management (PGD-CEM)

SN	Unit	Functions in accomplishment of principal activities
		3. Master of Architecture (M. Arch.) 4. Master of Science in Construction Economics and Management (MSc. CEM) 5. Doctor of Philosophy in Architecture (PhD Arch) 6. Doctor of Philosophy in Construction Economics and Management (PhD CEM) 7. Doctor of Philosophy in Construction Management (PhD CM) 8. Doctor of Philosophy in Civil Engineering (PhD CE)
2.2	School of Earth Sciences, Real Estate, Business and Informatics (SERBI)	The school offers Undergraduate and Postgraduate Training Programmes leading to B.Sc., M.Sc., and PhD qualifications. The school is also acquainted with staff competent in performance of research and outreach. UNDERGRADUATE PROGRAMMES 1. Bachelor of Science in Land Management and Valuation (B.Sc. LMV) 2. Bachelor of Science in Real Estate (Finance and Investment) (B.Sc. REFI) 3. Bachelor of Science in Property and Facilities Management (B.Sc. PFM) 4. Bachelor of Science in Accounting and Finance (B.Sc. AF) 5. Bachelor of Science in Geomatics (BSc GM) 6. Bachelor of Science in Geographical Information Systems and Remote Sensing (BSc GI & RS) 7. Bachelor of Science in Computer Systems and Networks (BSc CSN) 8. Bachelor of Science in Information Systems Management (BSc. ISM) POSTGRADUATE PROGRAMMES 1. Master of Science in Geomatics (MSc. Gm) - (By Coursework & Dissertation) 2. Master of Science in Geomatics (MSc. Gm) - (By Thesis) 3. Master of Science in Real Estate (MSc. RE) - (By Coursework & Dissertation) 4. Master of Science in Real Estate (MSc. LM) - (By Thesis) 5. Doctor of Philosophy in Geospatial Sciences (PhD GS) - By Thesis 6. Doctor of Philosophy in Real Estate (PhD RE) - By Thesis 7. Doctor of Philosophy in Land Administration (By Coursework & Dissertation) 8. Doctor of Philosophy in Real Estate Economics (By Coursework & Dissertation)

SN	Unit	Functions in accomplishment of principal activities
2.3	School of Engineering and Environmental Studies (SEES)	The school offers Undergraduate and Postgraduate Training Programmes leading to B.Sc., M.Sc., and PhD qualifications. The school is also acquainted with staff competent in performance of research and outreach. Undergraduate Programmes 1. Bachelor of Science in Environmental Engineering (B.Sc. EE) 2. Bachelor of Science in Municipal and Industrial Services Engineering (B.Sc. MISE) 3. Bachelor of Science in Environmental Science and Management (B.Sc. ESM) 4. Bachelor of Science in Environmental Laboratory Science and Technology (BSc. ELST) 5. Bachelor of Science in Civil Engineering (BSc. CE) Postgraduate Programmes 1. Master of Science in Environmental Technology and Management (MSc. ETM) - (By Coursework and Dissertation) 2. Master of Science in Environmental Technology and Management (MSc. ETM) - (By Thesis) 3. Master of Disaster Risk Management (M. DRM) - (By Coursework and Dissertation) 4. Master of Disaster Risk Management (M. DRM)- (By Thesis) 5. Doctor of philosophy in Environmental Engineering (PhD EE) - (By Thesis) 6. Doctor of philosophy in Environmental Technology and Management (PhD ETM) - (By Thesis) 7. Doctor of philosophy in Environmental Science and Management (PhD ESM)- (By Thesis) 8. Doctor of philosophy in Disaster Management (PhD DM)- (By Thesis) 9. Doctor of philosophy in Laboratory Science and Management (PhD LSM) - (By Thesis) 1. Mathematics and Statistics 2. Informatics and Information Technology 3. Biosciences 4. Geography and Environmental Studies; and 5. Chemistry and Physics.
2.4	School of Spatial Planning and Social Sciences (SSPSS)	The school offers Undergraduate and Postgraduate Training Programmes leading to B.Sc., M.Sc., and PhD qualifications. The school is also acquainted with staff competent in performance of research and outreach. **UNDERGRADUATE PROGRAMMES** 1. Bachelor of Science in Urban and Regional Planning (BSc URP) 2. Bachelor of Science in Regional Development Planning (B.Sc. RDP) 3. Bachelor of Science in Housing and Infrastructure Planning (B.Sc. HIP) 4. Bachelor of Arts in Economics (BA.Econ.)

SN	Unit	Functions in accomplishment of principal activities
		5. Bachelor of Arts in Community and Development Studies (BA. CDS) **POSTGRADUATE PROGRAMMES** 1. Master of Science in Urban Planning and Management (MSc. UPM) -(By Coursework & Dissertation) 2. Master of Science in Urban and Regional Planning and Management (MSc. URPM) - (By Coursework & Dissertation) 3. Doctor of Philosophy in Urban and Regional Planning (PhD URP) - By Thesis 4. Doctor of Philosophy in Urban Planning and Management (Housing and Infrastructure) (PhD UPM), - By Thesis 5. Doctor of Philosophy in Economics (PhD Econ) - By Thesis 6. Doctor of Philosophy in Urban and Regional Planning (By Coursework & Dissertation)
2.5	Institute of Human Settlements Studies (IHSS)	The Institute offers postgraduate programmes (MSc. and PhD); on themes of Human Settlements Development and Management, Environmental Planning and Management, and Land Development and Management. The main objective of the Postgraduate Programme is to improve the competence of professionals in the field of human settlements and to impart them with new knowledge on housing and other related fields. It also aims to develop practical, managerial and analytical skills, as well as social and economic competence necessary to address the rising human settlement challenges. Ultimately the programme will support the sector so that it can meaningfully contribute towards realization of the aspirations of the National Development Goals and the Sustainable Development Agenda. The postgraduate programmes offered are: 1. MSc. Housing; 2. MSc. Public Policy Analysis and Programme Management; 3. MA. Development Studies; 4. PhD in Built Environment and Analysis; 5. PhD in Climate Change Studies; 6. PhD in Housing and Settlements Studies; 7. PhD in Policy Analysis and Programme Management; 8. PhD in Development Studies; and 9. PhD in Urban Governance and Environmental Studies.
2.6	Institute of Building Research (IBR)	The Institute stands as a beacon of excellence and innovation in the realm of construction and building research in Tanzania. Formerly recognized as the National Housing Building Research Agency (NHBRA), IBR has forged a profound legacy of pioneering contributions to the development, sustainability, and advancement of the construction industry in the region., **KEY OBJECTIVES OF IBR** • Coordinate construction-related research efforts among stakeholders within and outside the country;

SN	Unit	Functions in accomplishment of principal activities
		• To ensure research results and technical information on construction and housing-related matters are available to the public; • To promote affordable housing and durable local construction materials and associated technologies; • To facilitate training on innovative construction materials and associated technologies to stakeholders; and, • To provide construction and housing-related consultancy services
2.7	Directorate of Undergraduate Programs (DUP)	The directorate has the following functions: - 1. To conduct overall coordination and monitoring of undergraduate studies 2. To serve as a Custodian to all the information and data related to undergraduate training and curricula 3. To handle institutional linkages in connection to undergraduate studies 4. To oversee undergraduate degree and non-degree admissions, and registration 5. To prepare and coordinate undergraduate studies teaching, timetabling and examination activities 6. To oversee compliance of regulations, guidelines and policy pertaining to undergraduate studies by staff and students; and 7. To ensure policy and regulations are reviewed and updated as per ARU corporate strategic plan.
2.8	Directorate of Postgraduate Studies, Research and Publications (DPRP).	The directorate has the following functions: - 1. To conduct overall coordination and monitoring of postgraduate studies 2. To perform overall coordination of research activities as conducted by Postgraduate Students and Members of Academic Staff 3. To support and guide protection, management and transfer of technologies and innovations developed by ARU Researchers 4. To serve as a custodian of all information and data related to research and postgraduate training 5. To handle institutional linkages in connection to research projects and programmes and postgraduate studies 6. To facilitate research fund mobilization and project cycle management 7. To ensure compliance to research policy, regulations and guidelines among staff and students 8. To review and update research, consultancy, intellectual property policies as required and as per ARU corporate strategic plan; and 9. To coordinate development of new technologies.
3.0	The Office of the Deputy Vice	The office is headed by the Deputy Vice Chancellor responsible for Planning, Finance and Administration is the principal assistant of,

SN	Unit	Functions in accomplishment of principal activities
	Chancellor, Planning, Finance and Administration (DVC-PFA)	and responsible to the Vice Chancellor in all matters pertaining to the Planning, Finance and Administration of the University, and in the absence of both the Vice Chancellor and the Deputy Vice Chancellor responsible for Academic, Research and Consultancy deputizes for the Vice Chancellor. This office comprises of units with the functions shown in 3.1 to 3.11 below:
3.1	Directorate of Human Resources and Administration.	The Department offers a range of services aimed at supporting Management, Academic and Administrative staff with both operational and academic matters towards attainment of University Strategic Plans.
3.2	Directorate of Planning and Investment (DPI).	Directorate of Planning and Investment (DPI) is charged to ensure that aspirations, goals, and values are reflected in the day-to-day operations of the University. That include but not limited to; 1. Preparing and administering the University budget. 2. Approving purchases for the University subject to available funds. 3. Monitoring expenditures for budget compliance. 4. Developing general master plan programs for overall planning operations including updates of land use, zoning, subdivision, transportation, and buildings. 5. Interpreting the impact of government policies on the institution, reviewing, and recommending development proposals for compliance with various developmental regulations; and 6. Overseeing the collection, organization, and maintenance of social, economic, governmental, and regulatory and census data for use in decision making.
3.3	Directorate of Finance and Accounts (DFA)	Established to assist the University in management of all financial affairs through various sections such as revenue, pre-audit, payroll management, expenditure section, final accounts, students affairs section, students loan managements section and research grants management.
3.4	Directorate Information and Communication Technology (DICT).	DICT serves as the University's arm for Services, Research, Teaching, and Consultancy in Information and Communication Technologies (ICT) Matters.
3.5	Directorate of Students' Services (DSS)	The directorate is responsible for taking care of all forms of students' welfare matters (personal, social, and spiritual etc) as part of university resolve to provide a conducive university learning environment in support of institutional vision, missions, and objectives. Also is responsible for disciplinary matters pertaining to guiding students' lives in pursuit of their transformation into lifelong learners.

Source: ARU MTRSP 2020/21 to 2025/26

Revenue Generation

The University's 2024/25 budget is TZS 77,846,275,238, funded by tuition fees, internal income, government subsidies, and research partners. The government contributed 24%, development partners 58%, and internal generated 18% of the total budget.

The University's approach to innovation

The University fosters innovation and knowledge sharing, identifying and exhibiting innovations from schools/departments at various exhibitions like TCU, Saba Saba, and Nanenane, demonstrating flexibility and adaptability.

Adapting to change

The University's activities are regulated by national and international standards, issued and revised by authorities like TCU, Tanzania Bureau of Standards (TBS), PPRA, NBAA, and IASB.

The University is a member of international bodies like Inter-University Council for East Africa (IUCEA), with experienced decision-making committees. Its processes are reviewed and audited annually by internal and external auditors to ensure compliance with rules, regulations, and standards.

2.5.3 Outputs

The University has produced quality graduates and researched products, employing them in government and private sectors, including land, construction, mining, climate change, and oversight bodies. The outputs during the period include the following:

On the Key Result Area No.1: Training and Learning;

a) The university has enrolled 6,602 students, including 6,288 undergraduates, 229 Masters students, and 85 PhDs, meeting the enrollment target by 94.5%.

b) Construction on five Mwanza campus buildings began in February 2025, with completion expected in May 2026. Four staff members and one motor vehicle have been transferred to the Mwanza campus.

c) The university has developed 23 new curricula, including 18 under the HEET project, including eight undergraduates, five diploma, and ten postgraduate programs. 15 have been submitted for accreditation by TCU.

d) Through the HEET project the University has reviewed two (2) undergraduate and one (1) postgraduate programme to cope with labour market demands. The curricula have been submitted Tanzania Commission for Universities (TCU) for accreditation. In total the University has reviewed its 38 programmes to align with the Education and Training Policy 2014; and

e) A total of 61 academic staff members were trained on student-centred learning methods. The target to train 100 academic staff members has been met by 61%.

On the Key Result Area No. 2: Research, Innovations and Publications;

a) The University secured six new collaborative and multidisciplinary research projects, exceeding the target of five engagements, and continued with 34 ongoing projects.

b) Eight research project proposals have been submitted to funders. These include the project namely 'Catalyzing Change in Access to Higher Education: Advancing Inclusive Training and Learning for Socio-economic Transformation in Africa' through which 350 undergraduate and 150 postgraduate students will receive scholarships.

c) University has published one (1) book (book of conference proceeding - African Conference on Resilient and Sustainable Cities) with ISBN: 978-9987-01-011-0. In addition, the University has published 140 papers. The annual target to publish 100 research papers has been surpassed.

d) 39 academic staff members were trained in multidisciplinary research and research dissemination skills, exceeding the annual target of training 25 academic staff members.

On the Key Result Area No. 3: Consultancy, Outreach and Public Services;

a) The University secured five new consultancy projects, achieving a 20% target of 25. It also continued with implementation of 52 on-going projects. In addition, conducted six outreach activities and 23 public services.

b) The University has registered its construction company namely ARU Built Environment Contractors with PPRA

c) The university exceeded its target of 15 short courses by conducting 10 more, and TZS 115,443,910 has been generated.

On the Key Result Area No. 4: University Capacity and Governance;

a) The University has employed 62 new staff, resulting in a staff-student ratio of 1:19. Additionally, it has received employment permits for 100 staff, with the employment process ongoing at President's Office - Public Service Recruitment Secretariat (PSRS).

b) The university has facilitated training to 54 staff members, including 26 Masters, 25 PhDs, and 3 diplomas. The goal of training 42 staff members in long-term training has been met.

c) The University has made 86% progress on the construction of Multipurpose Laboratory, studio, workshop, and classroom buildings. The University has awarded a contract for furniture supply for the four buildings, with signing expected by August 2025. The University has also submitted a bidding document to the World Bank.

d) University completed rehabilitation of 76 classrooms, ten (10) staff houses, two (2) laboratories, five (5) blocks of students hostels ICT infrastructure as well as walkways;

e) The University has developed Resource Mobilization Action Plan. Also the University has reviewed its Management Committees and Boards Composition and Functions

On the Key Result Area No. 5: Partnerships, Internationalization and Branding;

a) The University has signed five new MoUs with partners for training and learning, including curricula development, student exchange, and academic staff training, meeting the annual by 100%; it also signed eight MoUs ii research undertakings meeting the target by 66%

b) The University through the African Centre for Sustainable Cities Studies (ACS), organized an International Conference under the theme "Novel Approaches for development of Resilient and sustainable cities in Africa".

The Conference brought together academicians, practitioners and policy makers from 16 countries who had an opportunity to share research findings and ideas.

2.5.4 Outcomes

The University has recognized an outcome of its operations as follows: -

i) Increased reputation and goodwill nationally and internationally;
ii) Increased space for staff, students, and research activities;
iii) Improved quality of graduates because of improved infrastructure;
iv) Increased employees' morale due to working in a prestigious University with good working environment and reputation;
v) The University recognition in terms of quality in application of international standards used in operationalization of university activities;
vi) Increased awareness of the community in environmental protection programs through the annual tree planting campaigns; and
vii) Improved services and recognition by the surrounding communities due to the extension services done in a year.

2.6 CURRENT AND FUTURE DEVELOPMENT AND PERFORMANCE

2.6.1 Significant features of the development and performance

The University has a six-year Medium Term Rolling Strategic Plan (MTRSP) as a tool to achieve its core functions of teaching, research, and public service delivery. Through the MTRSP, the University plans to expand student enrollment, improve infrastructure, and address emerging issues like ICT convergence and demand-driven degree programs.

Generally, the MTRSP provides a roadmap for all ARU operations aiming at achieving its mandate and thereby providing a fundamental framework for planning, implementation, and performance of planned activities across the University, which are the basis for efficient and effective resource allocation.

2.6.2 The University Future Strategies

The University has the following strategies in attainment of its objectives: -

i) Increase internally generated income through strengthening of the existing income generating units, and introducing new income avenues; and reduce dependence on donors (implementation of the approved Resources Mobilization Action Plan)
ii) Continue to review academic programmes and development of new ones to attracts new students.
iii) Improve Quality of Graduates
iv) Strengthen and promote joint research activities with regional and international partners/organizations/institutions.

2.6.3 Aspects of the Statements of Financial Performance Linked to other Results

Compared to 2023/2024, total revenue declined from TZS 47.39 billion to TZS 45.55 billion, the year under review, while total expenses decreased from TZS 34.00 in 2023/2024 billion to TZS

32.8 billion in 2024/2025. The Statement of Financial Performance demonstrates sound financial management for the year ended 30 June 2025. Although total revenue declined, effective expenditure control enabled the University to maintain a substantial surplus.

2.6.4 Results for the Year

During the financial year 2024/25, total revenue for the University was TZS 45.5 billion (2024: TZS 47.4 billion). Likewise, the total operating expenses and transfers was TZS 34.2 billion (2024: TZS 34.0 billion) thus, recorded a surplus of TZS 11.2 billion (2024: TZS 13.3 billion). The increase in surplus is mainly attributable to the increase in revenue grants from HEET Project.

2.6.5 Trend analysis on the aspects of the financial performance

(a) Revenue Trend

Generally, the University revenue has decreased from TZS 47.4 billion in 2023/24 to TZS 45.5 billion in financial year 2024/25. The increase is directly attributable to change in both micro and macro-economic parameters which in turn led to change in both national and international policies and dynamics. Implementation of Higher Education for Economic Transformation (HEET) Project plays a major role in increase of revenue grants.

(b) Trend Analysis for Revenue Items with Significant Impact

i) Government Recurrent Grant

Over the past five years the Government recurrent grant for personnel emoluments has increased significantly from TZS 16.8 billion in 2020/21 to TZS 19 billion in 2024/25. The increase is directly attributable to the new staff recruitment, transfer of staff and salary increment.

ii) Government Development Grant

Over the past five years, the Government development grant has increased from TZS 0.6 billion in 2020/21 to TZS 14.9 billion in 2024/25. The increase is attributed by the implementation of various donor funded projects. Government entered into a Financing Agreement with the World Bank and managed to secure a sum of USD 29 million equivalent to TZS 67.7 billion for the Higher Education for Economic Transformation (HEET) project as explained in Part 4.3 of this report.

iii) Revenue from Exchange Transactions

Over the past five years, the revenue from exchange transactions has decreased from TZS 8.8 billion in 2020/21 to TZS 11.4 billion in 2024/25. The increase is directly attributable to the decreases in a number of consultancy.

Further, the University has taken measures to increase internally generated income where cost cutting measures have been implemented and identification of other avenues of revenue.

iv) Other Revenue

Over the past five years, other revenue has decreased from TZS 3.2 billion in 2020/21 to TZS 2.7 billion in 2024/25. The decrease is a result of decrease research income.

(c) The Trend in Overall Expenditure

Generally, the University expenditure and transfers increased from TZS 27 billion in 2020/21 to TZS 32.8 billion in financial year 2024/25. The increase in spending directly attributable to the increase in university activities including training, research, outreach and consultancy. However, the University has also imposed the cost cutting measures where the utility and electrical meters as well as bulky purchase of material and consumables.

(d) Trend Analysis for the Specific Expenditure Items with Significant Impact

i) Wages, Salaries and Employee Benefits

Over the past 5 years the expenditure on wages, salaries and employee benefits has increased from TZS 18.8 billion in 2020/21 to TZS 19 billion in 2024/25. The increase is attributable to new staff recruitment, transfer and salary increment.

ii) Use of Goods and Service

Over the past 5 years, the trend in use of goods and services has increased from TZS 4.5 billion in financial year 2020/21 to TZS 10.4 in financial year 2024/25. The increase is attributable to the increase in activities which also includes increase in the number of students, research and members of stakeholders across time.

iii) Maintenance Expenses

Over the past five years, maintenance expenses have decreased from TZS 1.5 billion in 2020/21 to TZS 0.6 billion in 2024/25. The decrease is attributable to major rehabilitation undertaken to all University Building under ESPJ Project in 2020/21 financial year.

iv) Other Expenses

The trend shows an increase in other expenses from TZS 4.95 million in 2020/21 to TZS 1.5 billion in 2024/25. The increase is attributable to the increment in university activities while the other part is a result of reclassification of the MUSE Accounting system where some of the expenses including Audit fee which were stand alone are now part and parcel of other expenses.

v) Depreciation of Property, Plant and Equipment

Over the past 5 years depreciation charges have decreased from TZS 1.4 billion in 2020/21 to TZS 1.2 billion in 2024/25. The general decrease is the results of revision of useful life done by using Gamis and revaluation of assets.

2.6.6 Academic Performance

a) Undergraduate Degree Programs

In the financial year 2024/25, ARU had a total of 6,288 (3,420 male and 2,868 female) students compared to 6,186 students in the previous year. During the financial year under review 1,453 students graduated from various undergraduate programs.

b) Postgraduate Degree Programs

During the year 2024/25 a total of 359(241 male and 118 female) students were enrolled for studies to different postgraduate degree programs in comparison to 330 students enrolled in year 2023/24. Further, the trend of admission of postgraduate students has increased from 296 in year 2020/21 to 359 in 2024/25. This increase is attributable to the expansion of training capacity which includes change in policies and resources. Also, the number of graduated postgraduate students has increased from 34 in 2020/21 to 97 in 2024/25.

c) Research and Outreach

During the period, the University had 31 research projects comprised both basic and applied research funded by various donors. Outreach activities were also carried out in different locations within the Country and technological inventions were disseminated to stakeholders aiming at improving output in both quantity and quality. ARU published 142 research articles in the form of conference papers, book chapters, books, and journals. The achievement in publications is attributable to the University efforts to facilitate capacity development in writing fundable research proposals.

d) Institutional Capacity Building

i) Infrastructural Development

In July 2023, the University signed a contract with M/s China Jiangxi International Economic and Technical Cooperation Ltd for the construction of the Studio building, multipurpose laboratory building, Workshops, and Multipurpose classrooms at ARU main campus with a total seating capacity of 6,928 students. The construction period is 18 months, with an expected completion date of October 2025. The Contractor has been paid the certified amount of the work executed, amounting to USD 6,075,882.34, and equivalent to 42% of the total Contract Value, USD 14,359,424.14.

At the Mwanza campus, procurement of design review and supervising consultants has been completed. The contract for the design review and supervising consultant for the construction works was signed on 21 June 2025. The Environmental and Social Impact Assessment (ESIA) report for the Mwanza campus has been approved by the World Bank, and the National Environment Management Council (NEMC) certificate has been obtained. Additionally, building permits for the four buildings have been secured.

ii) Staff Development

During the year under review 192 members of staff were undergoing training in PhD and Masters, 21 staff completed their studies, and the University continued to facilitate staff in short-term trainings.

e) Observed challenges during the financial year and their effect on development, performance, and future perspectives

The following were the identified challenges during the year: -

i) Inadequate financial resources;
ii) Aged infrastructure which requires rehabilitation or replacement;
iii) Shortage of manpower to undertake planned activities;
iv) Untimely disbursement of funds and emerging issues (e.g., the Russia-Ukraine war);
v) Changing nature of future jobs and opportunities - embracing life-long learning;
vi) Convergence of information and communication technologies - Artificial Intelligence (AI) have a bearing on the future of university business; thus, it will be important to take advantage of these developments where possible.

f) The state of key stakeholder relationships and how the organization has responded to key stakeholders' legitimate needs and interests

The University prioritizes stakeholders' needs through effective feedback and the University Qualifying Framework (UQF), ensuring curricula and programs are demand-driven by stakeholders to meet their expectations, involving stakeholders in decision-making and deploying tracer studies.

g) The main trends and factors which are likely to impact on prospects

The University Corporate Plan has nine Strategic Objectives to be realised in the period of 2019/20 - 2029/30. In accomplishment of the objectives, the University has the following underlying assumptions:

i) Availability of adequate human, financial and infrastructural resources to implement the planned activities;
ii) Stakeholders continue to support fully and respond effectively during the implementation;
iii) Retention of competent and motivated staff for smooth implementation;
iv) Presence of an effective monitoring and evaluation system that is accompanied by systematic and efficient information sharing mechanisms; and
v) Prevalence of peace and tranquillity at the University.

h) The University's expectations about the external environment likely in short, medium, and long term

The University survives in an environment with numerous stakeholders with different expectations and needs. The Management managed to scan the internal and external environment and managed to establish the strengths, weaknesses, opportunities, threats, aspirations and results necessary in detection and curbing of risks as well as tapping into emerging opportunities for the brighter future in accomplishment of the strategic objectives.

2.7 RESOURCES

The University has a vast number of resources that facilitate the University's endeavour in achieving its strategic objectives include human, financial and technological resources including but not limited to human and financial resources analysed below.

a) Financial Resources

During the year under review, ARU realised revenue of TZS 45.5 billion (2024: TZS 47.4 billion). The major sources of funding for the University are internal generating income projects, Government subvention and funds received from Development Partners as a result of Financing Agreements and MoUs signed between ARU and those partners.

b) Intellectual Resources

The University intellectual resources include ICT application systems which has automated and modernized operations, thus, improved provision of business operations. The University ICT systems in operations include the following: -

i) Academic Management Information System - AMIS
ii) Planning and Reporting System - PLANREP
iii) Billing Management System - BiMiS
iv) Consultancy Management Information System -COMIS
v) Mfumo wa Uhasibu Serikalini - MUSE
vi) Research Management Information System- REMIS
vii) Government Asset Management Information System - GAMIS

In general, implementation of ICT application systems improves the University service delivery process and enhances efficiency. The University shall continue with its initiative to automate business operations to enhance efficiency and reduce costs of business operations. Factors that may affect availability, quality and affordability of intellectual resources include fast technological changes, Government legislative changes, systems hackers where access controls and firewalls are weak, and unexpected power outage. However, the University is organized to cope with future changes and expects intellectual resources will continuously be available to meet future demand.

c) Human Resource

The University has skilled, committed, motivated and competent employees dedicated to the provision of quality services that meet and exceed customers' expectations. Management adheres to the principles of good governance and promotes good working environment and labour relations. In addition, the University has continually invested on human resource development focusing on training, staff wellness, staff recognition and career growth. A comprehensive training schedule has been developed with the sense of ensuring that all staff are subjected to certain training for the sake of capacity building and enhancing their working capability.

During the year under review, the University had a total of 567 employees (2024: 548). This includes 317 males and 250 female staff. The members of staff are responsible for handling the academic and administrative affairs of the University and spearhead the attainment of its vision.

d) Natural Resources

The University major natural resources are water and land with the view of environmental protection. Various initiatives have been taken by the University to promote environment sustainability through internal engagements and external partnerships and commitments.

The University is committed to protecting and ensuring the availability of natural resources, despite potential challenges such as natural calamities, draught, human sabotage, and legislative laxity.

e) Social and Relationship Resource

The University upholds ethical and transparent relationships with stakeholders, focusing on social development initiatives like education, leadership, financial inclusion, and health and safety facilities, fostering harmonious relationships with customers, suppliers, and the public.

The University faces challenges in ensuring the availability, quality, and affordability of social and relationship resources due to factors such as insufficient participation, non-payment, and low stakeholder engagement.

2.8 PRINCIPAL RISKS, UNCERTAINTIES AND OPPORTUNITIES

2.8.1 Council's Responsibility in Internal Control and Risk Management

The Council is responsible for risk management, establishing internal controls, monitoring control, effectiveness, and ensuring adequate financial and operational control is developed, reviewed, and maintained.

2.8.2 Key elements of the system of internal control

The management receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms.
Key elements of the system of internal control are as follows: -

a) Budgets

Detailed annual budgets are prepared by Management and discussed by the Finance and Planning Committee of the Council for review; and deliberated in the Workers' Councils before the approval of the University Council. The budget briefings take place yearly and are attended by Monitoring and Budget Committee (MBC), Committee for Deans and Directors (CoDD) and other stakeholders including Trade Unions, and academic staff associations.

b) Competence

Staff skills are maintained by both a formal recruitment process and a performance appraisal system, which identifies training needs. Also, necessary training, both in-house and externally, helps to consolidate existing staff skills and competences.

2.8.3 Risk Assessment

The Council understands the specific sources of risk and analysis of their impact on its operations at ARU. In the financial year 2024/25 the Council used risk assessment frameworks to enable the analysis of cost-effective mitigation strategies. Among the types of risks that the Council is aware of and their mitigation strategies are provided in Table 2.

Table 2: Types of Risks and Mitigation Measures

Type of risk	Cause	Management
Strategic	Arises from the business environment - emergence of new strong competitors such as change of Government Regulations etc.	Increased number of enrolments and Improving quality of graduate.
Commercial	Declining market share	Enhance outreach, publicity, linkages, and partnerships
Operational	Monetary loss resulting from inadequate or failed internal processes, people, and systems or from external events	Improve teaching and learning environment, increase quality of working tools, expand built infrastructure capacity, improve availability and reliability of utilities and services, Improve ICT and telecommunication infrastructure and services, Strengthen Quality Assurance and Promotion Bureau, provide regular training to staff, increase the volume and quality of research, publications and innovations hence increase creativity and work performance.
Financial - **currency and credit risk**	Depreciation of foreign currency and likelihood of default	Transacting using local currency and credit rating, establishing credit limits, encourage upfront payment
Compliance	Adverse change in regulations guiding operation	Be optimistic and well informed about government legislations and decisions
Liquidity/funding	Receiving less funds to meet organization's obligations	Establishing contingency plans, such as backup lines of credit, grants, and new profitable investments
Technical Risk	Risk of managing assets such as machine failure, IT risks such as virus incidences, computer crashes etc.	Adoption of policies and systems that are strong and relevant in curbing of the risk

Source: *ARU Risk Framework and Register*

2.8.4 Function of Internal Audit Unit

The University has a sound internal audit unit which independently and objectively evaluates the organization's operations. The unit reports functionally to the Council's Audit Committee and administratively to the Vice Chancellor. It assesses risks; and reviews controls using the Risk Based Approach (RBA). The unit ensures that recommendations to improve controls are implemented by the Management. Its reports are also submitted in quarterly basis to the Internal Auditor General's Office.

2.8.5 Function of the Audit Committee

The Audit Committee reviews internal controls at a high level, while Internal Auditors monitor risk management and governance processes, reporting findings to management and the Audit Committee, while Management implements audit recommendations.

2.8.6 Council's Opinion in Assessment of Regular Reports of the Audit Committee

The Council is of a view that there is an ongoing process for identifying, evaluating, and managing the University's significant risks, and that it has been in place throughout the year ended 30 June 2025 up to the date of approval of the annual reports and financial statements and is of the opinion that met the accepted criteria.

2.8.7 Accounting Policies

A summary of key accounting policies is in Note 1 to the Financial Statements and were consistently applied during the year under review.

2.8.8 Financial Reporting and Auditing

The Council accepts overall responsibility for the preparation of the annual financial statements which are present as at the end of the year under review. The reports include:

i) The financial position;
ii) Statement of Financial Performance;
iii) Statement of Changes of Net Assets and Equity; and
iv) The Statement of cash flows; and Statement of comparison between Budget and actual.

The responsibility for compiling the annual financial statements is vested in the management and the University complied with all applicable laws of the country of incorporation. The external auditors of the University report on whether the annual financial statements are fairly presented.

The Members of the council are satisfied that during the year under review the following issues were undertaken effectively: -

(a) Adequate accounting records were maintained;

(b) An effective system of internal control and risk management, monitored by management, was maintained;

(c) Appropriate accounting policies, supported by reasonable and prudent judgments and estimates, were used consistently;

(d) The financial statements were compiled in accordance with International Public Sector Accounting Standards and in the manner required by the Tanzanian Public Finance Act No. 6 of 2001 and instructions issued by the Treasury in respect of the year under review; and

(e) The Councillors are also satisfied that no material event has occurred between the financial year-end and the date of this report which affects the business or has not been reported.

2.9 STAKEHOLDERS' RELATIONSHIP

The University recognizes the importance of addressing the needs of its key stakeholders in order to add value, satisfy their needs and expectations to fulfil its mission. The stakeholders of ARU are those who have interest in or are directly or indirectly affected by the operations of the University. The major stakeholders identified include: -

Government and policy makers, students, staff, Employees, Higher learning and Collaborative Institutions, Regulatory Bodies and Authorities, Development Partners, Professional Boards, Alumni, Industries Parents and Suppliers.

Below is a clear summary showing: -
(1) ARU services to each stakeholder and
(2) what each stakeholder expects from ARU.

a. Government & Policy Makers

ARU Provides

- Skilled graduates for national development
- Research to inform policies (land, housing, planning, environment)
- Compliance with national laws and higher education regulations
- Participation in national projects and advisory committees

Government Expects

- Quality education and employable graduates
- Efficient use of public funds
- Innovation and research that addresses national priorities
- Transparency, accountability and good governance

b. Students

ARU Provides

- Academic programmes (land, real estate, engineering, IT, architecture, environmental management etc.)
- Learning infrastructure, library and laboratory services
- Student welfare services (accommodation, health, counseling, sports)
- Industrial training and employment support

Students Expect

- Quality teaching and relevant skills
- Safe and supportive learning environment
- Fair assessment and academic integrity
- Career guidance and job opportunities

c. Staff and Employees

ARU Provides

- Employment and career development opportunities
- Training, research grants and professional growth
- Working facilities and supportive HR policies

Staff Expect

- Competitive remuneration and timely payments
- Fair and transparent promotion systems
- Safe and respectful work environment
- Availability of resources to perform duties

d. Higher Learning & Collaborative Institutions

ARU Provides

- Joint academic programmes
- Collaborative research and knowledge exchange
- Shared use of facilities and staff expertise

Institutions Expect

- Mutually beneficial projects
- Academic integrity and reliable partnerships
- Student and staff exchange opportunities

e. Regulatory Bodies & Authorities (e.g. TCU, Town planners, NBAA, TCRA, NEMC, AQRB, ERB, Ministry of Education, Science and Technology)

ARU Provides

- Compliance with accreditation and quality assurance standards
- Reports, documentation and performance data
- Qualified graduates ready for licensing or professional practice

Regulators Expect

- Continuous quality improvement
- Honesty and accurate reporting
- Alignment of programmes with national needs and labour markets

f. Development Partners & Donors

ARU Provides

Implementation of funded projects and capacity-building initiatives

- Accountability and transparent financial management

- Research and community outreach impact

Partners Expect

- Proper use of funds and timely reporting
- Tangible development outcomes and community benefit
- Sustainable partnerships

g. Professional Boards

ARU Provides

- Training that meets professional competency standards
- Candidate graduates for certification/registration
- Collaboration in curriculum review

Boards Expect

- Graduates with skills that meet industry ethics and standards
- Compliance with professional requirements

h. Alumni

ARU Provides

- Networking platforms and alumni relations
- Continuing education and research collaboration
- Opportunities to participate in mentorship

Alumni Expect

- Recognition and engagement in university affairs
- Career support and reputation growth of ARU
- Opportunities to give back and influence development

i. Industry & Employers

ARU Provides

- Competent graduates with practical skills
- Research, consultancy and innovation
- Industry feedback loops for curriculum improvement

Industry Expects

- Workforce readiness and practical competencies
- Problem-solving research
- Internship and partnership opportunities

j. Parents & Guardians

ARU Provides

- Academic and welfare support for their children
- Information on academic progress and conduct

Parents Expect

- Quality education and responsible care
- Safety and discipline
- Reasonable cost and value for money

k. Suppliers & Service Providers

ARU Provides

- Business and procurement opportunities
- Contracts for goods and services
- Fair tendering procedures

Suppliers Expect

- Transparent procurement processes
- Timely payment
- Long-term business relationships

2.10 CAPITAL STRUCTURE AND TREASURY POLICIES

2.10.1 The Capital Structure of the University

The University capital structure comprises of Taxpayers Funds only. This equity is wholly financed by the Government. Further, the University had total assets of TZS 230.3 billion (2024: TZS 216.4 billion).

Table 3: The trend of the University capital structure as at 30 June 2025

Asset Composition	2024/25		2023/24		2022/23		2021/22		2020/21	
	%	TZS "000"	%	TZS "000"	%	TZS "000"	%	TZS "000"	%	TZS "000"
Net Assets	100	230,285,965	100	216,455,908	100	165,883,895	100	150,547,942	100	149,337,307

Source: Financial statements 2024/25

2.10.2 Commentary on the 5 Years Trend in Capital Structure

Further, the net assets have increased from TZS 149.3 billion in financial year 2020/21 to TZS 191.4 billion in financial year 2024/25. The increase in equity is attributable to fully acquisition of the former National Housing and Building for Research Agency (NHBRA), increase in a number of students and an increase in receipt of development partners' funds for research which led to increase in income.

2.10.3 Treasury Policies and Objectives

The University finances are managed using the ARU Financial Regulations. The regulations aim at directing actors on what is to be done to ensure that the resources of ARU are not misused or misappropriated and are safe guarded. Further, there are other guidelines including the Government Standing Orders and Regulations; and the Financing Agreements and/ or MoUs signed between the University and funders.

All the transactions are managed using budgetary tools and conditions where the controls are specific to the nature of funding, for instance, donor funding is completely treated as restricted funding.

The University did not accrue any interest on deposit of funds to the commercial banks since all monies are kept with the Central Bank of Tanzania (BoT). All the closing balances in the Statement of financial position at the year-end are translated using the BoT spot exchange rate as of 30 June 2025. Other details in handling treasury matters have been detailed in the notes to the financial statements. Further, more information related to treasury policies and management is disclosed in the Notes to the Financial Statements (Under Material Policy issues).

2.10.4 Resource Accountability Requirement

All of the University resources such as technical and financial, human resource are governed by the Public Finance Act, the Public Procurement Act, Budget Act and its Regulations, the University Financial Regulations; Policies and Procedures including the Accounting Manual, the Human Resource Procedures Manuals, Forest Management Plans and guidelines etc. Additionally, there are other tools like the Financing Agreements, project documents, work plans and budgets specific in managing of development partners funding. Further, there are Government guidelines and Standing Orders used for such a purpose.

In nutshell, the University operates under the principles of good governance where all matters are reported in through the University machineries in quarterly basis. Further, the University is being Audited by other external bodies including the Tanzania Commission for Universities (TCU) for accreditation purposes, the Tanzania Revenue Authority (TRA) in Tax compliances, the Public Procurement Regulatory Authority (PPRA) in procurement compliance issues, Office of Treasury Registrar (OTR) on governance matters and other fiduciary assessments and due diligences from donor and the annual audit of the consolidated financial statements done by Controller and Auditor General (CAG).

2.11 CASH FLOWS

2.11.1 The Basis of Cash Flow Projection

The University prepares its budgets in accordance with the Medium-Term Expenditure Framework (MTEF) which also includes preparation of cash flows for managing the inflows and outflows on a quarterly basis. The cash flow projection includes estimates of inflows and outflows from exchange and non-exchange transactions generated from operating, investing, and financing activities.

2.11.2 Cashflows from Operating Activities

Over the past five years, the Net Cashflows from operating activities have increased significantly from TZS 4.6 billion (2020/21) to TZS 13.8 billion (2024/25). The significant increase attributed by the increase of cash flow from revenue grants (Development partners). The trend of cashflows from operating activities are as shown in Table 4 below and the respective cash and cash equivalent covering accrued expenses for each year is shown under Table 4.

Table 4: Trend of net cashflows from operating activities for 2024/25

	2024/25	2023/24	2022/23	2021/22	2020/21
	`TZS	`TZS	TZS	TZS	TZS
	"000"	"000"	"000"	"000"	"000"
Receipts	47,295,503	71,346,870	35,579,923	45,419,266	32,026,902
Payments	33,495,930	33,539,307	27,457,865	44,198,168	27,411,066
Net Cash	13,799,573	37,807,563	8,122,058	1,221,098	4,615,836

Source: *ARU Audited Financial Statements*

2.11.3 Cashflows from Investing Activities

Over the past years the total cashflows from investing activities have increased from TZS 2.6 billion in 2020/21 to TZS 13.0 billion in 2024/25. The increase is directly related to the ongoing construction activities undertaken by HEET Project. The trend of investing activities is as shown under **Table 5.**

Table 5: The trend of cashflows from investing activities for 2024/25

	2024/25	2023/24	2022/23	2021/22	2020/21
	TZS	TZS	TZS	TZS	TZS
	"000"	"000"	"000"	"000"	"000"
Investing activities	13,008,648	15,334,219	1,862,437	1,308,747	2,690,685

Source: *ARU Audited Financial Statements*

2.11.4 Cash flows from Financing Activities

During the year under review, the University through ARU Built Environment Consulting Company paid a dividend of TZS 348,821,982.

2.11.5 The underutilization of the funds for HEET project

The University signed a contract in implementation of the HEET project. The project started its activities in financial year 2022/23. Majority of the activities are expected to be finalized on June 2026 and this will have a significant impact in both, the operating and investing cashflows.

2.11.6 Future plans on carry over budget

During the year under review, the University had a balance of funds in implementation of the pending commitments at the year end. The Management requested for approval in utilization of TZS 2.7 of which the same was granted by the Government to be used in the subsequent year. This amount will have a significant impact in both the operating and investing activities.

2.12 LIQUIDITY

2.12.1 Ability to fund the current and future operations

During the year under review, the University had total current assets of TZS 42.1 billion (2024: TZS 40.05 billion) and current liabilities of TZS 38.08 billion (2024: TZS 37.39 billion). Further, over the past five years the total current assets have increased from TZS 11.1 billion in 2020/21 to TZS 42.1 billion in financial year 2024/25 while the current liabilities have increased from TZS 8.1 billion in 2020/21 to TZS 38.0 billion in 2024/25. Further, over the past five years, the current; quick and cash ratios are at the average rate of 1.09:1, 1.08:1 and 0.97:1 respectively indicating a favourable ability of the current assets to cover the current liabilities over time.

The trend in both current assets and liabilities is as shown in **Table 6.**

Table 6: The trend in growth of current assets and current liabilities as at 30 June 2025

	2024/25	2023/24	2022/23	2021/22	2020/21
	TZS	TZS	TZS	TZS	TZS
	"000"	"000"	"000"	"000"	"000"
Current Assets					
Cash and Cash Equivalents	37,196,731	36,892,135	14,907,364	8,424,645	8,512,294
Inventories	324,726	211,106	221,380	171,482	426,545
Prepayments	39,968	40,000	40,914	284,665	165,588
Income Tax Receivable	17,592				
Receivables	4,527,717	2,913,770	3,243,556	2,176,918	3,319,328
Total Current Asset	42,106,734	40,057,011	18,413,214	11,057,710	12,423,755
Total Current Liabilities	38,042,913	37,392,077	15,136,860	8,140,884	12,102,959
Current Ratio	1.11	1.07	1.22	1.36	1.03
Quick Ratio	1.10	1.06	1.20	1.30	0.98
Cash Ratio	0.98	0.99	0.98	1.03	0.70

Further, during the year under review, the University computed three types of ratios to determine the ability of ARU to meets its quick emerging obligations. This includes the current ratio, the quick ratio and the cash ratio explained here under and its details referred to in **Table 6** above.

i. **The current ratio** which is a liquidity ratio that measures ARU ability to pay short-term obligations or those due within one year where;

Current Ratio equals = $\frac{\text{Current assets}}{\text{Current liabilities}}$

During the year under review, the University had the current ratio of 1.11:1 which is favorable; indicating that the University's current assets have the ability to cover the short-term obligations; and this has been constant over the past five years as shown in Table 6 above.

ii. **The quick ratio** is the measure of the University's capacity to pay its current liabilities without needing to sell its inventory or obtain additional financing where;

Quick Ratio equals = $\frac{\text{Current Assets-Inventory-Prepayments}}{\text{Current Liabilities}}$

During the year under review, the University had the quick ratio of 1.10:1 which is favorable; indicating that the University's current assets have the ability to cover the short term obligations without demanding for a sell off of additional assets or redeeming the repayment obligations; and this has been constant over the past five years as shown in Table 6 above.

iii. Cash Ratio

During the year under review, the University had the cash ratio of 1: 1 which is favorable. The most preferable is between 0.5 to 1. The cash ratio is derived by adding a university's total reserves of cash and near-cash securities and dividing that sum by its total current liabilities.

Cash Ratio equals = $\frac{\text{Cash and Cash Equivalent}}{\text{Current Liabilities}}$

The cash ratio is more conservative than other liquidity ratios because it only considers University's most liquid resources

2.12.2 Restrictions on ability to transfer funds

i. The University upholds budgeting principles of allocating funds to each individual activity in accordance with the approved budget. Transfers and virements are restricted except for approvals provided in the Financial Regulations and the Public Finance Act, 2006; and
ii. The University treats Development Partners' funds with Financing Agreements signed between ARU and Development Partners as restricted funds. Upon receipt, these funds are recorded as deferred income under conditions of the signed contracts or MoUs.

2.12.2.1 Loan Covenant

During the year under review, the University had no loan covenants with counterparts. However, ARU is in progress of registering its own company and also soliciting of more funding to expand its operations.

2.13 KEY PERFORMANCE INDICATORS (KPIs)

The overall goal of the 2nd Corporate Plan (CP) 2019/20 - 2029/30 is to provide focus for realization of the mission and vision. It is envisaged that significant movement towards the vision of the University in the period 2019/20 - 2029/30 will be achieved through the implementation of the following nine strategic objectives:

i) Improve health services, and prevent, treat and control HIV/AIDS, non -communicable diseases and other public health emergencies
ii) Implement National Anti - Corruption Strategy and Action Plan;
iii) Increase students' enrolment and improve quality of graduates;
iv) Increase the volume and quality of research, publications and innovations;
v) Enhance outreach, publicity, linkages and partnerships;
vi) Enhance financial mobilization, management and sustainability;
vii) Improve teaching, research and learning environment;
viii) Improve management and institutional governance; and
ix) Mainstream gender issues;

The CP is embedded with the key performance indicators (KPIs) of measuring implementation levels or status where during the year under review the University had an overall rating of its KPIs to the tune of 74% against the targeted plan.

The variance of 26% under the target was attributed by several factors including but not limited to the delayed receipt of funding in accomplishment of the Development Projects. The funds were received from the Higher Education Students Loans Board (HESLB) in May; and the activities proceeded from that time to the subsequent period. Furthermore, the variance was also attributed by delay in finalizing procurement process for securing contractor of ARU Sengerema campus.

2.13.1.1 Assumptions underlying the Key Performance Indicators

The major assumptions and risks in the implementation of the ARU Corporate Plan and related measure of performance are presented hereunder.

i) Availability of adequate human, financial and infrastructural resources to implement the planned activities;
ii) Stakeholders continue to support and respond effectively to the needs of 2nd Corporate Plan (CP) 2019/20 - 2029/30 during the implementation. This includes availing accurate information as per the implementation plan;
iii) Retention of competent and motivated staff for smooth implementation;
iv) Existence of an effective monitoring and evaluation system, which is accompanied by systematic and efficient information sharing mechanisms; and
v) Prevalence of peace and tranquility at the University.

2.13.1.2 Commentary on future targets

ARU Corporate Plan and related KPIs has taken into account the developments that are bound to influence the delivery of university education for the future. The strategic goals focus on the areas of quality of training and learning, student enrolment, research innovation and publications, public and outreach services, supportive infrastructures and services, financial capacity and sustainability, governance and quality assurance systems, cross-cutting issues, partnership, internationalization and branding.

2.13.1.3 Adjusted Information from the Financial Statements as part of the KPIs

During the year under review there were no information that was adjusted for inclusion in performance measurement rather it is hereby reported that some of the KPIs were rated 0 percent as shown under **Table 7** below. However, at the year end, the Management requested for a carryover budget in implementation of the activities in progress. The Government approved for the implementation of these activities in the subsequent year of 2025/26.

2.13.1.4 Changes in the KPIs and Related Calculations

Currently, there are no changes to KPIs and the calculation method used compared to previous financial years which also includes significant changes in the underlying accounting policies adopted in the financial statements. However, the University is now in progress for the mid review of the MTRSP; and upon completion the identified changes shall be incorporated and disclosed in the Financial Statements.

Table 7: Measurement of performance as per documented Key Performance Indicators (KPIs) during the year 2024/25

UNIVERSITY WIDE MTRSP IMPLEMENTATION PROGRESS REPORT FOR THE PERIOD OF JULY 2024-JUNE 2025					
KRA	TOTAL ACTIVITIES	IMPLEMENTED	PARTIALLY IMPLEMENTED	NOT IMPLEMENTED	% IMPLEMENTATION
	A	b	c	d	(b+0.5*c) /a*100%
KAR1	68	57	6	5	88%
KRA2	41	35	3	3	89%
KRA3	8	8	0	0	100%
KRA4	265	188	45	32	80%
KRA5	48	32	8	8	75%
TOTAL	**430**	**320**	**62**	**48**	**81%**

Source: ARU MTRSP Progress Report: June 2025

2.14 CORPORATE GOVERNANCE MATTERS

2.14.1 Membership of those Charged with Governance

The University Council is the highest organ of Ardhi University established as per Article 18 of the ARU Charter, 2007. The Council consists of a chairperson and thirteen members, all of them are Tanzania Nationals. Apart from the Secretary to the Council who is the Corporate Counsel; seven members are non-executive Directors and three are ex-officio members holding positions in the University and three are representing the staff and students at the University.

The Council is chaired by a member who has no executive function. The Council includes members from diverse disciplines and skills including economic, finance, quantity surveying, land surveying, town planning, and environment engineering, 69% of which are male and 31% female. The Council is confident that its members have the knowledge, talent, and experience to lead the University. The non-executive members are independent of management and exercise their independent judgment. With their depth of experience, they add value to Council deliberations. The areas of expertise of the members to the Council is as shown in the **Table 8 and 9.**

2.14.2 Secretary to the Council

The secretary to the Council is appointed as per ARU Charter 2007, as amended in 2023 for advising the Council on legal and corporate governance matters and ensuring that there is good information flow between the Council, its Committees and Management. All members of the Council and Management have access to his legal advice and services.

2.14.3 Briefing on Discussions Held

Ordinary meetings of the University Council are held quarterly in a year in accordance with the University charter and oversee the management activities. During the year under review, four meetings were held whereby various decisions including but not limited to the following were made:

i) Approved the revised guidelines for selecting appropriate journals for publishing articles.
ii) Approved the Progress Report on the Implementation of the University Medium Term Rolling Strategic Plan (MTRSP) for the period of 01 July 2024 to 30 June 2025.
iii) Approved Progress Report on the Implementation of the University Annual Procurement Plan for the period of 01 July 2024 to 30 September 2024 and from 01 October 2024 to 31 December 2024 and for the Period ended 30 June 2024.
iv) Approved the Draft University Annual Action Plan for implementation of ARU MTRSP for the financial year 2024/25
v) Approved the Draft Mid-Term Evaluation Report of the Implementation of ARU MTRSP 2020/21-2025/26
vi) Approved the Draft Mid-Term Revised MTRSP 2020/21-2025/26
vii) Approved the Proposed University Budget for the financial year 2025/26
viii) Approved the Evaluation Report of ABECC

ix) Approved the Draft ARU Gender Policy 2008
x) Approved the Management Letter of the Auditor on Financial Statements and Compliance Audit of Ardhi University for the Financial Year 30 June 2024.
xi) Approved the Chairperson of Council to Co-Sign the report with the Vice Chancellor.
xii) Approved the Ardhi University Annual Procurement Plan for the Financial Year 2024/25
xiii) Approved the Ardhi University Guidelines and Procedures for Recruitment and Assessment of Academic Staff performance 2024
xiv) Approved the report on Performance Evaluation of the ARU Dispensary and upgrading Proposal to Fully Equiped Dispensary (Phase I)
xv) Approved the Report from the
xvi) Approved the Report of the Internal Audit for the period of 01 Jan 2024 to 30 March 2024 01 April 2024 to 30 June 2024
xvii) Approved the Strategic Internal Audit Plan for the year 2024/25 and 2026/27
xviii) Approved the Annual Internal Audit Work Plan for the Year 2024/25
xix) Approved
xx) Approved the Report from the 42nd, 43rd, 44th and 45th University Funding and Promotion Committee meeting.
xxi) Approved the Appointment of the members of Various Committee of the Council
xxii) Approved the Institutional Self-Assessment Report (ISAR) for Reaccreditation of Ardhi University.
xxiii) Approved the Income and Expenditure Report for the period ended 30 June 204, 31 September 2024 and from 01 October to 30 December 2024.
xxiv) Approved the Revised Communication and Marketing Policy (2025)
xxv) Approved the Report on the Estate matters for the Period Ended 31 December 2024
xxvi) Approved the Proposed Human Resources Planning for ARU 2024/25-2028/29
xxvii) Approved the Renewed Guidelines and Format for Settling Written Examination Paper
xxviii) Approved the University for 2024/25 Academic Year.
xxix) Approved the Draft Document for Establishment and Operationalization of ARU Mwanza Campus
xxx) Approved the Draft Document for Establishment of ARU Dodoma Regional Training Center (RTC)
xxxi) Approved the Guidelines on Staff Attachment and Training Industry
xxxii) Approve the Report of the Draft Consolidate Financial Statements for the Period ended 30 June 2024.
xxxiii) Approved the Overall Audit Strategy for the Financial Year ended 30 June 2024
xxxiv) Approved the Report on Internal Audit on Risk Assurance Report for the Period ended 30 June 2024
xxxv) Approved the Guidelines for Handling Students with Special Learning Needs
xxxvi) Approved Recommendation for Promotion of ARU Staff from Associate to Professor and from Senior Lecturer to Associate Professor.

All matters deliberated in the Council meetings are brought up by the University Management led by the Vice Chancellor. The Vice Chancellor of the University reports to the Council and enjoys all executive powers. He is assisted by two Deputy Vice Chancellors (One for Academic matters and the other for Administration and Finance); and senior management officers in the day-to-day operations of the University.

Senior Management staff is invited to attend Council meetings and facilitate the effective control of all the University's operational activities, acting as a medium of communication and coordination between various business units. The members of the University Council are as shown in **Tables 8.**

Table 8: List of members of the University Council who served the University for the year 2024/25 from July 2024 to December 2024

S/N	Name	Position	Age	Discipline	Nationality	Tenure	Date of Appointment
1	Amb. Salome Sijaona	Chairperson	76	Economist	Tanzanian	Three Periods	December 2021
2	Mr. Atupele Mwambene	Member	47	Economist	Tanzanian	Three Periods	December 2021
3	Dr. Natu Mwamba	Member	65	Economist	Tanzanian	Two Periods	January 2023
4	Ms. Happiness Kibinga	Member	39	Accountant	Tanzanian	Three Periods	December 2021
5	Dr. Medard Mushumbusi	Member	70	Quantity Surveyor	Tanzanian	Two Periods	December 2021
6	Prof. William L. Anangisye	Member	63	Educationist	Tanzanian	Three Periods	December 2021
7	Mr. Innocent Alex	Member	24	Student	Tanzanian	One Period	May.2023
8	Mr. Prosper Sangawe	Member	42	Janitor	Tanzanian	Three Periods	December 2021
9	Mr. Zidi M. Makame	Member	46	Architect	Tanzanian	Three Periods	December 2021
10	Prof. EvaristoLiwa	V.C.& Member	66	Surveyor	Tanzanian	Three Periods	December 2021
11	Dr. Fredrick M. Salukele	Member	51	Environmental Eng.	Tanzanian	Three Periods	December 2021
12	Mr. Edward Ruhinda	Member	44	Environmental Eng.	Tanzanian	Three periods	December 2021
13	Dr. Shubira Kalugira	Member	50	Architect	Tanzanian	Three Periods	December 2021

Source: *Council Members' profiles 2024/25*

Table 9: List of members of the University Council who served the University for the year 2024/25 from January 2025 to June 2025

S/N	Name	Position	Age	Discipline	Nationality	Tenure	Date of Appointment
1	Amb. Salome Sijaona	Chairperson	76	Economist	Tanzanian	Three Periods	January 2025
2	Prof. Raphael Chibunda	Member	59	Veterinary Medicine	Tanzanian	Three Periods	January 2025
3	Dr.Mahmoud Abdulwahab Alawi	Member	41	ICT	Tanzanian	Three Periods	January 2025
4	Prof.Peter Msofe	Member	58	Veterinary Medicine	Tanzanian	Three Periods	January 2025
5	Prof. Huba Mary Nguluma	Member	65	Architect	Tanzanian	Three Periods	January 2025
6	Mr. Justine Michael Maji	Member	24	Student	Tanzanian	Three Periods	January 2025
7	Ms. Christina Nicholaus Mshana	Member	58	Surveyor	Tanzanian	Three Periods	January 2025

8	Dr. Leonald S. Leopord	Member	44	Environmental Eng.	Tanzanian	Three Periods	January 2025
9	Prof. Evaristo Liwa	V.C.& Member	66	Surveyor	Tanzanian	Three Periods	January 2025
10	Dr. Treza Mtenga	Member	47	Economist	Tanzanian	Three Periods	January 2025
11	Khadija B. Ally	Member	31	Engineer	Tanzanian	Three Periods	January 2025
12	Dr. Shubira Kalugira	Member	50	Architect	Tanzanian	Three Periods	January 2025

Source: Council Members' profiles 2024/25

2.14.4 University Management

The Management of the University is headed by the Vice Chancellor who is assisted by two Deputy Vice Chancellors (One for Academic matters and the other for Administration and Finance). Apart from that there are Deans, Directors and Heads of units. The University Management are required to report to the University Council on all affairs of the University in quarterly basis and as and when where necessary there are significant matters requiring the attention of the Council.

2.14.5 Council Remunerations

The Council expenses which also include statutory payment to key management personnel during the year are as disclosed under Note 27 to the Financial Statements.

2.14.6 Fiduciary Responsibility

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

2.14.7 Code of Corporate Practice and Conduct

Ardhi University is committed to the principles of effective Corporate Governance and the council is of the opinion that the University currently complies with principles of good Corporate Governance. This is attained through an emphasis of highest standards of corporate governance.

2.14.8 Flexibility towards Change

The current organizational structure is flexible and accommodates changes from internal as well as external environment. Moreover, the University periodically reviews its rules and regulations with a view to ensuring the best performance of the academy. The University adheres to the global standards and practices of good corporate governance. The Councillors continue to strengthen the good governance system by reviewing various performance reports and approving policies and guidelines with the aim of enhancing good governance.

2.14.9 Business ethics and organizational integrity

The University's Code of Conduct commits it to the highest standards of integrity, conduct and ethics in its dealings with all parties concerned, including its Principal, Directors, managers, employees, customers, suppliers, competitors, investors, and the public in general. The management and staff are expected to fulfil their ethical obligations in such a way that the business is run strictly according to laid out policies and procedures.

2.14.10 Performance evaluation and reward

The University ensures that Tanzanian Government Scale related salaries are paid, and related trends are followed in terms of changes in benefits, while at the same time considering the intrinsic value of individual contributions. Details of the remuneration paid to key management staff are disclosed in Note 27 to the financial statements.

2.14.11 Anti-Corruption

In conducting its activities, ARU maintains transparency and observes the principles of good governance. In this respect, the University has established an Ethics Committee and Code of Ethics dealing with mitigation of unethical issues.

2.14.12 University Council Members' Interests

The University is a public body under the supervision and control of the University Council. During the year 2024/25, none of the members of the University Council had interest or transactions with the University except those reported under note 27 of these financial statements.

2.14.13 Related Party Transactions

All related party transactions and balances are disclosed in note 27 of the financial statements.

2.15 Details of Particular Matters

2.15.1 Implementation of the Higher Education for Economic Transformation (HEET) Project

ARU is immensely proud to be a central participant in the HEET project, a forward-thinking initiative formed in collaboration with the Government of Tanzania and the World Bank.

The HEET project became effective on 13 September 2021, and its implementation began during the year 2022/23.

This notable five-year initiative, is valued at USD 425 million equivalent to TZS 972 billion, is set to transform the higher education landscape in our country out of which ARU has been allocated a significant USD 29 million equivalent to TZS 67.7 billion for various progressive initiatives.

These funds are designated to accelerate the development of new infrastructure, refurbish existing facilities, update curricula to meet industry standards, procure advanced equipment, enhance income-generation strategies, improve ICT facilities, foster capacity building in e-learning and innovative teaching methods, establish robust ties with the private sector and industry, and facilitate the professional development of academic staff and university leadership.

The objectives of the HEET project align seamlessly with Six-Year Medium Term Rolling Strategic Plan (MTRSP) 2020/21-2025/26. Challenges faced include insufficient infrastructure and skill gaps. However, the support from the HEET project is a significant step in the right direction to address these issues.

The project aims to improve the educational environment and align curriculum with labour market demands, producing graduates fit for current and future job markets. It's essential for Tanzania's higher education to evolve, meeting both local and global needs, to transition its economy towards a middle-income and industrialized base, consistent with Vision 2025.

The project's execution at ARU is organized under the University Strategic Investment Plan (USIP). It is divided into seven core components, each serving as a significant milestone:

i. Development and renovation of sustainable infrastructure, like lecture studios, workshops, classrooms and labs;
ii. Curriculum overhaul with an introduction to innovative teaching methods and an emphasis on climate change;
iii. Promotion of applied research and innovation;
iv. Strengthening ties with the industrial and private sectors;
v. Modernization and expansion of the ICT infrastructure and related services;
vi. Initiatives to enhance self-sustaining income sources; and
vii. Professional development for staff capacity building and leadership.

2.15.2 The Environmental Matters

The University Master Plan 2018-2028, indicates that, the University activities have been expanding since establishment. Further, the Six-Year Medium Term Rolling Strategic Plan (MTRSP) 2020/21-2025/26 indicates that, the ARU operations including training, research and consultancy activities has increased significantly. For instance, as of now ARU has more than 6,000 students compared to 1,000 students in financial year 2001/02, currently served by 548 staff (2001: 100). This increase is also reflected in all associated activities.

Despite an increase in the size, ARU has been a major pioneer in protection of the environment by adhering to the required environment safety standards issued by Regulatory bodies including the National Environmental Management Council (NEMC). All major constructions and infrastructural developments are done after doing the environmental impact assessments and obtaining of the clearance certificates from NEMC.

The University has a Department of Environment Science and Management which deals with preservation, transmission, dissemination, and enhancement of knowledge in the field of environment science and Management.

2.15.3 Entities with Contractual or Other Arrangements

The University has several entities with both contractual and other arrangements the institution. This includes the Government and Private Sector ranging from regulatory authorities to service providing institutions. Some of the institutions are as follows: -

i. The Tanzania Commission for Universities which is a regulatory Authority responsible for Quality Assurance and accreditation of the University established under the Universities Act, 2005

ii. The National Environmental Management Council responsible for setting and overseeing of the environmental safety standards established under the NEMC Act, 2004

iii. Other Government entities such as the Tanzania National Electric Company (TANESCO) which feeds the University with electricity within the campuses, Dar es salaam Water Supply and Sanitation Authority (DAWASA) which feeds and regulate the University in water usage, The Public Procurement Regulatory Authority overseeing the Procurement Act, Tanzania Electrical, Mechanical and Electronics Services Agency (TEMESA), The Tanzania Postal Services; Other Government Universities and higher learning institutions, SUMA JKT, Tanzania Telecommunication Company Ltd (TTCL), Tanzania Education Authority, Tanzania Revenue Authority etc.

iv. Also, the University has subscribed to other regional and international bodies such as the Inter University Council of East Africa; and

v. The University is working closely with the Development partners under the collaboration in research projects, this includes but not limited to the World Bank-IDA, stakeholders under the USAID, Belgium International Cooperation Agency (VRIL), Germany International Cooperation Agency (GIZ); European Union etc.

2.15.4 Receipts from, and returns to, primary users of the entity

The University has a major role of training, research and consultancy. This is in accordance with the Six-Year Medium Term Rolling Strategic Plan (MTRSP) 2020/21-2025/26. ARU offers the undergraduate, postgraduate, non-degree program and short courses where in turn the students and the community pay a minimal fee to assist in running of the courses. The University receives a major support from the Government in retaining of employees, construction of infrastructure and procurement of equipment necessary for running of its programs. The Government also acts as the regulatory oversight through its bodies in ensuring that all activities are done in accordance with the required standards.

Further, the University has been working with development partners under the Memorandum (s) of Understanding in running of the research projects and programs. These funders have been offering support in terms of finances, equipment and technical expertise where applicable.

Over a number of years ARU has succeeded to produce quality graduates prevailing in the areas of land and built environment countrywide and internationally. Further, the researches done has produced massive publications and technologies used by the society and other researchers.

2.15.5 Effectiveness and efficiency in utilization of resources

The University adheres to the principles of good governance as detailed in the National Framework of Good Governance, 2009 which also states the traits of Transparency, Integrity and Accountability. ARU has systems in place responsible for measurement of auditable performance. This revolves around establishment of sound internal controls by observing the Regulations and Policies, regular reporting under this case quarterly, a continuous review of systems done by both the internal and external audits. Finally, the reporting structure ends up to submitting of the reports to Government and other stakeholders; Development Partners inclusive.

2.15.6 Social and Community Issues

The University has constantly been engaging in community issues where during the year under review conducted various outreach services to the local communities as an initiative to go against environmental pollutions. Further, University has Environment Engineering Laboratory accessible by the surrounding communities across the year. The other services and facilities like training grounds (football and basketball court) are also available and accessible by the community demanding such services.

2.15.7 Prolonged Effect of Covid-19 Pandemic and Its Impact

Ardhi University as part of the community was largely affected by Covid-19 pandemic. Most of the activities including training and research were delayed and had to be rescheduled in order that the core objectives could be attained. This also included a downward trend in receipt of Development Partners funding where some of the funders scaled down their operations. Further, even some internal programs such as research activities across the country and abroad had to be rescheduled. Some of the projects such as the capacity building STEM-ID project funded by Sida had students performing research in Tanzania and Sweden. These students' works had to be delayed to date due to effects of this pandemic disease.

2.15.8 The effect of War in Ukraine

The University experienced the negative effects of the Ukrainian war. The war in Ukraine was a "massive and historic energy shock" to the markets, according to a November 2022 report by the OECD. The "shock" of the war was one of the main factors that had slowed economic growth in 2023/24 and more negative effects were expected in financial year 2024/25.

The University budget suffered negatively due to the abrupt rise of the input prices such as fuel, agricultural implements such as fertilizers and seeds etc. Also some of the development partners from the European Union block such as Sida scaled down their operations (budgets) in support of operations to third world countries. The STEM-ID program phase VI was among of the projects which were affected with such a decision.

The University has continued to set aside internally generated funds to boost the research activities and minimize the impact.

2.15.9 Ownership

Ardhi University is wholly owned by the Government of the United Republic of Tanzania.

2.15.10 Committees Charged with Governance

The University Council has six (6) committees which assist in discharging its functions and responsibilities effectively. Operations of each committee are defined in the Terms of

Reference approved by the Council. To adequately interrogate issued presented by the Management, the Council had constituted the following committees:

1. Planning and Finance Committee;
2. The University Senate;
3. Appointment and Human Resource Committees;
4. Student's Affairs Committee;
5. Audit Committee; and
6. University Funding and Promotion Committee

(i) Planning and Finance Committee

The Planning and Finance Committee monitors the financial performance of the University and its associated legal entities if any. It considers financial policies and issues and makes recommendations to the Council on these matters having regard to the importance of financial sustainability.

It also considers and evaluates quarterly financial progress reports, financial statements and budgets of the University and other related financial issues and makes recommendations to the Council thereon. The Committee is chaired by Chairperson of the Council and normally meets four times a year.

During the year under review, the Committee deliberated and forwarded to the Council, the matters including but not limited to the following: -

i) Minutes and Matters arising from the Minutes of PFC meetings
ii) Progress Report on the Implementation of the University Medium Term Rolling Strategic Plan (MTRSP) for the period of 1 July 2023 to 30 June 2024;
iii) Progress report on the implementation of the 2023/24 University Annual Procurement Plan for the period of 1 July 2023 to 30 June 2024;
iv) Income and Expenditure Report for the period ended on 30 June 2024
v) Matters from ABECC Board;
vi) Draft Document for Establishment and Operationalization of ARU-Mwanza Campus;
vii) Proposal for Establishment of the Dodoma Training Centre;
viii) Guidelines on Staff Attachment and Training in Industry;
ix) Progress Report on the Implementation of Estates Service for the period 1 July 2023 to 30 June 2024
x) Progress Report on the Implementation of the University Medium Term Rolling Strategic Plan (MTRSP) for the period of 1 July 2024 to 30 September 2024;
xi) Progress report on the implementation of the 2024/25 University Annual Procurement Plan for the period of 1 July 2024 to 30 September 2024;
xii) Income and Expenditure Report for the period 1 July 2024 to 30 September 2024;
xiii) Draft Communication and Marketing Policy;

xvi) Progress Report on the Implementation of Estates Service for the period 1 July 2024 to 30 September 2024;

xv) Proposed University Budget for the Financial Year 2025/26

xvi) Progress report on the implementation of the University MTRSP for the period 1 October 2024 to 31 December 2024

xvii) Progress report on the Implementation of the 2024/25 University Procurement Plan for the period 1 October 2024 to 31 December 2024

xviii) Income and Expenditure report of the University for the period 1 October 2024 to 31 December 2024

xix) Proposal for Setting up Units for Coordination of Innovation, Community Outreach, Public Service Provision at Ardhi University

xx) Institutional Self-Assessment Report for Reaccreditation of Ardhi University

xxi) Progress Report on the Implementation of the University Medium Term Rolling Strategic Plan (MTRSP) for the period of 1 January 2025 to 31 March 2025;

xxii) Progress report on the implementation of the 2023/24 University Procurement Plan for the period of 1 January 2025 to 31 March 2025;

xxiii) Income and Expenditure Report for the period of 1 January 2025 to 31 March 2025;

xxiv) Action Plan for the implementation of the ARU MTRSP in the financial year 2025/26;

xxv) University Annual Procurement Plan for the financial year 2025/26;

xxvi) Proposed University Management Committees and Boards Functions and Composition;

xxvii) Progress Report on the Implementation of Estates Service for the period 1 January 2025 to 31 March 2025;

xxviii) University Budget Recast for financial year 2025/26.

Table 10: List of members of the Planning and Finance Committee meetings for the year 2024/25

S/N	Name	Position	Discipline
1.	Amb. Salome Sijaona	Chairperson	Economist
2.	Prof. Evaristo Liwa	Member	Surveyor
3.	Prof. Peter Msofe	Member	Veterinary Medicine
4.	Prof. Raphael Chibunda	Member	Environmental Technologist
5.	Prof. Huba Nguluma	Member	Architect
6.	Ms. Christina N. Mshana	Member	Surveyor
7.	Dr. Mahmoud A. Awali	Member	ICT
8.	Ms. Magreth Mduma	Member	Student
9.	Dr. Treza Mtenga	Member	Economist
10.	Ms. Esther. R. Meiludie	Secretary	Lawyer

Source: Planning and Finance Committee Records 2024/25

(ii) The University Senate

The ARU Charter, 2007 provides that, "there shall be a Senate for the University which shall, subject to the powers of the Council as provided in the Act, the Regulations made thereunder, this Charter and the Rules contained in the First Schedule hereto, be the principal overall decision-making organ in respect of all academic matters of the University and be responsible for the academic work of the University both in teaching, research and consultancy and for the regulation and superintendence of the education of the students of the University".

During the year under review, the University Senate deliberated on the matters including but not limited to the following:

Table 11: Senate deliberations during the period July 2024 to June 2025

S/n	Senate Meeting	Deliberation
1.	107th Special meeting held on 26 August 2024	1. Approved selected applicants with direct and equivalent entry qualifications for admission into various undergraduate programmes for 2024/25 academic year.
	108th Regular meeting held on 10 September 2024	1. Approved undergraduate and postgraduate examination results for 2023/24 academic year 2. Endorsed Almanac for 2023/24 3. Approved revised specific entry requirements for Postgraduate programmes. 4. Endorsed the APC Publishing Guidelines 5. Approved Market Survey and Needs Assessment Report and curriculum proposed Master of Business Administration. 6. Endorsed on a review of Guidelines and format for setting written University examination papers.
3.	109th Special Meeting held on 01 October 2024	1. Approved Appeals against examination results for 2023/24 Academic year. 2. Approved recommendations from Examination Irregularity Committees (EICs) on examinations irregularity cases committed during Semester II of 2023/24 academic year.
4.	110th Special Meeting held on 06 November 2024	1. Approved Undergraduate and Postgraduate Supplementary/Special examination results for 2023/24 Academic year. 2. Approved academic prizes for 2023/24 academic year.
5.	111th Regular Meeting held on 12 March 2025	1. Approved eleven (11) Market Surveys and Needs Assessment reports; two (2) Tracer Study reports and curricula of the following new Undergraduate programmes, i) Diploma in Land Use Planning and Conflict Management (Dip. LUPCM); ii) Diploma in Quantity Surveying (DIPQS); iii) Diploma in Architectural Technology (DIPAT); iv) Diploma in Land Management with Information Systems (DLMIS); v) Diploma in Integrated Water and Environmental Resources Engineering (IWERE); vi) BSc in Data Science and Artificial Intelligence (BSc. DS&AI); vii) BSc in Geospatial Information and Communication Technology (BSc. GeoICT); viii) BSc in Hydrographic and Oceanographic Services (BSc. HOS); ix) BSc. in Construction Procurement and Logistics (BSc. CPL) x) BSc in Hydrology and Water Resources Engineering (BSc. HWRE); and xi) BSc. in Integrated water Resource and Environmental Resources Engineering (IWERE) xii) BSc in Building Survey and Construction Maintenance (BSc. BSCM); and xiii) BSc in Construction Management. (BSc.CM)

6.	112th Special Meeting held on 28 March 2025	1. Endorsed Institutional Self - Assessment for Reaccreditation of Ardhi University 2. Endorsed Management recommendations on names recommended for appointment of School Deans and Director of Institute of Human Settlements Studies (IHSS).
7.	113th Regular Meeting held on 29 April 2025	1. Approved the Curriculum for BSc in Informatics with Education (BSc IE) 2. Approved review of Guidelines and Format for Setting examination papers for taught courses 3. Approved Report on assessment and recommended editorial Board members for JBSED: 4. Approved Revised Guidelines for Selecting Appropriate Journals for Publishing Articles: 5. Approved Curricula for MBA and MBA (Finance) programmes: 6. Approved recommendations on students who neither paid fees nor registered during Semester II of 2023/24 7. Approved proposed names of editorial boards for book publishing and the Journal of Building and Land Development (JBLD) 8. Approved progress report of donor funded Projects for the fourth quarter from Schools 9. Approved report of the search committees for the appointments of Director of Undergraduate and Managing Director of Ardhi University Built Environment Consulting Company for Triennium 2024-2027.
8.	114th Special Meeting held on 05 June 2025	1. Approved Market Survey and Needs Assessment report for Bachelor of Entrepreneurship and innovation with information technology (BEIIT) 2. Approved Curriculum for Bachelor Of Entrepreneurship and Innovation with Information Technology (BEIIT) 3. Endorsed New Undergraduate Curricular From SERBI which are i)Diploma in Accounting with Information Technology, ii) Diploma in Banking and Financial Technology, iii) Diploma in Finance and Brokerage Services, iv) Bachelor of Banking and Insurance Management, v) BSc. in Accounting and Taxation. 5. Approved comments and recommendations from External Examiners reports for 2023/24 academic year from SERBI and School of Spatial Planning and Social Sciences (SSPSS) 6. Endorsed proposed Review of General University Examination Regulation (GUER 5.5) on The Undergraduate Students Grading System and undergraduate General Examination Regulation Regulation (GUER 18) on maximum number of allowable carryover courses.

The members of the senate meetings are as shown in **Tables** below:

Table 12: The Senate Committee Members who served during the year 2024/25

S/N	Name	Position	Age	Discipline	Nationality	Tenure	Number of Meetings Attended	
							Regular	Special
1.	Prof. Evaristo Liwa	Chairperson	67	Surveyor	Tanzanian	Three periods	2	6
2.	Prof. John Lupala	Member	66	Planner	Tanzanian	Three periods	1	4
3.	Prof. Ally Namangaya	Member	53	Planner	Tanzanian	Three periods	1	6

S/N	Name	Position	Age	Discipline	Nationality	Tenure	Number of Meetings Attended	
							Regular	Special
4.	Prof. Yohana Mashalla	Member	76	Medical Doctor	Tanzanian	Three periods	1	4
5.	Prof. Maulilio Kipanyula	Member			Tanzanian	Three periods	-	-
6.	Dr. Medard.Z Mushumbusi	Member	70	Quantity surveyor	Tanzanian	Three periods	1	-
7.	Prof. Huba Nguluma	Member	65	Architect	Tanzanian	Three periods	1	
8.	Prof. Peter Msoffe	Member			Tanzanian	Three periods	-	-
9.	Prof. Charles Lucian	Member	62	Valuer	Tanzanian	Three periods	-	2
10.	Dr. Daniel Msangi	Member	55	Planner	Tanzanian	Three periods	2	5
11.	Dr. Makarius Mdemu	Member	55	Engineer	Tanzanian	Three periods	1	4
12.	Dr. Yassin Senkondo	Member	54	Agric Scientist	Tanzanian	Three periods	1	4
13.	Dr. Shubira Kalugila	Member	52	Architect	Tanzanian	Three periods	1	7
14.	Dr. Sarah Phoya	Member	52	Surveyor	Tanzanian	Three periods	1	3
15.	Dr.Guido A. Uhingo	Member	56	Computer Scientist	Tanzanian	Three periods	1	2
16.	Dr. Dawah Maghembe	Member	55	Planner	Tanzanian	Three periods	2	5
17.	Dr. Shedrack M. Sabai	Member	50	Environmental Eng.	Tanzanian	Three periods	2	6
18.	Prof. Anesi Mahenge	Member	50	Environmental Eng.	Tanzanian	Three periods	1	2
19.	Dr. Beatrice Tarimo	Member	47	Geomatician	Tanzanian	Three periods	-	2
20.	Dr. Dorothea Deus	Member	46	Surveyor	Tanzanian	Three periods	1	4
21.	Dr. Stalin Mkumbo	Member	56	Engineer	Tanzanian	Three periods	2	4
22.	Dr. Given Mhina	Member	43	Engineer	Tanzania	Three Periods	1	2
23.	Dr. Leopord Sibomana	Member	45	Engineer	Tanzania	Three periods	1	
24.	Dr. Sophia Kongela	Member	51	Valuer	Tanzanian	Three periods	1	2
25.	Dr. Fredrick Magina	Member	48	Planner	Tanzanian	Three periods	-	1
26.	Dr. Yohanes Kachenje	Member	58	Research fellow	Tanzanian	Three periods	2	6
27.	Mr. Justine M. Maji	Member	26	Student	Tanzanian	One period	1	3
28.	Mr. Gega Possiano	Member	25	Student	Tanzanian	One period	1	4
29.	Magreth Mduma	Member	24	Student	Tanzanian	One period	1	4

S/N	Name	Position	Age	Discipline	Nationality	Tenure	Number of Meetings Attended	
							Regular	Special
30.	Ms. Mwajuma Mshana	Member	27	Student	Tanzanian	One period	1	4
31.	Mr. Abubakari Mmango	Member	25	Student	Tanzanian	One period	1	3
32.	Ms.Christina Mshana	Member	58	Valuer	Tanzanian	Three periods	1	1
33.	Ms. Esther Meiludie	Member	47	Lawyer	Tanzanian	Three periods	2	4
34.	Dr. Aristide. Lambura	Member	45	Mathematician	Tanzanian	Three periods	1	4
35.	Dr. Samwel Alananga	Member	50	Valuer	Tanzanian	Three periods	1	2
36.	Mrs. Emma Mwangomango	Secretary	51	Administrator	Tanzanian	Three periods	2	5
37.	Mr. Prosper Sangawe	Member	43	Janitor	Tanzanian	Three periods	1	2
38.	Dr. Nicholous Mwageni	Member	42	Environmental Scientist	Tanzanian	Three periods	2	1
39.	Dr. Modest Maurus	Member	53	Architect	Tanzanian	Three periods	1	2
40.	Dr. Emmanuel Mchome	Member	57	Planner	Tanzanian	Three periods	1	5
41.	Dr. Elitruder Makupa	Member	45	Valuer	Tanzanian	Three periods	1	2
42.	Dr. Luitfred Kissoly	Member	44	Development Economist	Tanzanian	Three periods	1	2
43.	Dr. Fortunatus Bahendwa	Member	57	Architect	Tanzanian	Three periods	1	2
44.	Dr. Ephraem E.Silayo	Member	54	Librarian	Tanzanian	Three periods	-	2
45.	Dr. Agness Mwasumbi	Member	63	Valuer	Tanzanian	Three periods	-	4
46.	Dr. Kimata Malekela	Member	49	Quantity surveyor	Tanzanian	Three periods	-	4
47.	Dr. Nelly Babere	Member	48	Planner	Tanzanian	Three periods	1	4
48.	Dr. Frank J Wambura	Member	41	Planner	Tanzanian	Three periods	-	4
49.	Dr. Godfrey Ayubu	Member	52	Architect	Tanzanian	Three periods	-	1
50.	Dr. Regina John	Member	49	Planner	Tanzanian	Three periods	1	1
51.	Dr. Eunice Likotiko	Member	35	Data Scientist	Tanzanian	Three periods	2	1
52.	Dt. Atupelye Komba	Member	33	Surveyor	Tanzanian	Three periods	-	2
53.	Dr. Joseph Mbowe	Member	50	Computer Scientist	Tanzanian	One period	-	
54.	Manawa M Sinda	Member	54	Counselor	Tanzanian	One period	1	2

S/N	Name	Position	Age	Discipline	Nationality	Tenure	Number of Meetings Attended	
							Regular	Special
55.	Chotta, Vanesa Amon	Member	21	student	Tanzanian	One period	-	1
56.	Mwacha, Neema M	Member	22	student	Tanzanian	One period	-	1
57.	Mwandilawa, Beatrice B	Member	25	student	Tanzanian	One period	-	1
58.	Maganya, O Liberatus	Member	23	student	Tanzanian	One period	-	1
59.	Simon K Lusendamila	Member	26	student	Tanzanian	One period	-	1

Source: Senate Committee Records 2024/25

(iii) Students' Affairs Committee

The committee is responsible for overseeing students' affairs and it is required to meet four times in a year. During the year under review, the committee met 4 times in deliberation of student matters.

The matters discussed included but not limited to the following: -

i. The students teaching and learning environment;
ii. The participation of students in various University programs;
iii. The reports on students counselling and health matters;
iv. Discussions on integrity and ethical issues tabled for
v. The assessment of student's accommodation in and outside campuses; and
vi. Other challenges including but not limited to gender mainstreaming.

The list of members of the committee is as shown in **Table 13.**

Table 13: The Students Affairs Committee Members who served during the year 2024/25

S/N	Name	Position	Discipline
1.	Prof. Raphael Chibunda	Chairman	Environmental Technologist
2.	Mr. Manawa Sinda	Member	Psychologist
3.	Mr. Prosper Sangawe	Member	Administrator
4.	Prof. Ally Namangaya	Member	Planner
5.	Mr. Aron Ngwesa	Member	Student
6.	Justin Maji	Member	Student
7.	Abdul Abdilah	Member	Student
8.	Dr. Regina John	Member	Planner
9.	Ms. Esther R. Meiludie	Secretary	Lawyer

Source: Students Affairs Committee Records 2024/25

(iv) Audit Committee

The Audit Committee provides oversight of the financial reporting process, the audit process, the system of internal controls and compliances with laws and regulations. The Committee is chaired by member of the University Council and normally meets four times in a year.

During the year under review, the Audit Committee had deliberations on matters including but not limited to the following: -

a) Confirmation of the Minutes and Matters Arising
b) Plan for Audit and Audit Fees;
c) Draft Consolidated Financial Statements for the period ended 30 June 2024;
d) Report of Internal Audit for the period of 1 April 2024 to 30 June 2024;
e) Revised Audit Committee Charter and Work Plan;
f) Risk Assurance Report
g) The External Audit Report on the University Audited Accounts for the year ended 30 June 2025
h) Report of the Internal Audit for the period of 1 January 2025 to 31 March 2025;
i) Revised Annual Audit Plan for the year 2025/26 and;
j) Internal Audit Annual Work Plan for the year 2025/26

Table 14: Audit Committee Members serve the period 2024/25

S/N	Name	Position	Discipline
1.	Dr. Mahmoud A. Alawi	Chairperson	ICT
2	CPA Peace Lumelezi	Member	Accounting and Finance
3.	CPA Alexander John	Member	Fellow Accountant
4.	CPA Leticia Nchwali	Member	Fellow Accountant
5.	Mr. Martin Warioba	Member	ICT
6.	CPA.Peter Mbelwa	Member	Fellow Accountant
7.	Ms. Esther R. Meiludie	Secretary	Lawyer

***Source:** Audit Committee records 2024/25*

(v) Human Resource Committee

The Human Resource Committee provide oversight of all human resource matters including employee's benefits and oversee compliance with laws and regulations and evaluate good governance The Committees are chaired by the Vice Chancellor and normally meet four times in a year.

Deliberations from the AHRMC For the year 2024/25

i) Minutes and Matters Arising from Minutes of the AHRMC meetings
ii) Matters Approved by Chairman on behalf of AHRMC;
iii) Recommendations for Confirmation in a Transferred Post;
iv) Academic Staff Review for the year 2023/24;
v) Administrative and Technical Staff Review for the year 2023/24;
vi) Turnover Analysis;
vii) Recommendations for Confirmation in Employment;
viii) Recommendation for confirmation in Promotion
ix) Academic Staff Review for the year 2023/24;
x) Recommendation for Recategorization of Academic and Administrative Staff
xi) Recommendation for Recategorization of Academic and Administrative Staff
xii) Matters from Staff Training and Development Committee (STDC)
xiii) Academic, Administrative and Technical Staff Review for the year 2023/24

xiv) Human Resource Planning for Ardhi University 2024/25-2028/29 and;
xiv) Recommendation for post adjustment for academic staff,
xv) Recommendation for confirmation in employment,
xvi) Recommendation for confirmation of promotion,
xvii) Matters from staff training and development committee

During the year under review, the committee in quarterly progress reviewed and recommended on matters including but not limited hire, fire and/or proposal of disciplinary actions, training and promotion of the University staff. Also assessed the staff working environment and manning levels for each unit of the University. The list of members of the committee is as shown in **Table** below.

Table 15: Members of Human Resource Committee who served the committee for the year 2024/25

S/N	Name	Position	Discipline
1.	Prof. Evaristo Liwa	Chairperson	Surveyor
2.	Mr. Prof. Peter Msofe	Member	Veterinary Medicine
3.	Dr. Mahmoud A. Awali	Member	ICT
4.	Dr. Leonald S. Leopord	Member	Environmental Eng.
5.	Ms. Christina N. Mshana	Member	Surveyor
6.	Ms. Esther. R. Meiludie	Secretary	Lawyer

Source: The Human Resource Committee records 2024/25

(vi) University Funding and Promotion Committee

The University Funding and Planning Promotion Committee monitors the investments of the University and its associated funding sources if any. It considers financial policies and issues and makes recommendations to the Council on these matters having regard to the importance of financial sustainability.

The Committee is chaired by The Deputy Chairperson of the Council and normally meets four times a year. During the year under review, the Committee met four times deliberated and forwarded to the Council, the matters including but not limited to the following: -

Deliberations from the UFPC For the year 2024/25

i) Report on collection of rental fees, utility charges and commission from ARU Insurance Agency for the period 1 April 2024 to 30 June 2024 and 1 July 2023 to 30 June 2024.

ii) Report on Internally Generated Income for the period ended 30 June 2024

Matters from FIC requiring attention/ resolution of UFPC

i) Report from income generated from CCE. Reports on collection of rental fees, utilities charges and commission from ARU Insurance Agency for the periods from 1 July 2024 to 30 September 2024

ii) Report on Internally Generated Income for the period ended 30 September 2024

iii) Report on performance evaluation of the ARU Dispensary and Upgrading Proposal to fully Equipped Dispensary

iv) Action Plan for the Resource Mobilization at ARU 2024/25-2029/30

Matters from the FIC requiring attention/resolution of UFPC

i) Report on income generated from CCE short courses

ii) Report on how to improve Insurance Agency activities at Ardhi University

Matters from the Committee of Deans and Directors (CoDD)

i) Reports on collection of rental fees, utilities charges and commission from ARU Insurance Agency for the periods from 1 January 2025 to 31 March 2025

ii) Report on Internally Generated Income for the period ended 31 March 2025.

Matters from the FIC requiring attention/resolution of UFPC

i) Report on income Generated for short courses from CCE

ii) IBR report on income and expenditure for the period of 1 July 2024 to 31 December 2024 (1st & 2nd quarters) of the 2024/25 financial year.

iii) IBR report on income and expenditure for the period of 1 January 2025 to 31 March 2025

iv) Progress Report on implementation of the Approved Action Plan for Resource Mobilization at Ardhi University.

v) Progress Report on implementation of ARU Dodoma Training Centre

The list of members of the University Funding and Promotion Committee is as shown in **Table below.**

Table 16: Members of University Funding and Promotion who served the committee for the year 2024/25

S/N	Name	Position	Discipline
1.	Prof Huba Nguluma	Chairman	Architect
3.	Prof Ally Namangaya	Member	Planner
4.	Dr. Leonard Sibomana	Member	Environmental Engineer
5.	Ms. Christina Mshana	Member	Surveyor
6.	Dr. Merdard Mushumbusi	Member	Quantity Surveyor
7.	Dr. Shubira Kalugila	Member	Architect
8.	Ms. Esther R. Meiludie	Secretary	Lawyer

Source: The University Funding and Promotion Committee records 2024/25

2.16 POLITICAL AND CHARITABLE DONATIONS

ARU subscribed and contributed to various organizations which include, the Inter-University Council for East Africa (IUCEA), the Association of African Universities (AAU), and other professional associations and charities. There were no donations made to any political parties.

2.17 EMPLOYEES WELFARE

2.17.1 Management - employees' relationship

The number of employees during the year was 567 (2024: 548). The relationship between the employees and Management was cordial. However, there were some complaints due to delays in payment of staff benefits such as leave assistances, house allowances to eligible staff, salary arrears, and payment for promotion and increments and retirement benefits due to inadequate funding from government.

The University employees are fully involved in all matters pertaining to the welfare of the University also including their benefits. All matters deliberated in university meetings pass through the Workers' Council which is the highest organ in order before the University Council. Its positioning was made purposely to ensure that employees' matters and interests are well presented.

Furthermore, the employees' benefits are overseen by the Tanzania Higher Learning Institutions Trade Union (THTU) and Ardhi University Academic Staff Association (ARISA).

2.17.2 Employee Contributions to Social Security Funds

All the University employees are subjected to monthly contributions to the PSSSF where the employers contribute 15% and staff 5%. Also, staff contribute monthly to the National Health Insurance (NHIF) where the employer contributes 3% while staff contributes 3%.

2.17.3 HIV/AIDS Policy

The management of HIV/AIDS is an important challenge for university. ARU has determined some risks associated with the impact of HIV/AIDS as operational, legal and health risks. Furthermore, University has adopted the following core principles as a basis for HIV/AIDS policy:

1. Continuously assess the risk posed by HIV/AIDS on the operations of the University;
2. Limit the number of new infections among the employees and students;
3. Ensure employees and students living with HIV/AIDS are aware of their rights, respected and protected;
4. Provide care and support to employees and students living with HIV/AIDS; and
5. Provide continuous mass education on HIV/ AIDS.

2.17.4 Human Medical Facilities

Like other public organizations, all staff of ARU are members of the National Health Insurance Fund (NHIF) whereby each, the employer and employee contribute 3% of basic salaries. In addition, the University has dispensary at the Main Campus offering medical services to employees, students, and the surrounding community.

2.17.5 Employees' Financial Support

The University has several arrangements that offer financial support to employees which includes a Savings and Credit Cooperative Society (SACCOS), which grants loans/credits to its members. The University also covers burial expenses related to employees and their legally recognized family members. The University has also entered contract as a guarantor with some financial institutions and hire purchase companies where members of staff are granted loans and house appliances on credit.

2.18 DISABLED PERSONS AND GENDER BALANCE

2.18.1 People with Physical Disabilities

The recruitment and training policies of the University does not discriminate against persons with physical disabilities. There are persons with disabilities among the members of staff and students. Also, the University has ensured that both students and staff with physical disabilities are catered whereby through the proposal sent to the Government, students with disabilities were supplied with 2 odometers (hearing aid), 2 tricycles; and 25 iPads for the visually impaired. Further, the University has started to restructure its buildings with facilities to accommodate them.

Furthermore, the University adheres to the under the Workers Compensation Act,2015 whereby deductions and contributions are affected in monthly basis as a cover in case of any accidental damage to the worker while on duty and/or in case an employee becomes disabled while performing his official duties.

2.18.2 Gender Parity

Gender issues are managed through the University gender policy, 2008. The University is an equal opportunity employer always considering gender in staff recruitment where qualified female candidates are encouraged to apply.

During the year under review, the University had 567 employees (2024: 548) with the proportion of 56% male; and 44% female as shown in **Table 17.**

Table 17: The proportion of ARU employees in consideration of gender for the year 2024/25

Gender	2024/25		2023/24	
	Units	Percentage	Units	Percentage
Male	317	56	320	58
Female	250	44	228	42
Total	567	100	548	**100**

Source: Human Resource Department records 2024/25

Further it is worth commenting that, the number of staff has increased from 462 in financial year 2019/20 to 567 in financial year 2024/25. The need for increase is attributable to the increase in the number of students. Furthermore, the Government has issued a permit for ARU to employ an additional 138 staff for the vacant positions. A total of 100 (85 Academic and 15 Administrative) positions were approved by the Government for recruitment to ARU in financial year 2024/25. Also in the 2023/24 financial year, 38 (17 Academic and 21 Administrative) positions were again approved for recruitment to ARU. Since the basis for allocations by the Government are based on the set countrywide approved PE Budget, the University Management rather appreciates to the Government for the approvals and keeps submitting HR requirements on yearly basis for cadres with inadequate staff.

2.19 PREJUDICIAL ISSUES

During the year ended 30 June 2025, there were no serious prejudicial matters to report as required by the Tanzania Financial Reporting Standards No. 1.

2.20 STATEMENT OF COMPLIANCE WITH TFRS NO.1

The Governance Report has been prepared in full compliance with requirements of the Tanzania Financial Reporting Standards No.1.

2.21 COMPLIANCE WITH LAWS AND REGULATIONS

In performing the activities of the University, various laws and regulations having impact on operations were observed.

2.22 PUBLICATION OF THE GOVERNANCE REPORT AND AUDITED FINANCIAL STATEMENTS.

Ardhi University is a public sector entity adheres to the principles of open governance and therefore publishes its Governance report along with audited financial statements within 30 days after the approval of the audited financial statements by those charged with governance as per the requirements of the NBAA Technical Pronouncement No.1 of 2018. The Financial Statements for financial year 2022/23 are found in the University website; https://www.aru.ac.tz/audited-financial-statements.

2.23 APPOINTMENT OF AUDITORS

The Controller and Auditor General is the statutory Auditor of Ardhi University by virtue of Article 143 of the Constitution of the United Republic of Tanzania of 1977 and in Section 10 of the Public Audit Act, Cap 418.

2.24 RESPONSIBILITY OF THE AUDITOR

The Auditor is responsible to provide assurance of the correctness and consistency of each and every information contained in the report by those charged with governance with those provided in the financial statements.

3.0 STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE

The University Council is responsible for the preparation of the annual financial statements that give a true and fair view of Ardhi University covering the period from 1 July 2024 to the date of approving the audited financial statements. This responsibility is inclusive to those charged with governance who acted in the capacity during any part of the period covered by financial statements.

The responsibility ranges from the Statement of Financial Position as at 30 June 2025, and the Statements of Financial Performance for the year ended 30 June 2025, A statement of changes in net assets as at 30 June 2025, The Statement of Cash Flows as at 30 June 2025, the Statement of Comparison of Budget and Actual amount for the year ended 30 June 2025, and the Notes to the Financial Statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with Accrual-International Public Sector Accounting Standards (IPSASs), Government Finance Statistics (GFS) Standards, National Board of Accountants and Auditors (NBAA), and in the manner required by the ARU Charter, 2007.

The University Council is also responsible for such internal control as members determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

The University Council has assessed the ability of the University to continue as a going concern and have no reason to believe that the University will not be able to operate in the year ahead. The auditors are responsible for reporting on whether the annual Financial Statements give a true and fair view in accordance with Accrual-IPSASs requirements.

APPROVAL OF GOVERNANCE REPORT AND ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

The Governance Report and the annual Financial Statements of Ardhi University, as identified in the first paragraph, were approved by the University Council and signed on its behalf by: -

Amb. Salome Thadaus Sijaona	Prof. Evaristo Joseph Liwa
CHAIRPERSON	**COUNCIL MEMBER**
Date: 20/03/2026	**Date:** 20.03.2026

4.0 DECLARATION OF THE HEAD OF FINANCE

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 the Council to discharge the responsibility of preparing financial statements showing true and fair view position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements rests with the Council as under Council Responsibility statement on an earlier page.

I, **Mosses Meliack Mollel**, being the Head of Finance of Ardhi University (ARU) hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30 June 2025 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 Ardhi University (ARU) as on that date and that they have been prepared based on properly maintained financial records.

Signed: ....

Signed by: Mosses Meliack Mollel
Position: Head of Finance
NBAA Membership No: ACPA 4720

Dated: 20th march 2026

5.0 FINANCIAL STATEMENTS

5.1 CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

		CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
ASSETS	Note	2024/25 TZS '000	2023/24 TZS '000	2024/25 TZS '000	2023/24 TZS '000
Current Assets					
Cash and Cash Equivalents	2	37,196,732	36,877,888	34,691,615	34,424,312
Receivables	3	4,528,430	2,913,770	3,225,165	1,497,066
Prepayments	4	39,968	40,000	39,968	40,000
Income Tax Receivable		17,592			
Inventories	5	324,776	211,106	324,776	211,106
		42,107,498	**40,042,764**	**38,281,524**	**36,172,484**
Non-Current Assets					
Property, Plant and Equipment	9	161,470,940	161,859,506	161,436,170	161,826,331
Intangible Assets	6	99,722	112,188	99,722	112,187
Work in Progress	10	26,608,568	14,427,203	26,608,568	14,427,203
Investment in ABECC	24	0	0	64,865	64,865
		188,179,230	**176,398,897**	**188,209,325**	**176,430,586**
TOTAL ASSETS		**230,286,728**	**216,441,661**	**226,490,849**	**212,603,070**
LIABILITIES					
Current Liabilities					
Payables and Accruals	7	7,920,994	8,949,556	5,423,328	6,093,184
Deposits	12	190,969	673,011	190,969	673,011
Income tax Payable		0	65,537	0	-
Dividend payable		0	0	0	-
Deferred Income (Grants)	11	29,930,950	27,024,890	29,930,950	27,024,890
		38,042,913	**36,712,994**	**35,545,247**	**33,791,085**
Non-Current Liabilities					
Other Borrowing by Govt Entity	8	792,860	792,860	792,860	792,860
Total Non-Current Liabilities		**792,860**	**792,860**	**792,860**	**792,860**
TOTAL LIABILITIES		**38,835,773**	**37,505,854**	**36,338,107**	**34,583,945**
NET ASSETS		**191,450,955**	**178,935,807**	**190,152,742**	**178,019,125**
OWNER'S EQUITY					
Taxpayers/Share Capital	14	17,894,241	17,894,241	17,894,241	17,894,241
Accumulated Surplus/(Deficit)		173,556,714	161,041,566	172,258,501	160,124,884
TOTAL NET ASSETS		**191,450,955**	**178,935,807**	**190,152,742**	**178,019,125**

Notes 1 to 40 form part of these financial statements

Amb. Salome Thadaus Sijaona

CHAIRPERSON

Prof. Evaristo Joseph Liwa

COUNCIL MEMBER

DATE: 20.03.26

5.2 CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2025

		CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
		2024/25	2023/24	2024/25	2023/24
REVENUE	Note	TZS '000	TZS '000	TZS '000	TZS '000
Subventions from the Government-PE	18	16,561,098	16,035,239	16,561,098	16,035,239
Revenue from exchange transactions	16	11,414,798	12,796,616	8,468,760	7,933,526
Other Revenues	15	2,718,836	3,908,148	2,718,836	3,908,148
Revenue Grants	17	14,850,270	14,613,795	14,850,270	14,613,795
Fair value Gains on Assets and Liabilities	26	0	40,741	0	40,741
		45,545,002	47,394,539	42,598,964	42,531,449
EXPENSES					
Wages, salaries and employee benefits	19	19,041,386	18,379,008	19,041,386	18,379,008
Use of Goods and Services	20	10,364,170	11,095,852	8,260,383	7,496,645
Expected Credit Loss	31	3,056	11,324	3,056	11,382
Maintenance expenses	21	599,614	101,949	599,614	101,949
Finance costs	28	1,783	2,270	0	0
Other expenses	22	1,525,120	1,933,604	1,232,338	1,676,306
Depreciation of property, plant and equipment	9	1,215,849	2,438,229	1,209,184	2,428,767
Social Benefit	23	26,921	27,000	26,921	27,000
Net impairment (loss)/gain on financial Assets		-5,453			
Amortization of intangible assets	6	12,465	14,821	12,465	12,465
Total Expenses		32,784,911	34,004,057	30,385,347	30,133,522
Transfer to CF	36	80,000	0	80,000	0
TOTAL EXPENSES AND TRANSFERS		32,864,911	34,004,057	30,465,347	30,133,522
Surplus/(Deficit) During the Period		12,680,091	13,390,482	12,133,617	12,397,927
Less: Corporate Tax for ABECC	25	(164,937)	(319,810)	-	
Profit After Tax		381,531	658,439	-	

Revenues and expenses under ABECC (Subsidiary Company) have been reclassified for consolidation purposes to align with IPSAS presentation format.

Notes 1 to 40 form part of these financial statements.

Amb. Salome Thadaus Sijaona

CHAIRPERSON

Prof. Evaristo Joseph Liwa

COUNCIL MEMBER

DATE: 20.03.2026

5.3 CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS FOR THE PERIOD ENDED 30 JUNE 2025

		Capital Fund	Accumulated Surplus/(Deficit)	Total
		TZS	TZS	TZS
At 01 July 2024	14	17,894,241	161,041,566	178,935,807
Addition Capital Injected		-	-	-
Prior year adjustment		-	-	-
Surplus/(Deficit) for the Year-ARU		-	12,133,617	12,133,617
Profit/(Loss) for the year ABECC		-	381,531	381,531
Balance as at 30 June 2025		**17,894,241**	**173,556,714**	**191,450,955**
At 01 July 2023	14	17,894,241	147,985,200	165,879,441
Addition Capital Injected		-	-	-
Prior year adjustment		-	-	-
Surplus/(Deficit) for the Year		-	12,397,927	12,397,927
Profit/(Loss) for the year ABECC		-	658,439	658,439
Balance as at 30 June 2024		**17,894,241**	**161,041,566**	**178,935,807**

Amb. Salome Thadaus Sijaona
CHAIRPERSON

DATE: 20.03.26

Prof. Evaristo Joseph Liwa
COUNCIL MEMBER

5.4 STATEMENT OF CHANGES IN NET ASSETS FOR THE PERIOD ENDED 30 JUNE 2025

	Note	Capital Fund	Accumulated Surplus/(Deficit)	Total
		TZS	TZS	TZS
At 01 July 2024	14	17,894,241	160,124,884	178,019,125
Addition Capital Injected				0
Prior year adjustment				0
Surplus/(Deficit) for the Year			12,133,617	12,133,617
Balance as at 30 June 2025		**17,894,241**	**172,258,501**	**190,152,742**
At 01 July 2023	14	17,894,241	147,769,800	165,664,041
Addition Capital Injected				0
Prior year adjustment			-42,843	-42,843
Surplus/(Deficit) for the Year			12,397,927	12,397,927
Balance as at 30 June 2024		**17,894,241**	**160,124,884**	**178,019,125**

Notes 1 to 40 form part of these financial statements.

Amb. Salome Thadaus Sijaona
CHAIRPERSON

Prof. Evaristo Joseph Liwa
COUNCIL MEMBER

DATE: 20.03.2026

5.5 CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 30 JUNE 2025

		CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
		2024/25	2023/24	2024/25	2023/24
Cash Flows From/ (Used in) Operating Activities	**Note**	**TZS '000**	**TZS '000**	**TZS '000**	**TZS '000**
Receipts					
Subventions from Government	33	34,318,928	30,649,034	34,318,928	30,649,034
Revenue Grant	33	0	21,726,060	0	21,726,060
Revenue from exchange Transaction	33	10,226,249	14,859,470	6,439,379	8,134,650
Other Revenue	33	2,655,556	3,908,148	2,655,556	3,908,148
Increase in Deposit		94,770	204,158	94,770	204,158
Total Receipts		**47,295,503**	**71,346,870**	**43,508,633**	**64,622,050**
Payments					
Wages, salaries and Employee Benefit	33	(18,954,748)	(19,509,233)	(18,954,748)	(19,509,233)
Use of Good and Service	33	(11,593,028)	(10,629,874)	(8,318,703)	(5,932,458)
Subsidies		(80,000)	-	(80,000)	-
Social Benefit	33	(26,921)	(27,000)	(26,921)	(27,000)
Finance Cost	33	(1,783)	(2,270)	0	-
Maintenance expenses	33	(599,614)	(101,949)	(599,614)	(101,949)
Other expenses	33	(2,144,203)	(2,504,843)	(1,783,327)	(2,207,549)
Decrease in deposit	33	0	(670,134)	0	(670,134)
Taxation		(95,536)	(94,004)	0	-
Total Payment		**(33,495,833)**	**(33,539,307)**	**(29,763,313)**	**(28,448,323)**
Net Cash Flow from Operating Activities		**13,799,670**	**37,807,563**	**13,745,320**	**36,173,727**
Cash Flows From/ (Used in) Investing Activities					
Investing Activities					
Payment for WIP	33	(12,181,365)	(14,427,203)	(12,181,365)	(14,427,203)
Acquisition of PPE	33	(827,283)	(907,016)	(819,023)	(907,016)
Acquisition of Intangible assets		-	-	-	-
Net Cash from/ (Used in) Investing Activities		**(13,008,648)**	**(15,334,219)**	**(13,000,388)**	**(15,334,219)**
Cash Flows From/ (Used in) Financing Activities					
Cash proceeds from long -term borrowing		-	-	-	-
Dividends		-	(477,191)	-	-
Net Cash Flows from Financing Activities		-	(477,191)	-	-
Net Increase in Cash and Cash Equivalents		791,022	21,996,153	744,932	20,839,508
Cash and Cash Equivalents at the beginning of the Period		36,950,398	14,954,245	34,482,576	13,643,068
Cash and Cash Equivalents at the End of the Period		**37,741,420**	**36,950,398**	**35,227,508**	**34,482,576**

Notes 1 to 40 form part of these financial statements.

Amb. Salome Thadaus Sijaona
CHAIRPERSON

Prof. Evaristo Joseph Liwa
COUNCIL MEMBER

DATE: 20.03.2026

5.6 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE PERIOD ENDED 30 JUNE 2025

	Original Budget (A)	Adjustments (B)	Final Budget (C)=A+B	Actual amount on Comparable Basis (D)	Difference: Final Budget Vs Actual (C-D)	Percentage Variance (%)
RECEIPTS	**TZS**	**TZS**	**TZS**	**TZS**	**TZS**	
Other Revenue	5,729,704,784	-	5,729,704,784	2,655,556,042	3,074,148,742	54
Revenue from Exchange Transactions	11,423,972,500	-	11,423,972,500	6,439,379,041	4,984,593,459	44
Revenue Grants	45,621,249,648	-	45,621,249,648	34,318,928,153	11,302,321,495	25
Subvention from Government entities	18,491,312,000	-	18,491,312,000	-	18,491,312,000	100
Increase in Deposit	-	-	-	94,770,000	-94,770,000	
Total Receipts	**81,266,238,932**	-	**81,266,238,932**	**43,508,633,236**	**37,757,605,696**	
PAYMENTS						
Maintenance Expenses	1,559,597,824	-1,550,000	1,558,047,824	599,613,907	958,432,917	62
Other Expenses	2,149,974,183	-112,601	2,149,861,582	1,783,326,762	366,534,820	17
Other Transfers	80,000,000	-	80,000,000	80,000,000	-	
Social Benefits	27,000,000	-	27,000,000	26,920,732	79,268	
Use of Goods and Service	10,284,513,390	-20,894,800	10,263,618,590	8,318,703,422	1,944,915,168	19
Wages, Salaries and Employee Benefits	21,539,858,204	12,577,401	21,552,435,605	18,954,747,862		

					2,597,687,743	12
Acquisition of Intangibles	1,509,919,442	-	1,509,919,442	-	1,509,919,442	100
Acquisition of Property, Plant and Equipment	44,115,375,889	9,980,000	44,125,355,889	819,022,854	43,306,333,035	98
Payment for Work in Progress	-	-	-	12,181,364,594	-12,181,364,594	
Total Payment	**81,266,238,932**	-	**81,266,238,932**	**42,763,701,875**	38,502,537,057	
Net Receipts/Payments	-	-	-	**744,932,361**	-744,932,361	

The statement of comparison of budget amount and actual amount is to be read in conjunction with note 1 to 40

Amb. Salome Thadaus Sijaona

CHAIRPERSON

Prof. Evaristo Joseph Liwa

COUNCIL MEMBER

DATE: 20.03.26

5.7 NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: PRINCIPAL ACCOUNTING POLICIES

1.0 INTRODUCTION

The notes to the Financial Statements for the period ended 30 June 2025, give elaborations pertaining to policies and other issues related to preparation and presentation of these Financial Statements which disclose the state of affairs of Ardhi University. These Notes also highlight the adoption of the newly introduced IPSAS 41 by the IPSASB and its impact on cash and cash equivalents resulting from this adoption.

1.1 BASIS OF PREPARATION

The accompanying financial statements have been prepared in accordance with Public Finance Act Cap 348 and other amendments of 2015, and comply with the requirements of International Public Sector Accounting Standards (IPSASs) Accrual Basis. The financial statements have been prepared under the historical cost convention. No adjustments have been made for inflationary factors affecting the financial statements.

The preparation of financial statements in conformity with IPSAS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the University's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are separately disclosed in the notes.

Furthermore, as the basis for preparing the Consolidated Financial Statements, the University has adopted IPSAS 35. This has been achieved by incorporating the financial reports of its controlled entity, the ABECC, into the Ardhi University Financial Statements through consolidation

1.2 STATEMENT OF COMPLIANCE WITH IPSAS

The Financial Statements have been prepared in accordance with Accrual Basis International Public Sector Accounting Standards (IPSAS).

1.3 SIGNIFICANT ACCOUNTING POLICIES

The preparation of the financial statements of every financial year requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the assets or liabilities to be affected in the future.

Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less subsequent accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the University and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of financial performance during the financial period in which they are incurred.

Depreciation

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to write off the cost of each asset value over its estimated useful life at a rate stipulated in Public Finance Regulation per annum as detailed below: -

Description of Asset	Rate p.a.
Buildings	2%
Infrastructures	10%
Roads-Tarmac roads-surface dressing	14%
Water systems	4%
Plant and Machinery-Generators	7%
Computer (Desktops, Laptops,)	12.5%
Intangible Assets- Computer Systems and software	10%
Network/Telecom equipment and servers	10%
Furniture and Equipment	10%
Motor Vehicles - Heavy Duty (5 tons and above)	5%
- Light Duty (below 5 tons)	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 University. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Gains and losses on disposal are determined by comparing the disposal proceeds with the carrying amount and are credited/charged to statement of financial performance. Expenditure on tools, books and other minor assets are written off during the period of acquisition. However, they are recorded in memorandum registers for control and monitoring purposes.

Derecognition

An item of property, plant and equipment is removed by the Entity from the financial statements when no future service potential is expected from its use.

Borrowing Costs

Borrowing costs are interest and other expenses incurred by the University in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset. The commencement, suspension and cessation of capitalization and the amount of borrowing costs eligible for capitalization is determined in accordance with IPSAS 5.

Intangible Assets

Intangible assets acquired separately are initially recognized at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. The useful life of the intangible assets is assessed as either finite or infinite. Intangible assets with finite life are depreciated over its useful life:

Software 3 years.

Intangible asset with a finite useful life are assessed for impairment whenever there is an indication that the asset may be impaired, amortization period and method for intangible asset with a finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life embodied in the asset are considered to modify the amortization period or method. Amortization expense on an intangible asset with a finite life is charged in a Statement of financial performance. Gain or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceedings and the carrying amount of the asset and are charged in the statement of financial performance.

Financial Instruments Recognition

Financial Assets

i. **Initial recognition and measurement**

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments, or available-for-sale financial assets, as appropriate. The Entity determines the classification of its financial assets at initial recognition.

ii. **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

a) Held-to-maturity

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Entity has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit.

c) Impairment of financial assets

The Entity assesses at each reporting date whether there is objective evidence that a financial asset or an Entity of financial assets is impaired. A financial asset or an Entity of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the Entity of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

- The debtors or an Entity of debtors are experiencing significant financial difficulty.
- Default or delinquency in interest or principal payments
- The probability that debtors will enter bankruptcy or other financial reorganization.
- Observable data indicates a measurable decrease in estimated future cash flows (e.g., changes in arrears or economic conditions that correlate with defaults).

Financial Liabilities

i. Initial recognition and measurement

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The Entity determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

ii. Loans and borrowing

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process. Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

i) Raw materials: purchase cost using the weighted average cost method.

ii) Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the University.

Provisions

Provisions are recognized when the Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Entity expects some or all a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

Provisions are raised and management determines an estimate based on the information available. Additional disclosure these estimates of provisions is included in Note 23.

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material. This includes; provision for obsolete stock, audit fee and bad debts. The assessment for obsolete stock is normally done during the annual stock taking exercise done at every end of the financial year, provision for bad debts is normally done based on the aging analysis and challenges in collecting of the dues while provision for audit fee is done based on work done charged by the auditors and settled in the following year.

Contingent assets and liabilities

The Entity does not recognize a contingent asset or liability but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an inflow or outflow of resources embodying economic benefits or service potential is remote.

Nature and purpose of reserves

The Entity creates and maintains reserves in terms of specific requirements. The University maintains reserves in form of tax payers fund/share capital and accumulated surplus. The tax payers' funds mean the initial capital/asset injected by the Government to establish the University while the accumulated surplus is the cumulative net difference between income and expenditure across years. The University reserves are as shown in the Statement of Change in Net Assets.

Changes in accounting policies and estimates

The Entity recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

Employee benefits

Retirement benefit plans

The University provides retirement benefits for its employees and management. Defined contribution plans are post-employment benefit plans under which an Entity pays fixed contributions into a separate Entity (a fund), and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans.

Scheme	Percentage Contributions Employee	Employer	Total
	%	%	%
Public Service Social Security Fund (PSSSF)	5	15	20

The University's contributions to the defined contribution schemes are recognized as an employee benefit expense in the statement of financial performance when they fall due. The University has no further payment obligations once the contributions have been paid.

Effective from July 2011, employer's contributions have been remitted to the funds by the Treasury in accordance with Circular No. C/BA54/328/01/15. Employees specifically retired academic members of staff who are on contractual basis granted by the Governments are paid their gratuity (25% of their salaries) by the Government through PSSSF upon expiry of the contract

Impairment of financial assets

The impairment of financial asset is calculated using expected credit losses model. The Entity recognizes loss allowances {Expected Credit Losses (ECL)} on all financial assets except those that are measured at FVTSD and credit impaired financial assets. The Entity uses the Simplified approach in determining the impairment of Receivables and Cash and Cash Equivalent). A loss allowance is calculated at each reporting date however, the ECL model is updated on yearly basis to accommodate any event that might cause significant increase in credit risks on financial asset. The term 'expected credit loss' does not imply that losses are anticipated, rather that there is recognition of the potential risk of loss. Determining whether an expected credit loss should be based on 12-month expected credit losses or lifetime expected credit losses depends on whether there has been a significant increase in credit risk of the financial asset since initial recognition.

Loss allowances for ECL are presented in the statement of financial position as follows: Financial assets measured at amortized cost: as a deduction from the gross carrying amount of the assets;

Inputs into measurement of ECLs

The key inputs into the measurement of ECLs are the discounted product of: probability of default (PD), loss given default (LGD) and exposure at default (EAD).

The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.

EAD is based on the amounts the Entity expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD). Loss Given Default (LGD) represents the Bank's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD).

LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and Lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof. The Lifetime PD is developed by applying a maturity profile to the current 12month PD. The maturity profile looks at how defaults develop on a portfolio from the point of initial recognition throughout the lifetime of the loans. The maturity profile is based on historical observed data and is assumed to be the same across all assets within a portfolio and credit grade band.

1.4 THE IMPACT OF CHANGE IN ACCOUNTING POLICY

The impact of introducing IPSAS 41 is the emergence of Expected Credit Loss/ gain in the financial Statements by having different Cash and Cash Equivalent. Figures reported in the Statement of Financial Position and the Statement of Cash flows with Exposure at Default (EAD) (Balance) at the end of the financial year. This is supported by historical analysis.

CASH AND CASH EQUIVALENTS	30 June 2025	30 June 2024
Cash at Bank and on hand Expected Credit Loss:	37,196,731,474	36,950,398,158
Opening balance (Provision for ECL)	58,263,466	46,881,214
Charge during the year (ECL EXP/GAIN(REVERSAL)	(44,704,008)	11,382,252
Closing balance (Provision for ECL)	13,559,458	58,263,466
Cash as per Statement of Financial Position (Balance of Cash and Cash Equivalent)	**37,143,172,016**	**36,892,134,692**

Analysis of Cash and Cash Equivalents

For the purpose of the statement of cash flows, cash and cash equivalent comprises of the following balances with less than 12 months maturity from the date of acquisition

	30 June 2025	30 June 2024
Cash as per Statement of Financial Position	37,196,731,574	36,892,134,692
Expected Credit Loss	142,967,574	58,263,466
Gross Cash and Cash Equivalents (Cash flow balance)	37,339,699,148	**36,950,398,158**

Moreover, The University operates with the following Banks with the global ratings and Probability of Default (PD) as provided in the table below:

No	Name of the Bank	Rating Agency	Score	Probability of Default (PD)
1	CRDB PLC	Moody's	B2	2.16%
2	NMB PLC	Moody's	B1	2.16%
3	NBC	Moody's	Baa3	2.16%

DESCRIPTION	CASH AND BANK BALANCE	ACCUMULATED SURPLUS	REASON
FINANCIAL YEAR 2024/25	13,643,067,988	147,787,321,008	Change in Accounting Policy
EXPECTED CREDIT LOSS	(46,881,214)	(46,881,214)	Change in Accounting Policy
RESTATED BALANCE	**13,596,186,774**	**147,740,439,794**	

Derecognition Financial assets

The Entity derecognizes a financial asset when:

a) The contractual rights to the cash flows from the financial asset expire; or
b) It transfers the rights to receive the contractual cash flows in a transaction in which either:
   - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
   - The Entity neither transfers nor retains substantially all of the risksand rewards of ownership and it does not retain control of the financial asset.

When The Entity enters into transactions whereby it transfers assets recognized in itsstatement of financial position, but retains either all or substantially all of the risks andrewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

Recognition

Financial liabilities are recognized when the Entity has contractual obligation to deliver cash as a result of goods or services received.

Measurement

Financial liabilities are initially measured at fair value and net gains and losses, including any interest expense, are recognized in surplus or deficit. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in surplus or deficit. Any gain or loss on derecognition is also recognized in surplus or deficit.

Derecognition

The Entity derecognizes a financial liability when its contractual obligations aredischarged or cancelled, or expire. The Entity also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred orliabilities assumed) is recognized in surplus or deficit

Provisions

Provisions are recognized when the University has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation and the expense relating to any provision is presented in surplus/deficit net of any reimbursement.

Operating Lease

The Entity as lessee, rentals payable under operating leases are charged as an expense to the statement of financial performance on a straight-line basis over the term of the relevant lease annually.

Inventories Valuation

Inventories are valued at the lower of cost and net realizable value. Cost is determined on First in First out (FIFO) basis. Provision for impairment is made on the basis of actual cost of stocks found obsolete or damaged.

Foreign Currency Translations

Functional and Presentation Currency

The financial statements are presented in Tanzania Shillings, which is the University's functional and presentation currency.

Transactions and Balances

Foreign currency transactions are translated into Tanzanian shillings at the rates of exchange ruling at the dates of the transactions. Monetary assets and liabilities at the period-end expressed in foreign currencies are translated into Tanzanian shillings at the rates of exchange ruling at the end of the financial period. The resultant gains/losses on exchange rate translations are dealt with in the statement of financial Performance.

Revenue Recognition

Revenue is recognized on accrual basis of accounting. Revenue is recognized only when it is probable that the economic benefits/service potential associated with the transaction will flow to the University.

Revenue from exchange Transactions

Revenues from exchange transactions include revenues from Consultancies, Research and tuition fees from students. Revenue is recognized only when it is probable that the economic benefits/service potential associated with the transaction will flow to the University and the revenue can be reliably measured.

Accounting for Government Assistance/Grants

Assistance pertaining to current period expenses is credited directly to income. Government subvention for salaries are not recognized until there is reasonable assurance that conditions attached to staff recruitments are confirmed and the subvention will be received. Assistance pertaining to research/development grant is accounted for under Research and Development Grants in the statement of financial position. Actual research/development expenditure is deducted directly from this account as and when incurred.Grants which are received in the form of long-lived assets are debited to Property, Plant and Equipment Account and are correspondingly credited to Capital Grants Account.

Capital grants (except for grants related to buildings) are amortized and credited to revenue according to depreciation rates charged to respective fixed assets annually

Employees Benefits

Retirement Benefits

Ardhi University has statutory obligations to contribute to various pension schemes in favour of all the employees employed under permanent and pensionable terms. The University contributes to Public Service Social Security Fund (PSSSF) and the National Social Security Fund (NSSF).

Contributions to these schemes by the ARU are recognized as expense in the period the employees render the related services.

Short Term Benefits

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

Termination Benefits

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange of these benefits.

The University recognizes termination benefits when it is constructively obliged to either terminate the employment of the current employees according to detailed formal plan without possibility of withdrawal or to provide termination benefits as a result of an offer made to encourage voluntary redundancy.

1.5 FINANCIAL RISK MANAGEMENT

The overall risk management focuses on the unpredictable financial markets is aimed at minimizing potential adverse effects on the University's financial performance. The role of the University's risk management is primarily vested in the Finance Directorate under guidance of the Council. The specific risk management policies of the University are as follows: -

Liquidity Risk

The University had a prudent liquidity risk management through maintaining Ardhi University Reserve Fund that is used in the event of delayed release of funds to cover committed credit facilities and working capital requirement.

Credit Risk Management

The potential credit risk involves short term cash and receivables. Students joining the University on private sponsorship are required to pay in cash tuition fees. Few cases of students especially those having reputable sponsors are allowed to continue with their studies before paying in cash.

Foreign Currency Risk

Foreign currency risk is managed at an operational level and it is monitored by Finance Department. Losses that arise from foreign liabilities are managed through timely payment of outstanding liabilities.

1.6 SIGNIFICANT JUDGMENT AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the University financial statements in conformity with IPSAS requires management to make judgment, estimates and assumptions that affects the reported amounts of revenues, expenses, assets and liabilities and the disclosures of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

1.7 BUDGET

The University prepares its budget based on its actual requirements. However, after approval of Government by Parliament, the University adjusts its budget to be within the ceiling set by the Government. The variances have been caused by funds reallocation taking into account the University's priorities.

1.8 FUTURE CHANGES IN ACCOUNTING POLICIES

Standards issued as at the date of issuance of the University's financial statement are listed below. These listings of standards issued are those which the University is reasonably expecting to have an impact on disclosures, financial position or performance when applied at a future date. The university intends to adopt these standards.

IPSAS 43 - Leases: IPSASB approved IPSAS 43, Leases with an effective date of 1 January 2025. IPSAS 43 supersedes IPSAS 13, *Leases* and introduces the right-of-use model for lessees, aligning with IFRS 16, *Leases*. The IPSASB will continue consideration of public sector specific leasing issues, such as concessionary leases, in its Other Lease-Type Arrangements project. The entity is currently assessing the impact of the standard.

IPSAS 44- Non-current Assets Held for Sale and Discontinued Operations: In May 2022 IPSASB issued IPSAS 44 that specifies the accounting for assets held for sale and the presentation of discontinued operations. It requires assets that meet the criteria to be classified as held for sale to be:

- measured at the lower of carrying amount and fair value less costs to sell and depreciation on such assets to cease; and
- presented separately in the statement of financial position and results of discontinued operations to be presented separately in the Statement of financial performance.

IPSAS 44 will be effective for periods beginning on or after 1 January 2025.

IPSAS 45 - Property, Plant and Equipment: This standard provides guidance on accounting for Property, Plant and Equipment so that users of Financial Statements can discern information about an entity's investment in its PPE and the changes in such investment. The standard applies to PPE used to develop or maintain the biological assets related to agricultural activity other than bearer plants, Mineral rights and mineral reserves such as oil, natural gas and similar non-regenerative resources and the recognition and measurement of exploration and evaluation assets. IPSAS 45 removed IPSAS 17's scope exclusion of Heritage Asset. This standard will be effective on 1 January 2025 with earlier application permitted

IPSAS 46- Measurement. The objective of this Standard is to define measurement bases that assist in reflecting fairly the cost of services, operational capacity and financial capacity of assets and liabilities. The Standard identifies approaches under those measurement bases to be applied through individual IPSAS to achieve the objectives of financial reporting. An entity that prepares and presents financial statements under the accrual basis of accounting shall apply IPSAS 46, Measurement in measuring assets and liabilities. The measurement requirements described in this Standard apply to both initial and subsequent measurement, unless specific guidance is included in the individual IPSAS. IPSAS 46 will be effective for periods beginning on or after 1 January 2025.

IPSAS 47- Revenue.

IPSAS 47 is a single source for revenue accounting guidance in the public sector, which presents two accounting models based on the existence of a binding arrangement. This new Standard provides focused guidance to help entities apply the principles to account for public sector revenue transactions. IPSAS 47 is a single source for revenue accounting guidance in the public sector, which presents two accounting models based on the existence of a binding arrangement. This new Standard provides focused guidance to help entities apply the principles to account for public sector revenue transactions. To meet this objective requires an entity to consider the terms of the transaction, and all relevant facts and circumstances, to determine the type of revenue transaction and set out the accounting requirements to account for the revenue transaction. IPSAS 47 will be effective for periods beginning on or after 1 January 2026.

IPSAS 48: Transfer Expenses. The objective of this standard is to establish the principles that a transfer provider (an entity) shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. In order to meet the objective, This Standard requires an entity to consider the terms of the transaction and all relevant facts and circumstances to determine the type of transfer expense transaction and sets out the accounting requirements for the transfer expense transaction. IPSAS 48 will be effective for periods beginning on or after 1 January 2026.

IPSAS 49: Retirement Benefit Plans. The objective of this standard is to prescribe the accounting and reporting requirements for public sector retirement benefit plans, which provide retirement benefits to public sector employees and other eligible participants. IPSAS 49 will be effective for periods beginning on or after 1 January 2026.

IFRS S1: The objective of IFRS S1 (General Requirements for Disclosure of Sustainability related Financial Information) is to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity. The Standard requires an entity to disclose information about all sustainability-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium or long term. This Standard also prescribes how an entity prepares and reports its sustainability-related financial disclosures. It sets out general requirements for the content and presentation of those disclosures so that the information disclosed is useful to primary users in making decisions relating to providing resources to the entity.

IFRS S2: The objective of IFRS S2 (Climate-related Disclosures) is to require an entity to disclose information about its climate-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity. The Standard requires an entity to disclose information about climate-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium or long term. Climate-related risks to which the entity is exposed includes; climate-related physical risks and climate-related transition

NOTE 2: CASH AND CASH EQUIVALENTS				
	CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	TZS '000	TZS '000	TZS '000	TZS '000
National Microfinance Bank (NMB)	94,263	907,064	94,263	907,064
National Bank of Commerce (NBC)	112,952	-	112,952	-
CRDB Bank PLC	439,105	2,473,780	31,992	1,814,200
TCB	170,809	11,899	170,809	11,899
Bank of Tanzania	36,401,956	33,557,655	34,295,158	31,749,412
Less: Provision for ECL	(22,353)	(72,510)	(13,559)	(58,263)
TOTAL	37,196,732	36,877,888	34,691,615	34,424,312

NOTE 3: RECEIVABLES

		CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
		30 June 2025	30 June 2024	30 June 2025	30 June 2024
		TZS '000	TZS '000	TZS '000	TZS '000
Imprest Receivable - Staff		446,572	700,093	446,572	700,093
Receivable (GEPG)		3,278,132	1,248,752	3,278,130	1,248,752
Consultancy deposits		1,842	1,842	-	-
Imprest Receivable-Consultancy		1,300,722	1,414,162	-	-
Withholding tax		200	200	-	-
Advance Income tax		500	500	-	-
Provision for Impairment		-	(55,301)	(55,301)	(55,301)
Provision for Impairment-ECL		(499,538)	(396,478)	(444,236)	(396,478)
TOTAL		4,528,430	2,913,770	3,225,165	1,497,066

NOTE 4: PREPAYMENTS

	CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	TZS '000	TZS '000	TZS '000	TZS '000
Prepayment	39,968	40,000	39,968	40,000
TOTAL	39,968	40,000	39,968	40,000

NOTE 5: INVENTORIES

	CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	TZS '000	TZS '000	TZS '000	TZS '000
IT and Computer Accessories	47,988	21,586	47,988	21,586
Building Addition	45,651	48,476	45,651	48,476
Cleaning supplies	0	2,936	-	2,936
Consumables	77,555	63,246	77,555	63,246
Households	1,608	3,388	1,608	3,388
Learning Materials Addition	53,906	47,759	53,906	47,759
Medical Supplies	6,543	9,283	6,543	9,283
Oil and Lubricants	1,616	680	1,616	680
Printed matters	88,137	12,389	88,137	12,389
Spare parts and tires	1,772	1,363	1,772	1,363
TOTAL	324,776	211,106	324,776	211,106

NOTE 6: INTANGIBLES

	CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	TZS '000	TZS '000	TZS '000	TZS '000
Balance as at 1st July 2024	686,206	686,206	676,783	676,783
Balance as at 30 June 2025	686,206	**686,206**	676,783	**676,783**
Accumulated Amortization				
Balance as at 1 July 2024	574,018	559,198	564,596	552,131
Charge for the Period	12,465	14,820	12,465	12,465
Balance as 30 June 2025	586,483	**574,018**	577,061	**564,596**
NET BOOK VALUE	**99,723**	**112,188**	**99,722**	**112,187**

NOTE 7: PAYABLES AND ACCRUALS

Staff Claims consist of staff entitlements (Housing and Responsibility allowances) and staff contributions to the staff superannuation scheme which is 3% of the gross consultancy services fees. The staff entitlements are payable directly by the Treasury while the benefit under the staff superannuation scheme funds is payable upon retirement, termination or death of the staff.

	CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	TZS '000	TZS '000	TZS '000	TZS '000
Audit fee Payable	127,384	127,384	107,000	107,000
Retention fees	1,407,434	1,801,970	1,407,434	1,801,970
Other Payable	446,436	997,425	446,436	997,425
Staff Claim	3,312,494	3,182,800	3,312,494	3,182,800
Supplies of goods and services	40,455	-	40,455	-
Withholding Tax Payable	110,389	74,948	109,509	3,989
Consultancy deposits	2,432,423	2,723,038	-	-
Consultancy honorarium	3,034	3,035	-	-
Dishonoured Cheques	2,065	8,028	-	-
Office Rent Payable	38,880	29,160	-	-
Value Added Tax Payable	-	1,768	-	-
TOTAL	**7,920,994**	**8,949,556**	**5,423,328**	**6,093,184**

NOTE 8: OTHER BORROWINGS

The University has secured the loan amounting TZS 892,860,000 from the Ministry of Land, Housing and Human Settlement Development to conduct Mbarali regularization activities. The loan is guaranteed by the Ministry and will be repayable after NMB fulfilling its contractual obligations. The movements during the reporting periods are as follows;

	CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
	30 June 2025	30 June 2023	30 June 2025	30 June 2023
	TZS '000	TZS '000	TZS '000	TZS '000
Loan from MLHHSD	792,860	792,860	792,860	792,860
Interest Earned During the Period	-	-	-	-
Less: Payment During the Period	-	-	-	-
TOTAL	**792,860**	**792,860**	**792,860**	**792,860**

NOTE 9: ARU PROPERTY, PLANT AND EQUIPMENT (PPE)

PARTICULARS	LEASEHOLD LAND	BUILDINGS	FURNITURE AND EQUIPMENT	MOTOR VEHICLE	COMPUTERS AND ACCESSORIES	TOTAL
Cost/	**TZS '000**	**TZS '000**	**TZS '000**	**TZS '000**	**TZS '000**	**TZS '000**
As at 1 July 2024	128,463,656	37,419,520	10,855,656	2,877,528	5,142,567	184,758,927
Addition	0	0	703,480	0	115,543	819,023
Cost at 30 June 2025	**128,463,656**	**37,419,520**	**11,559,136**	**2,877,528**	**5,258,110**	**185,577,950**
Depreciation/Impairment						
As at 1 July 2024	0	7,558,091	9,679,035	1,984,305	3,711,165	22,932,596
Charge for the period	0	703,316	117,678	91,942	296,248	1,209,184
At 30 JUNE 2025	0	8,261,407	9,796,713	2,076,247	4,007,413	24,141,780
Net Book Value						
At 30 JUNE 2025	128,463,656	29,158,113	1,762,423	801,281	1,250,697	161,436,170
At 30 JUNE 2024	128,463,656	29,861,429	1,176,621	893,223	1,431,402	161,826,331

NOTE 9 CONSOLIDATED PROPERTY, PLANT AND EQUIPMENT (PPE)

PARTICULARS	LEASEHOLD LAND	BUILDINGS	FURNITURE AND EQUIPMENT	MOTOR VEHICLE	COMPUTERS AND ACCESSORIES	TOTAL
Cost/	**TZS '000**	**TZS '000**	**TZS '000**	**TZS '000**	**TZS '000**	**TZS '000**
As at 1 July 2024	128,463,656	37,419,520	10,886,135	2,877,528	5,173,729	184,820,568
Addition	0	0	703,480	-	123,803	827,283
Cost at 30 June 2025	**128,463,656**	**37,419,520**	**11,589,615**	**2,877,528**	**5,297,532**	**185,647,851**
Depreciation/Impairment						
As at 1 July 2024	0	7,558,092	9,687,317	1,984,304	3,731,349	22,961,062
Charge for the period	0	703,316	120,479	91,942	300,112	1,215,849
At 30 JUNE 2025	**0**	**8,261,408**	**9,807,796**	**2,076,246**	**4,031,461**	**24,176,911**
Net Book Value						
At 30 JUNE 2025	128,463,656	29,158,112	1,781,819	**801,282**	1,266,071	**161,470,940**
At 30 JUNE 2024	128,463,656	29,861,429	1,198,818	**893,223**	1,442,380	**161,859,506**

NOTE 10: WORK IN PROGRESS

	CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	TZS '000	TZS '000	TZS '000	TZS '000
Balance as at 1 July 2024	14,427,203	-	14,427,203	-
Additions during the year	12,181,365	14,427,203	12,181,365	14,427,203
Balance as 30 June 2025	**26,608,568**	**14,427,203**	**26,608,568**	**14,427,203**

NOTE 11: DEFERRED INCOME

	CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	TZS '000	TZS '000	TZS '000	TZS '000
Development Deferred Income	29,930,950	27,024,890	29,930,950	27,024,890
TOTAL	**29,930,950**	**27,024,890**	**29,930,950**	**27,024,890**

NOTE 12: DEPOSIT

	CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
Unapplied Deposits	TZS '000	TZS '000	TZS '000	TZS '000
0T330000-ARDHI UNIVERSITY	94,263	64,787	94,263	64,787
0T33PR05- VRIL PROJECT	-	-	-	-
0T33PR06- ARU SSS	-	3,126	-	3,126
Sub total	94,263	67,913	94,263	67,913
Deposit General				
0T33PR01-ARU SIDA PROJECT	-	278,505	-	278,505
0T33PR03- ARU SLGA PROJECT	-	204,894	-	204,894
0T33PR06- ARU SSS	-	94,708	-	94,708
0T33PR08- ARU HEET PROJECT	-	3,193	-	3,193
0T33PR07- ARU RESEARCH	96,706	23,798	96,706	23,798
Sub total	96,706	605,098	96,7056	605,098
TOTAL	190,969	673,011	190,969	673,011

NOTE 13: STAFF SUPERANNUATION SCHEME

	CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
	30 June 2025	**30 June 2024**	**30 June 2025**	**30 June 2024**
	TZS '000	TZS '000	**TZS '000**	TZS '000
As at 1 July 2024	1,359,523	1,442,296	1,359,523	1,442,296
Contributions During the Period	2,029	16,211	2,029	16,211
Interest Earned During the Period	396	76	396	76
Less: Payment During the Period	- 94,708	- 99,060	- 94,708	- 99,060
As at 30 June 2025	1,267,240	1,359,523	1,267,240	1,359,523

Staff Pension Superannuation Scheme consist of contributions to the staff superannuation scheme which is 3% of the gross consultancy services fees. The staff benefits under the funds are payable upon retirement, termination or death. The contributions are deposited with CRDB Bank Limited in a savings account.

		CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
		30 June 2025	**30 June 2024**	**30 June 2025**	**30 June 2024**
	The Fund is represented by:	**TZS '000'**	**TZS '000'**	**TZS '000'**	**TZS '000'**
	THTU Loan	163,355	224,295	163,355	224,295
	SACCOS Loan	143,332	145,332	143,332	145,332
	Bank Balances-CRDB	10,678	40,021	10,678	40,021
	Bank Balances-BOT	949,875	999,875	949,875	999,875
		1,267,240	**1,409,523**	**1,267,240**	**1,409,523**

NOTE 14: TAXPAYERS FUND

Taxpayer's fund includes the contributions from the Government and development partners during establishments of Ardhi University. Furthermore, the fund also included the net assets inherited/transferred from the former National Housing and Building Research Agency amounting to TZS 8,302,447,000.

	CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
	30 June 2025	**30 June 2024**	**30 June 2025**	**30 June 2024**
	TZS '000'	TZS '000'	**TZS '000'**	TZS '000'
As at 1 July 2023	17,894,241	17,894,241	17,894,241	17,894,241
Increase in Taxpayers fund				
Balance at 30 June 2025	**17,894,241**	**17,894,241**	**17,894,241**	**17,894,241**
Analysis of Capital Funds-				
Capital Grant from Government	6,208,752	6,208,752	6,208,752	6,208,752
TEA Grants	205,592	205,592	205,592	205,592
DANIDA Grants	782,879	782,879	782,879	782,879
Bow Centrum International	9,100	9,100	9,100	9,100
UNDP Grant	2,199	2,199	2,199	2,199
JICA Grants	180	180	180	180
Revenue Contribution	154	154	154	154
UDSM-VLIR Co-op Capital Grant	39,489	39,489	39,489	39,489
Sida/SAREC Capital Grant	200,389	200,389	200,389	200,389
DONATION/EISCAP Project	51,600	51,600	51,600	51,600
Carnegie Corporation Grants	4,208	4,208	4,208	4,208
STHEP Project	528,618	528,618	528,618	528,618
CCIAM Capital grants	26,100	26,100	26,100	26,100
Climate Change in Coastal DSM Project	531	531	531	531
Lease hold land ILALA FLATS	1,532,003	1,532,003	1,532,003	1,532,003
Acquisition of former NHBRA	8,302,447	8,302,447	8,302,447	8,302,447
TOTAL	**17,894,241**	**17,894,241**	**17,894,241**	**17,894,241**

NOTE 15: OTHER REVENUES

	CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
	2024/25	2023/24	2024/25	2023/24
	TZS '000	TZS '000	TZS '000	TZS '000
Application fee	168,589	116,832	168,589	116,832
Hire of Services	17,800	17,500	17,800	17,500
Revenue from Research Fees	1,680,503	2,492,830	1,680,503	2,492,830
Miscellaneous Revenue	24,412	489,442	24,412	489,442
Professional Fees	126,440	121,760	126,440	121,760
Revenue from Certificates	49,107	28,500	49,107	28,500
Examination Fees	75,936	74,244	75,936	74,244
Rent of Government Quarters	576,049	567,040	576,049	567,040
TOTAL	2,718,836	3,908,148	2,718,836	3,908,148

NOTE 16: REVENUES FROM EXCHANGE TRANSACTIONS

	CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	TZS '000	TZS '000	TZS '000	TZS '000
Graduation Gown hire	32,160	26,370	32,160	26,370
Printing and Publications	80,991	77,378	80,991	77,378
Revenue From Commissions	14,517	20,836	14,517	20,836
Consultancy Fees	3,097,482	4,950,308	151,444	87,218
Medical and Dental fees	54,783	14,827	54,783	14,827
Tuition Fees for University/College	8,134,865	7,706,897	8,134,865	7,706,897
TOTAL	11,414,798	12,796,616	8,468,760	7,933,526

NOTE 17: REVENUES GRANTS

	CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
	2024/25	2023/24	2024/25	2023/24
	TZS '000	TZS '000	TZS '000	TZS '000
Govt Grant Development Foreign	14,850,270	14,613,795	14,850,270	14,613,795
Govt Grant Development Local	-	-	-	-
TOTAL	14,850,270	14,613,795	14,850,270	14,613,795

NOTE 18: SUBVENTIONS FROM OTHER GOVERNMENT ENTITY

	CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
	2024/25	2023/24	2024/25	2023/24
	TZS '000	TZS '000	TZS '000	TZS '000
Govt Grant Personal Emolument	16,561,098	16,035,239	16,561,098	16,035,239
Monetary Revenue - Capital	-	-	-	-
Subvention devpt foreign	-	-	-	-
TOTAL	16,561,098	16,035,239	16,561,098	16,035,239

NOTE 19: WAGES, SALARIES AND EMPLOYEE BENEFITS

	CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
	2024/25	2023/24	2024/25	2023/24
	TZS '000	TZS '000	TZS '000	TZS '000
Acting Allowance	22,681	-	22,681	-
Casual Labour Discretionary	204	-	204	-
Civil Servants	16,561,098	16,035,239	16,561,098	16,035,239
Civil Servants Contracts	94,060	110,035	94,060	110,035
Councillors Allowance	137,155	97,100	137,155	97,100
Electricity	7,380	7,380	7,380	7,380
Extra-Duty	368,820	246,586	368,820	246,586
Furniture Expenses	207,200		207,200	
Food and Refreshment	13,878	2,009	13,878	2,009
Honoraria	727,530	579,928	727,530	579,928
Casual Labour Expenses	3,000		3,000	
Housing allowance Expenses	-	342,000	-	342,000
Leave Travel	60,465	54,496	60,465	54,496
Staff debts Expenses	1,880		1,880	
Local Staff Salaries	4,841	6,643	4,841	6,643
Medical and Dental Refunds	1,976	619	1,976	619
Outfit Allowance	1,400	2,340	1,400	2,340
On Call Allowance	780		780	
Responsibility Allowance	170,000	234,395	170,000	234,395
Sitting Allowance	279,640	295,470	279,640	295,470
Special Allowance	370,558	358,286	370,558	358,286
Telephone	6,840	6,482	6,840	6,482
TOTAL	**19,041,386**	**18,379,008**	**19,041,386**	**18,379,008**

NOTE 20: USE OF GOODS AND SERVICES

	CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
	2024/25	2023/24	2024/25	2023/24
	TZS '000	TZS '000	TZS '000	TZS '000
Accommodation Training - Domestic	59,359	46,823	59,359	46,823
Advertising and publication	6,640	6,650	6,640	6,650
Advertising- Communication & Info	18,863	11,698	18,863	11,698
Air Travel Tickets Training - Foreign	16,339	6,584	16,339	6,584
Air Travel Tickets Travel - In - Country	6,873	5,161	6,873	5,161
Air Travel Tickets-Out of Country	42,980	24,922	42,980	24,922
Classroom Teaching Supplies	-	9,047	-	9,047
Computer Supplies and Accessories	36,242	61,460	36,242	61,460

Computer Software	24,124	-	24,124	-
Conference Facilities	163,276	67,377	163,276	67,377
Consultancy execution costs	2,103,787	3,599,207	-	-
Contract based training services	551,382	549,175	551,382	549,175
Diesel	177,952	159,227	177,952	159,227
Drugs and Medicines	27,987	16,428	27,987	16,428
Electricity - Utilities Supplies	509,340	333,944	509,340	333,944
Entertainment - Hospitality	54,005	89,451	54,005	89,451
Examination Expenses	-	25,000	-	25,000
Exhibition, Festivals and Celebrations	6,700	800	6,700	800
Food and Refreshments	395,833	323,758	395,833	323,758
Fumigation Expenses	-	2,000	-	2,000
Furniture and Appliances	5,929	17,100	5,929	17,100
Gifts and Prizes	5,500	10,920	5,500	10,920
Ground Transport (Bus, Train, Water)	33,686	37,446	33,686	37,446
Ground travel - In - Country	642,914	387,721	642,914	387,721
Ground travel -Out of Country	17,861	31,782	17,861	31,782
Health Insurance Travel Out of Country	20,061	2,000	20,061	2,000
Hiring of Training Facilities	25,087	303	25,087	303
Internet and Email connections	25,000	250,527	25,000	250,527
Laboratory Supplies	2,432	432	2,432	432
Mobile Charges	34,410	51,130	34,410	51,130
News Services Fees	-	4,000	-	4,000
Newspapers and Magazines	11,195	9,010	11,195	9,010
Office Consumables	218,078	74,159	218,078	74,159
Outsourcing Costs	289,677	353,629	289,677	353,629
Per Diem - Domestic	1,822,134	1,288,025	1,822,134	1,288,025
Per Diem - Foreign	73,883	31,893	73,883	31,893
Petrol	861	7,500	861	7,500
Posts and Telegraphs	9,345	8,926	9,345	8,926
Printing accessories	5,465	10,883	5,465	10,883
Printing and Photocopy paper	64,787	68,288	64,787	68,288
Printing and Photocopying Costs	120,625	91,608	120,625	91,608
Printing Material	89,838	87,512	89,838	87,512
Production and Printing of Materials	14,413	2,980	14,413	2,980
Publicity	500	4,000	500	4,000
Rent - Office Accommodation	2,550	-	2,550	-
Rent of Private vehicles	187,476	177,569	187,476	177,569
Research and Dissertation - Domestic	280,248	1,758,722	280,248	1,758,722
Research and Dissertation - Foreign	507,511	64,859	507,511	64,859
Sewage Charges	1,620	2,340	1,620	2,340
Software License Fees	25,000	9,794	25,000	9,794
Sporting Supplies	7,904	9,564	7,904	9,564
Subscription Fees	121,573	35,850	121,573	35,850
Technical Materials	75,482	68,255	75,482	68,255
Technical Service Fees	7,000	3,032	7,000	3,032
Telephone Charges (Land Lines)	460	585	460	585
Testing Facilities	-	10,852	-	10,852
Training Allowances	291,743	133,583	291,743	133,583

Training Materials	18,870	12,865	18,870	12,865
Tuition Fees Training - Domestic	194,942	155,158	194,942	155,158
Tuition Fees Training - Foreign	19,958	57,862	19,958	57,862
Tents and Camp Equipment	7,500	-	7,500	-
Parade and Ceremony	1,300	-	1,300	-
Laundry and Cleaning Expenses	12,654	-	12,654	-
Special Uniforms and Clothing	10,000	-	10,000	-
Uniforms and Ceremonial Dresses	41,751	12,400	41,751	12,400
Uniforms - Clothing, Bedding, Footwear and Services	20,889	-	20,889	-
Remuneration of Instructors	7,977	-	7,977	-
Other Allowance Expenses	20,000	-	20,000	-
Programs Transmission Fees	3,200	-	3,200	-
Communication Network Services	1,700	-	1,700	-
Internet Bandwith & VPN Costs	246,115	-	246,115	-
Telephones and Telecom Devices	8,400	-	8,400	-
Library Books Educational Materials, Services and Supplies	45,172	-	45,172	-
Schools Laboratory Supplies	1,607	-	1,607	-
Laboratory small non-durable equipment	7,877	-	7,877	-
Health Insurance Training-Foreign	3,921	-	3,921	-
Nutrition	1,000	-	1,000	-
Uniforms	-	14,140	-	14,140
Upkeep Allowances	50,594	144,844	50,594	144,844
Visa Application Fees	3,528	1,475	3,528	1,475
Water Charges	386,000	248,357	386,000	248,357
Water Transport	4,585	1,860	4,585	1,860
Wire, Wireless, Telephone	700	1,400	700	1,400
TOTAL	10,364,170	11,095,852	8,260,383	7,496,645

NOTE 21: MAINTAINANCE EXPENSES

	CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
	2024/25	2023/24	2024/25	2023/24
	prepar	TZS '000	TZS '000	TZS '000
Air conditioners	17,629	4,250	17,629	4,250
Computers, printers, scanners	-	2,366	-	2,366
Cement, Bricks and Building Materials	347,291	-	347,291	-
Direct labour -Buildings	100,046	-	100,046	-
Direct labour- Machinery, Equipment	6,710	-	6,710	-
Direct labour - Water and Electricity	-	3,600	-	3,600
Electrical and Other Cabling Materials	10,229	17,812	10,229	17,812
Motor Vehicles and Water Craft	-	212	-	212
Mechanical, electrical, and electronic spare parts	1,270		1,270	
Outsource maintenance contract services - Machinery, Equipment and Plant	2,400		2,400	

Repair and Maintenance of Furniture	200		200	
Oil, grease, and chemical materials	-	2,055	-	2,055
Outsource - Office Equipment	120	-	120	-
Outsource Vehicles and Transportation	79,473	35,058	79,473	35,058
Photocopiers	-	26,122	-	26,122
Photographic and survey equipment	8,000	-	8,000	-
Plumbing Supplies and Fixtures	2,652	2,790	2,652	2,790
Spare Parts - Vehicles	8,980	336	8,980	336
Tyres and Batteries	14,614	7,348	14,614	7,348
TOTAL	**599,614**	**101,949**	**599,614**	**101,949**

NOTE 22: OTHER EXPENSES

	CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
	2024/25	2023/24	2024/25	2023/24
	TZS '000	TZS '000	TZS '000	TZS '000
Audit fees Expenses	142,414	128,354	122,030	128,354
Bank Charges	3,500	3,000	3,500	3,000
Burial Expenses	40,060	30,771	40,060	30,771
Capacity Charges	3,122	9,225	3,122	9,225
Consultancy fees	42,502	275,822	42,502	275,822
Education supervision exp	84,097	29,996	84,097	29,996
Freight Forwarding Charges	-	1,570	-	1,570
Honorariums expenses	46,845	10,650	46,845	10,650
Insurance Expenses	79,538	108,254	79,538	108,254
Legal fees Expenses	3,823	2,346	-	2,346
Parastatal Rehabilitation	52,624	540,034	52,624	540,034
Parastatal Rehabilitation - Other operating Expenses	75,953	-	75,953	-
Release Travel	20,953	-	20,953	-
Security Services	252,862	98,527	252,862	98,527
Specialized Equipment and Supplies	24,549		24,549	
Sundry Expenses	649,182	637,534	380,604	380,236
Transportation exp - Water	-	56,050	-	56,050
Upkeep of Grounds and Amenities	3,099	1,471	3,099	1,471

TOTAL	1,525,120	1,933,604	1,232,338	1,676,306

NOTE 23: SOCIAL BENEFITS

	CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
	2024/25	2023/24	2024/25	2023/24
	TZS '000	TZS '000	TZS '000	TZS '000
Funeral benefits - Social	26,921	27,000	26,921	27,000
TOTAL	**26,921**	**27,000**	**26,921**	**27,000**

NOTE 24: INVESTMENT IN ARU BUILT ENVIRONMENT CONSULTING COMPANY (ABECC)

ARU established a Consulting company called ARU Built Environment Consulting Company (ABECC) *Ltd* to carry out Consultancy and Works Services in line with the University Vision and Mission. The company was fully incorporated in Tanzania under the Company Act. No. 12 of 2002 as a limited company by shares in September 2018. The Treasury Registrar approved the establishment of the company in May 2019. During the year ended 30 June 2025 the amount of funds invested by ARU stand at TZS 64,865,000.

NOTE 25: INCOME TAX PROVISION TZS 164,937,021

Income tax provisions for the year ended 30 June 2025 were in respect of ABECC only.

NOTE 26: FAIR VALUE GAINS ON ASSETS AND LIABILITIES

	CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
	2024/25	2023/24	2024/25	2023/24
	TZS '000	TZS '000	TZS '000	TZS '000
Reversal of provision for impairment	-	40,741	-	40,741
TOTAL	-	40,741	-	40,741

NOTE 27: RELATED PARTY TRANSACTIONS

Key Management personnel of Ardhi University comprise members of both the Council and the University executive management team. Key Management includes Vice Chancellor, Deputy Vice Chancellor-Academic, Research and Consultancy and Deputy Vice Chancellor Planning, Finance and Administration, School Deans, Directors of Institute and Other Directors with a total of 31 Management personnel.

During the year the University incurred expenditure amounting to TZS 2,220,146,300 in respect of related party transactions. Key Management short term benefits which were paid included salaries, allowances and social security contributions as follows: -

	2024/25	2023/24
	TZS	TZS
Salaries	1,623,726,000	1,492,306,000

Allowances	515,744,400	494,872,800
PSSSF	80,675,900	74,815,300
Total	**2,220,146,300**	**2,061,994,100**

Council members' fees and related costs amounted to TZS 137,155,000 paid during the year under review while TZS 107,093,000 was paid during 2023/24 and during the period there were no loan advanced to key Management personnel.

Payments to the Council members and ARU executives are paid in accordance with the Government Standing Orders and the approved Human Resources Management Policy and Incentive Scheme of the University.

NOTE 28: FINANCE COST

Finance Costs comprise of bank transaction charges such as charges on fund transfers and account maintenance fee.

	CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
	2024/25	2023/24	2024/25	2023/24
	TZS '000	TZS '000	TZS '000	TZS '000
Finance costs	1,783	2,270	-	-
TOTAL	**1,783**	**2,270**	**-**	**-**

NOTE 29: IMPAIRMENT OF RECEIVABLE-EXPECTED CREDIT LOSS

	CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
	2024/25	2023/24	2024/25	2023/24
	TZS '000	TZS '000	TZS '000	TZS '000
Opening Balance 1 July	396,478	437,219	396,478	437,219
Reversal of Unused allowance	56,028	-40,741	56,028	-40,741
Closing Balance 30 June	**452,506**	**396,478**	**452,506**	**396,478**

ECL figure recognized in the statement of financial performance included the ECL from both receivables and cash. ECL Reversal resulted from the increase in ECL from TZS 396,478 in June 2024 to TZS 452,506 in June 2025. An increase in the loss allowance is an additional impairment/expense.

NOTE 30: PROVISION FOR AUDIT FEES

	CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	TZS '000	TZS '000	TZS '000	TZS '000
Provision for audit fee	127,384	127,384	107,000	107,000
TOTAL	**127,384**	**127,384**	**107,000**	**107,000**

The amount of Audit fee provided in the financial year 2024/25 were TZS 107,000,000 for ARU and TZS 20,384,000 for ABECC.

NOTE 31: MOVEMENT IN EXPECTED CREDIT LOSS

	CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
	2024/25	2023/24	2024/25	2023/24
	TZS '000	TZS '000	TZS '000	TZS '000
Opening Balance 1 July	0	0	0	0
Charge for the year	47,760	0	47,760	0
Reversal of Unused	44,704	0	44,704	-
Closing Balance 30 June	3,056		3,056	

NOTE 32: RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS FOR THE YEAR ENDED 30 JUNE 2025

	CONSOLIDATED	CONSOLIDATED	UNIVERSITY	UNIVERSITY
	2024/25	2023/24	2024/25	2023/24
Surplus/ Deficit for the Period	12,680,088,271	13,390,425,000	12,133,617,937	12,397,926,795
Add/ (Less) Non-Cash Item				
Amortization of Intangible Assets	12,465,167	-14,820,000	12,465,167	12,465,000
Depreciation of Property, Plant and Equipment	1,215,848,835	2,438,229,000	1,209,184,000	2,428,767,084
Fair value Gains on Assets and Liabilities	0	0	0	(40,741,210)
Expected Credit Loss Impairment	394,846,170	-472,718,000	525,390,339	11,382,252
Non-Monetary Revenue - Capital	-	-14,427,203,000	-	-
Add/ (Less) Change in Working Capital				
Deferred Income	2,906,059,611	21,726,060,000	2,906,059,611	21,726,059,701
Inventories	(113,669,961)	10,274,000	(113,669,961)	(15,529,418)
Other receipt	-	-	-	(466,072,404)
Payables and Accruals	(1,028,561,655)	159,615,000	(669,856,049)	(163,842,338)
Deposits	(482,042,055)	-	(482,042,055)	-
Tax Payable	(122,976,328)	-	-	-
Prepayments	32,250	-914,000	32,250	914,100
Receivables	(1,662,421,045)	-1,606,393,645	(1,775,860,000)	282,397,204
Net Cash Flow from Operating Activities	13,799,669,260	21,202,554,355	13,745,321,239	36,173,726,766

NOTE 33: CASH FLOW ANALYSIS FOR THE YEAR ENDED 30 JUNE 2025

	UNIVERSITY	UNIVERSITY
	TZS "000"	TZS "000"
	2024/25	2023/24

Revenue Grants		
Government Grant Development Foreign	-	-
Government Grant Development Local	-	-
Receipt	-	-
Add/Less (Change in Working Capital)		
Development Deferred Income Addition	-	21,726,060
Recurrent Deferred Income Addition	- -	-
Receipt	**-**	**21,726,060**
Revenue from Exchange Transactions		
Graduation Gown hire - Exchange	32,160	26,370
Printing and Publications	80,991	77,378
Revenue From Commissions- Exchange	14,517	20,836
Revenue from Consultancy Fees- Exchange	151,444	87,219
Revenue from Medical and Dental Charges	54,783	14,827
Sale of Government Assets- Exchange	-	-
Tender fees- Exchange	-	-
Tuition Fees for University/College Students-Exchange	8,134,865	7,706,897
Receipt	**8,468,760**	**7,933,527**
Add/Less (Change in Working Capital)		
Receivable (GEPG)	-2,029,944	201,124
Receipt	**6,438,816**	**8,134,651**
Other Revenue		
Application fee	105,309	116,832
Hire of Services	17,800	17,500
Interest from Revenue from Research Fees	1,680,503	2,492,830
Miscellaneous Revenue	24,412	489,442
Professional Fees	126,440	121,760
Revenue from Certificate of Competence	49,107	28,500
Revenue from Examination Fees	75,936	74,244
Revenue from Rent of Government Quarters	576,049	567,040
Receipt	**2,655,556**	**3,908,148**
Add/Less (Change in Working Capital)		
Other Revenue Addition	-	-
Receipt	**2,655,556**	**3,908,148**
Subvention from other Government entities		
Government Grant Personal Emolument	**16,561,098**	16,035,239
Non-Monetary Revenue - Capital	-	-
Subvention Development Foreign	14,850,270	14,613,795

Receipt	31,411,368	30,649,034
Add/Less (Change in Working Capital)		
Deferred Subvention Capital	-	-
Deferred Subvention Current	2,907,560	-
Non-Monetary Revenue - Capital	-	-
Receipt	**34,318,928**	**30,649,034**
Wages, Salaries and Employee Benefits		
Acting Allowance	22,681	-61,910
Casual Labour Discretionary	3,204	-
Civil Servants	16,561,098	16,035,239
Civil Servants Contracts	94,060	110,035
Councillors Allowance	137,155	97,100
Electricity	7,380	7,380
Extra-Duty	368,820	308,496
Food and Refreshment	13,878	2,009
Honoraria	727,530	579,928
Housing allowance Expenses	209,080	342,000
Leave Travel	60,465	54,496
Local Staff Salaries	4,841	6,643
Medical and Dental Refunds	1,976	619
Outfit Allowance	2,180	2,340
Responsibility Allowance	170,000	234,395
Sitting Allowance	279,640	295,470
Special Allowance	370,558	358,286
Telephone	6,840	6,481
Payment	**19,041,386**	18,379,007
Add/Less (Change in Working Capital)		
Loan Payable Current	-	-
Staff Claim Addition	-86,638.43	1,130,225
Payment	**18,954,748**	**19,509,232**
Use of Goods and Service		
Accommodation Training - Domestic	59,359	46,823
Advertising and publication	6,640	6,650
Advertising and Publication - Communication & Information	18,863	11,698
Air Travel Tickets Training - Domestic	-	-
Air Travel Tickets Training - Foreign	16,339	6,584
Air Travel Tickets Travel - In - Country	6,873	5,161
Air Travel Tickets Travel Out Of Country	42,980	24,922
Classroom Teaching Supplies	-	9,047
Cleaning Supplies	-	-
Computer Supplies and Accessories	36,242	61,460
Computer Software	24,124	-
Conference Facilities	163,276	67,377
Contract-based training services	551,382	549,175
Diesel	177,952	159,227

Drugs and Medicines	27,987	16,428
Electricity - Utilities Supplies and Services	509,340	333,944
Entertainment - Hospitality Supplies and Services	54,005	89,451
Examination Expenses	-	25,000
Exhibition, Festivals and Celebrations	6,700	800
Food and Refreshments	395,833	323,758
Fumigation Expenses	-	2,000
Furniture and Appliances	5,929	17,100
Gifts and Prizes	5,500	10,920
Ground Transport (Bus, Train, Water)	33,686	37,446
Ground travel (bus, railway taxi, etc) Travel - In - Country	642,914	387,721
Ground travel (bus, railway taxi, etc) Travel Out of Country	17,861	31,782
Health Insurance Travel Out of Country	20,061	2,000
Hiring of Training Facilities	25,087	303
Internet and Email connections	25,000	250,526
Laboratory Supplies	2,432	432
Mobile Charges	34,410	51,130
News Services Fees	-	4,000
Newspapers and Magazines	11,195	9,011
Office Consumables (papers, pencils, pens and stationaries)	218,078	74,159
Outsourcing Costs (includes cleaning and security services)	289,677	353,629
Per Diem - Domestic	1,822,134	1,288,025
Per Diem - Foreign	73,883	31,893
Petrol	861	7,500
Posts and Telegraphs	9,345	8,926
Printing accessories	5,465	10,883
Printing and Photocopy paper	64,787	68,288
Printing and Photocopying Costs	120,625	91,608
Printing Material	89,838	87,512
Production and Printing of Training Materials	14,413	2,980
Publicity	500	4,000
Rent - Housing	-	-
Rent - Office Accommodation	2,550	-
Rent of Private vehicles	187,476	177,569
Rent of Vehicles and Crafts	-	-
Research and Dissertation Training - Domestic	280,248	1,758,722
Research and Dissertation Training - Foreign	507,511	64,859
Sewage Charges - Utilities Supplies and Services	1,620	2,340
Software License Fees	25,000	9,794
Sporting Supplies	7,904	9,564
Subscription Fees	121,573	35,850
Technical Materials	75,482	68,255
Technical Service Fees	7,000	3,032
Telephone Charges (Land Lines)	460	585
Testing Facilities	-	10,852
Training Allowances	291,743	133,583

Training Materials	18,870	12,865
Tuition Fees Training - Domestic	194,942	155,158
Tuition Fees Training - Foreign	19,958	57,862
Tents and Camp Equipment	7,500	
Parade and Ceremony	1,300	-
Laundry and Cleaning Expenses	12,654	-
Special Uniforms and Clothing	10,000	-
Uniforms and Ceremonial Dresses	41,751	12,400
Uniforms -Clothing, Bedding, Footwear and Services	20,889	14,140
Remuneration of Instructors	7,977	-
Other Allowance Expenses	20,000	-
Programs Transmission Fees	3,200	-
Communication Network Services	1,700	-
Internet Bandwith & VPN Costs	246,115	-
Telephones and Telecom Devices	8,400	-
Library Books Educational Materials, Services and Supplies	45,172	-
Schools Laboratory Supplies	1,607	-
Laboratory small non-durable equipment	7,877	-
Health Insurance Training - Foreign	3,921	-
Nutrition	1,000	-
Upkeep Allowances	50,594	144,844
Upkeep/ Stipend Allowance	-	-
Visa Application Fees	3,528	1,475
Water Charges	386,000	248,357
Water Transport	4,585	1,860
Wire, Wireless, Telephone, Telex Services and Facsimile	700	1,400
Payment	**8,260,383**	7,496,645
Add/Less (Change in Working Capital)		
IT and Computer Accessories	-26,402	-17,180
Advance Payment	-	-
Building Addition	2,825	-
Cleaning supplies	2,936	-
Consumables	-14,309	30,544
Contracts and Work in Progress Payable	-	-1,801,970
Foodstuffs	-	-
Households	1,782	-
Imprest Payable Long-Term Addition	-	178,823
Imprest Receivable - Staff	106,923	-81,176
Learning Materials Addition	-6,148	-
Medical Supplies	2,740	-
Oil and Lubricants	-935	-944
Retention fees		-
Prepayment Consumables	-	-914

Printed matters	-75,748	-
Spare parts and tyres	-409	3,109
Supplies of goods and services Addition	-40,455	125,291
Withholding tax	-	-166
Withholding Tax Payable Addition	105,520	396
	58,318	-1,564,187
Payment	**8,318,703**	**5,932,458**
Maintenance Expenses		
Air conditioners	17,629	4,250
Computers, printers, scanners, and other computer related equipment	-	2,367
Cement, Bricks and Building Materials	347,291	-
Direct labour (contracted or casual hire) - Buildings	100,046	-
Outsource maintenance contract services - Buildings	6,710	-
Direct labour (contracted or casual hire) - Water and Electricity	-	3,600
Electrical and Other Cabling Materials - Buildings	10,229	17,813
Motor Vehicles and Water Craft	1,270	212
Oil, grease, and other chemical materials	-	2,055
Outsource maintenance contract services - Office Equipment and Appliances	2,400	-
Outsource maintenance contract services - Vehicles and Transportation Equipment	79,473	35,058
Photocopiers	-	26,122
Photographic and survey equipment	8,000	-
Plumbing Supplies and Fixtures	2,652	2,790
Repair and Maintenance of Furniture	200	-
Spare Parts - Vehicles and Transportation Equipment	8,980	336
Tyres and Batteries	14,614	7,348
Small tools and equipment	120	-
Payment	**599,614**	**101,951**
Social Benefits		
Funeral benefits - Social	26,921	27,000
Payment	**26,921**	**27,000**
Other Expenses		
Audit fees Expenses	122,030	128,354
Bank Charges and Commissions	3,500	3,000
Burial Expenses	40,060	30,771
Capacity Charges	3,122	9,225
consultancy fees	42,502	275,822
education supervision expenses	84,097	29,996
Freight Forwarding and Clearing Charges	-	1,570
Honorariums (expert opinion)	46,845	10,650

Insurance Expenses	79,538	108,254
Legal fees Expenses	-	2,346
Parastatal Rehabilitation	52,624	540,034
Parastatal Rehabilitation - Other operating Expenses	75,953	-
Security Services	252,862	98,527
Sundry Expenses	405,153	380,236
Transportation Cost by Water	20,953	56,050
Upkeep of Grounds and Amenities Expenses	3,099	1,471
Payment	**1,232,338**	1,676,306
Add/Less (Change in Working Capital)		
Other Payable	550,989	531,243
Payment	**1,783,327**	**2,207,549**
Subsidies		
Tanzania Electric Supply Company Limited (TANESCO)	-	-
Payment	-	-
Increase/Decrease in Deposit		
Deposit General	-673,011	204,158
Deposit General	-	670,134
	-673,011	**874,292**
Acquisition of Property, Plant and Equipment		
Hardware: servers and equipment (incl. desktops, laptops etc	- 115,543	-6,137
Motor vehicles, Monetary	-	-492,159
Office buildings and structures Monetary	-	-368,994
Office Furniture and Fittings Monetary	- 703,480	-39,726
Payment for Work in Progress	(12,181,365)	(14,427,203)
Prepayment Assets	-	-
Payment	**(13,000,388)**	**(15,334,219)**
Acquisition of Intangibles		
Computer Software Monetary	-	-
Payment	-	-
Cash proceeds from other short or long-term borrowings		
Loan from MLHHSD	-	-
Payment	-	-

NOTE 34: STATEMENT OF RECONCILIATION BETWEEN BUDGET AND CASH FLOW

DETAILS	ACTUAL AMOUNT ON COMPARABLE BASIS	CASH FLOW
Receipts	TZS	TZS
	"000"	"000"
Subvention from Other Govt Entities	34,318,928	34,318,928
Revenue Grants	-	-
Revenue from Exchange Transactions	6,439,379	6,439,379
Other Revenues	2,655,556	2,655,556
Other Receipts	94,770	94,770
Total Receipts	**43,508,633**	**43,508,633**
Payments		
Wages, Salaries and Employee Benefits	18,954,748	18,954,748
Use of Goods and Service	8,318,801	8,318,801
Social Benefits	26,921	26,921
Other Payments	80,000	80,000
Other Expenses	1,783,326	1,783,326
Maintenance Expenses	599,614	599,614
Cash Out Flow from Operating Activities	**29,763,312**	**29,763,312**
Net cash flows from operating activities	**13,745,321**	**13,745,321**
Cash flows from investing activities		
Acquisition of Property, Plant and Equipment (PPE)	-819,023	-819,023
Acquisition of Work in Progress	-12,181,365	-12,181,365
Net cash flows used in investing activities	**-13,000,388**	**-13,000,388**

NOTE 35: EXPLANATIONS OF VARIANCES OF FINAL BUDGET AND ADJUSTMENTS.

Explanation of budget adjustments

It is the standard requirement to provide explanations for all material budget adjustments that exceeds 10% of the original budget. During the year ended 30 June 2025 the following budget line adjustments exceeds the maximum percentage set out within the standard.

Explanation for material variances

Budget line item	Variance amount "000"	Variance percentage	Explanations
Revenue Grants	11,302,321	25%	Delay in the implementation of infrastructure activities under HEET Project in Mwanza Campus.
Revenue from Exchange Transactions	4,984,593	44%	Few students and compared to target was enrolled during the year as well as shifting of Consultancy project activities to ABECC.
Other Revenue	3,074,149	54%	Few students compared to target was enrolled during the year
Subvention from Government entities	18,491,312	100%	The increase in Government grants personal emolument, is due to salary increment to some of employees and new employed staff while the increase in Government grant development foreign is due to increase in research and donor funds especially HEET project
Maintenance Expenses	958,434	62%	Few rehabilitation and maintenance activities undertaken during the period.
Other expenses	366,535	17%	Some of the procurements were not undertaken due to delays in procurement cycle and procedures from TANEPs.
Supplies and Consumables	1,944,918	19%	Some of the procurement of materials related to HEET project were not undertaken due to delays in procurement procedures from STEP.
Wages, Salaries and Employee Benefits	2,597,688	12%	The increase is due to salary increment to some of employees and new employed staff as well as staff transfers to ARU.
Acquisition of PPE	43,306,333	98%	Delay in the implementation of infrastructure activities for Mwanza Campus under HEET during the year.

NOTE 36: CONTRIBUTIONS TO THE GOVERNMENT

During the financial year 2024/25 the University contributed to the government consolidated fund a total amount of TZS 80 million as set in the annual budget for the financial year that ended 30 June 2025.

NOTE 37: INTER PUBLIC ENTITIES TRANSACTIONS

S/N	ENTITY NAME	AMOUNT(TZS)
1	TANESCO	146,082,983.17
2	CONTROLLER AND AUDITOR GENERAL	112,792,960.00
3	TANZANIA REVENUE AUTHORITY	172,782,675.92
4	DAWASA	561,559,932.68
5	PUBLIC PROCUREMENT REGULATORY AUTHORITY	2,800,000.00
6	TANZANIA COMMISSION FOR UNIVERSITIES	132,606,000.00
7	PRINCIPAL ARDHI INSTITUTE	980,000.00
8	TEMESA	57,370,401.74
9	THE TREASURY REGISTRY	80,000,000
10	TANZANIA TELECOMMUNICATION CORPORATION	190,611,206.86
11	UNIVERSITY OF DAR ES SALAAM	36,922,901.00
	TOTAL PAYMENTS MADE	**1,494,509,061.37**
	PAYABLES	
S/N	**ENTITY NAME**	**AMOUNT**
1	NATIONAL AUDIT OF TANZANIA	127,384,000
2	MLHHSD	792,860,000
	TOTAL	**920,244,000**

NOTE 38: EVENTS AFTER THE REPORTING DATE

Events after the reporting period are those events favourable and unfavourable that occur between the end of the reporting period and the date when the financial statements are authorized for issuance. Two types of events can be identified;

- Those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period); and
- Those that are indicative of conditions that arose after the reporting period (non-adjusting event after the reporting period).

The University had no events after the reporting date which needed to be adjusted.

NOTE 39: CONTINGENT LIABILITIES

Ardhi University had four pending lawsuits in court that sought remedy for losses caused during the course of business relations estimated at TZS 5,850,811,350 as shown below:

S/N.	Amount in TZS	Case No.	Parties	Nature of the case and Current Status	likelihood of winning
1	5,850,811,350	Miscellaneous arbitration No. 123	Kiundo Enterprises Versus	The case is based on the Consultancy services the University entered with M/S Kiundo for construction of the Hotel Facility in Kibaha. Kiundo	ARU is likely to win

			Ardhi University	terminated the contract and filed Arbitration against the University. The commercial court ruled in favour of Kiundo. The University through the office of Solicitor General has lodged an application for extension of time to Appeal to the Court of Appeal. The ruling was delivered in favour of ARU, the University has lodged document for extension of time waiting for hearing date.
	5,850,811, 350			

NOTE 40: ENVIRONMENT, SOCIAL AND GOVERNANCE

a) Environmental Issues

Energy Usage Efficiency at Ardhi University

Ardhi University (ARU) has implemented a range of energy efficiency and sustainability measures across its campuses. Key initiatives include the installation of energy-efficient LED lighting and solar-powered systems, especially for outdoor use, reducing reliance on the national grid. University buildings are designed to maximize natural light, and HVAC systems are regularly maintained or upgraded to energy-efficient models. Students are educated on sustainability during orientation and through regular awareness campaigns, fostering long-term energy-conscious behaviour. New construction projects, especially under the HEET Project, are incorporating renewable energy sources such as solar power, and digitization through e-office systems contributing to reduction of energy consumption and resource usage.

Transportation and research efforts further enhance ARU's sustainability profile. Public transportation options for staff and student shuttle services cut down on emissions and individual vehicle use, improving campus air quality. Research programs initiative aim to advance smart grid technologies that improve energy monitoring and efficiency. Governance bodies such as the University Senate and Council play a central role in guiding and endorsing these practices, supporting a shift toward climate-friendly operations. Though details on specific renewable energy installations are limited, the institutional commitment to sustainability and green energy integration is clearly reflected in both infrastructure development and policy direction.

The University implements the Government's Policy and Directives on environmental protection. The University preserves the environment through various activities and plans, which include the use of appropriate technology of wastewater treatment such as an Up-flow

Anaerobic Sludge Blanket (UASB). Furthermore, the University is carrying out erosion control activities through the planting of erosion control plants, grass and trees, backfilling of eroded areas and construction of check dams along with erosion-prone areas. For solid waste disposal, the University collects stores and transports all the generated institutional waste to the designated disposal site, thus ensuring environmental protection. Moreover, the University has appointed an Environmental coordinator in accordance with the policy of the Government.

Water and waste management practices

Ardhi University (ARU) has developed a robust water management infrastructure aimed at ensuring efficient use and minimizing waste. This includes a metering system for water accounting, regular maintenance of fixtures to reduce unnecessary water wastage. The Directorate of Estates oversees daily operations and maintenance, including the functioning of wastewater ponds. Projects like HEET follow World Bank environmental safeguards, integrating water efficiency and sustainability into campus infrastructure and operations.

Waste management at ARU is equally structured and effective. The university has strategically placed waste bins, daily waste collection systems, and collaborates with specialized companies for proper waste handling. Waste segregation is practiced before disposal, while the e-office system has helped reduce paper waste and improve resource efficiency. A dedicated wastewater treatment facility is maintained regularly, enhancing campus hygiene and air quality.

Efforts in Biodiversity, Conservation, and Climate Action

Ardhi University (ARU) actively supports biodiversity conservation and climate resilience through a range of academic and research programs focused on environment, climate change, and natural resource management. These programs address sustainability both on campus and in broader regional contexts, including forest conservation efforts that protect diverse wildlife and microorganisms. Ardhi University emphasizes environmental and social impact assessments before initiating development projects, reinforcing its commitment to sustainable campus growth. Restoration practices are implemented to maintain ecological balance, and forest resources.

These initiatives focus on locally relevant strategies to combat sea-level rise, cyclone risks, and mangrove degradation. The university also integrates sustainability into its educational activities through climate festivals, community research, policy engagement, and short training courses.

Carbon footprint estimates

The university promotes practical strategies such as forest conservation, environmental assessments before development, efficient energy use, public transport, green energy, climate-smart campus operations, water efficiency, sustainable waste management, and digital systems to reduce paper and mobility emissions. However, detailed carbon inventory data, including campus-wide emissions from electricity, transport, and waste, remain undisclosed, highlighting an opportunity for Ardhi University to conduct emissions accounting and release baseline carbon reports in future sustainability efforts.

Political Environmental

The University operates smoothly since the political environment favours all operations and enhance the ability of the entity to implement its strategy.

B. Social Issues

Inclusivity, Gender Equity, Staff/Student Diversity and population change.

Ardhi University made noteworthy strides in inclusivity and gender equity. The university progressed on its goal of gender-balanced leadership, maintaining near parity (50% female) at the dean and director levels. The University offer services like counselling, gender-based violence prevention via a gender desk, and assistive technologies. The Gender Unit continue to play a central role in promoting a general responsiveness to gender and disability issues across the university and awareness across academic and support services.

There is a Gender Policy of the University, which guides staff recruitment, training and other services. As at 30 Jun 2025, the University had 569 Employees as compared to 548 as at 30 June 2024.The distribution of employees by gender can be seen in Table 21 below:

Table 18: Staff Composition

Gender	2024/25		2023/24	
	Units	Percentage	Units	Percentage
Male	317	56	320	58
Female	250	44	228	42
Total	567	100	548	100

Community Engagement and Outreach Programs

Ardhi University (ARU) actively promotes community engagement and development, which coordinates training, consultancy, and industry partnerships to improve socio-economic well-being in Tanzania. Supported by units like the Communication and Marketing Unit (CMU), ARU fosters collaborative, empowering relationships with communities. Various university departments provide community-based services in legal aid, gender protection, and environmental management. Academic forums and workshops further engage stakeholders on issues like health, governance, and sustainability. A key initiative, the Youth for Children Innovation Hub—run in partnership with AMREF Health Africa—supports youth-led health solutions and digital innovations aligned with the SDGs. Overall; Ardhi University serves as a driving force for inclusive and sustainable societal transformation

Occupational Health and Safety

Ardhi University (ARU) reinforced its commitment to occupational health and safety by integrating it into its human resource policies, covering areas such as recruitment, training, and staff welfare. A dedicated Risk Management Unit School of SERBI ensures campus-wide safety through a Risk Management Framework. By maintaining and annually reviewing a Risk Register, the university proactively identifies and mitigates potential hazards, reflecting its dedication to workplace safety, continuous improvement, and adherence to best practices.

Student and Staff Welfare Policies

Ardhi University (ARU) supports students wellbeing through the Directorate of Students and Social Services (DSS). Directorate of Students and Social Services (DSS) oversees healthcare services via the University dispensaries, mental health support through the Counselling Unit, sports and recreation, and health insurance registration in partnership with NHIF. Directorate of Students and Social Services (DSS) complements this by managing student orientation, transition programs, and ongoing student affairs, providing policy guidance to foster academic, social, and personal development. Furthermore, the University provides of learning facilities, accommodation and competitive scholarship. However, special attention are focused on students with disability.

For staff, the Directorate of Administration and Human Resource Management (DAHRM) offers a wide range of benefits, including housing and transport allowance, various types of leave, medical coverage and retirement, funeral assistance, and access to loans.

Staff development is encouraged through study opportunities, research funding, and structured career advancement supported by PEPMIS. ARU also promotes an inclusive and respectful work and learning environment through policies on disability, gender equity, anti-sexual harassment, and customer service. These comprehensive structures highlight the university's strong commitment to the welfare, inclusion, and development of its entire community.

Financial Assistance

The University provided office space for the University Savings and Credit Cooperative Society (SACCOS), which provides loans/credit to her members. The University also entered an agreement with NMB, Absa, Azania, DCB, Amana NBC, and CRDB banks of which staff members obtain loans, and recovery is made monthly from their salaries and/or terminal benefits.

Health

Medical Assistance

The University is a member of the National Health Insurance Fund (NHIF). University staff have access to health services at designated hospitals, in accordance with NHIF policy and regulations.

HIV/AIDS in place of work

The management of HIV/AIDS is an important challenge for the nation and for the University. The University has determined that HIV/AIDS will have an impact on the following areas: operations, legal risk and health risk. Whilst all these risks are under investigation, the University has adopted the following core principles as a basis for HIV/AIDS policy:

i) Limit the number of new infections among employee through awareness and training.

ii) Ensure employees living with HIV/AIDS are aware of their rights and that their rights are respected and protected. Providing care and support to employees living with HIV/AIDS.

iii) Collective Values and Educational System.

Management-employee relationship

There were continued good relations between employees and management for the period 2024/25. There were no unresolved complaints received by management from the employees during the period. A healthy relationship continues to exist between management and the trade union. Ardhi University is an equal opportunity employer. It gives equal access to employment opportunities and ensures that the best available person is appointed to any given position free from discrimination of any kind and without regard to factors like gender, marital status, tribes, religion and disability, which does not impair the ability to discharge duties:

i) Training Assistance

During the period under review staff members received training, for PhD Masters, Bachelors' degrees and Diplomas. A number of local and international workshops, seminars and short-term courses were financed during the period. Some of the attended courses and seminars were organized by Ardhi University, the National Board of Accountants and Auditors (NBAA), Engineer Registration Board (ERB) and from other external consultants and development partners contracted by the University for Specific agreed training.

ii) Governance issues

a) Institutional Governance Structure and Ethics

Ardhi University upheld a formal governance structure anchored by the Charter of 2007 and the Universities Act (Cap 346), underpinned by the Financial Regulations (Revised 2019) and supported by a robust Customer Service Charter to ensure integrity and stakeholder responsiveness. The institutional framework includes clearly defined roles—from the University Council and Senate with several committees such as;

(a) Audit Committees;

(b) Human Resource and Appointment committee;

(c) Funding and Promotion Committee;

(d) Planning and Finance Committee; and

(e) Student Affairs Committee.

Anti-corruption and Transparency Measures

In conducting its activities, the University maintains transparency and observes the principles of good governance; in that respect, the University has established several Committees. The University has established and maintains Tender Board and Procurement Management Unit. These are organs, which ensure transparency prevails in all procurement transactions.

Ardhi University's governance ethos embraces anti-corruption and transparency through multiple mechanisms. Financial controls are embedded in Financial Regulations and internal audits, reinforced by a Customer Service Charter demanding no solicitation of gifts and prizes. ARU has publicly committed to accountability, as evidenced by its recognition for implementing audit recommendations.

Risk Management Policies and Internal Controls

Ardhi University established a Risk Management Unit operating under an -aligned Risk Management Framework. Led by a risk coordinator within the School of SERBI, this unit maintains an annual risk register and embeds risk identification, assessment, and mitigation across university planning, projects, and Performance. This approach ensures continuous monitoring, reporting, and proactive risk governance institution-wide.

Compliance with Regulatory Frameworks

Compliance is embedded across Ardhi University's governance processes. The University strictly adheres to national laws, financial regulations, and audit requirements, coordinating closely with bodies like the Controller and Auditor General, Ministry of Education, and President's Office for Public Service, Tanzania Revenue Authority (TRA), Preventing and Combating Corruption Bureau (PCCB). Furthermore, HR and administrative policies (e.g. on disability, gender, sexual harassment, security, and counselling) align with government directives and good governance standards.