



ISACA
Tanzania Chapter

ANNUAL REPORT 2022

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Message from the President



Our dear valued members and partners. On behalf of the Board of Directors, Secretariat, and Staff of ISACA Tanzania Chapter, I would like to take this opportunity to thank you all for your continued support of the Chapter. We had a very successful year through ought the year 2022 when the current Board took the office in April 2022.

As we embark into the year 2023, I would like to reflect on some of the noteworthy achievements we have had during the year 2022. The most significant one is being able to conduct 20 years anniversary celebrations by organizing various events such as SheLeadsTech event and the Gala Dinner. There was a smooth election of new chapter leaders for the period of 2022-2024, my gratitude to you all for trusting me and my team to move the chapter to another milestone.

Moreover, the 2022 Annual Conference was quite a success as we succeeded to address the long-time request of members to change the venue location, there was an outstanding performance in terms of participants' attendance in all chapter's organized events, and the increase in members from 300 to over 350 members. We succeeded to move to a new bigger office and managed to get the chapter's training room and lab. Furthermore, we successfully conducted 2 CISA review classes boot camps in Bunju and Morogoro with Internal Auditor General (IAG) and Controller and Auditor General (CAG) which had an outstanding performance with an average of 80% pass rate. I would like to congratulate our trainers for the great job done in preparing these candidates to sit for the exam and all candidates who attempted and passed the ISACA certifications exam in 2022. We also did several sponsorship and donations in 2022 that were all meant to increase the chapter's visibility in the country.

Our financial performance has been great where we recorded a net profit of Tzs 20.4 million from a loss of Tzs 7.6 million main driven by business growth on the revenue by 94% year on year and contained operating expenses growth rate, increased events, training and consultancy assignments to the chapter.

As we step into 2023 we will continue to work towards our strategy and be vibrant and proactive in creating value for you our members and other stakeholders in the profession through our various training programs, consultancy, and events. We will continue to partner with various professional bodies and the Government to make sure we bring positive technology to potential individuals and enterprises. I am excited and optimistic about the year and the possibilities ahead of us.

Thank you once again for being a part of our 2022 journey and for sharing both our challenges and triumphs over the year. We sincerely hope to receive your continued support this year

Peter Kisa Baziwe, CISA
President, ISACA Tanzania Chapter

ISACA Tanzania Board Members



Peter Kisa Baziwe - President

Peter Kisa Baziwe a.k.a V3t3r4n is an Independent Technology Auditor with a strong Cybersecurity background. He has over 22 years' experience various consulting in various International and local ICT positions like an Network Administrator, Reverse Engineer WirelessConsultant, IT Auditor, CyberForensics Consultant.

Peter has done a number of cybersecurity projects to match his code name V3T3R4N. He is infamous for coming out of retirement and busting a group called TZ_Hackerz. Since 2016 he has successfully carry out over 50 IT audits of Financial, Fintech and Public Institutions in Tanzania.

He believes in cross domain knowledge as the future of any career and is a critical thinking Advocate. His favorite quote is Adapt Evolve or Fade! His interests now lean more to Blockchain technology, using AI for Good .He doesn't like to list his alphabet soup but it consists of MCP, CNE,CCNA CISSP CWNA CPTe CWNP CISA CBX CBD.

He professionally works for 4PAY Inc. a Fintech company as Security and Compliance Lead. Peter is passionate about overcoming obstacles and mental fortitude. He can be found on the weekends swimming to Mbudya island, rolling truck tires, riding a motorbike at 11 pm or listening to nature and trying to think nothing.



Dora Ndabaga -Vice President

Dora is a Certified Information System Auditor (CISA), Certified Internal Auditor (CIA). She is an active member of ISACA and served the board as a secretary for year 2020/2022.

Dora is currently working with Tanzania Shipping Agencies Corporation Tanzania (TASAC) as Senior Internal Auditor



Benedicto Baragomwa - Treasurer

Benedicto brings a wealth of experience in Financial management, Banking, Auditing, Corporate Governance, Strategy, Business controls risk management, ICT and Data Analytics.

Benedicto is the Chief Audit Executive at NMB Bank Plc which is the largest Bank in Tanzania listed on the Dar es salaam stock exchange.

He is also a member of the Advocacy Board committee of the Institute of Internal Auditors Tanzania(IIA).

Benedicto holds a MSc. in Economics and Finance from the University of Bradford (UK) and a Bachelor Degree in Accounting & Finance from Mzumbe University (TZ).

He is an Associate Certified Public Accountant (ACPA), a Certified Information Systems Auditor (CISA) and a Certified Director by the Institute of Directors in Tanzania (IoDT).

ISACA Tanzania Board Members



Cornely Kilatu - Membership Director

Cornely is a visionary leader and a talented professional in Internal Audit, Risk management, Governance and Controls. He is an Associate Certified Public accountant (ACPA) and a Certified Information Systems Auditor (CISA) with over 10 years of working experience in banking sector and other reputable organization.

He is currently the Group Director for Internal Audit & Risk for SF Group Of Companies Ltd and is responsible overseeing the Audit and Risk management for over 15 companies within the Group in Tanzania and DRC.

Cornely has been an active member with ISACA for over 7 years and therefore his experience, exposure and unique skill-sets will be a valuable contribution to the ISACA Tanzania board



Joseph Kahatano - Academic Relations Director

Joseph Kahatano- CRISC,CISA,ACCA,ACPA-PP Joseph is a chartered accountant (ACCA), Risk practitioner (CRISC), certified public accountant (ACPA-PP) and Certified Information Systems Auditor (CISA) with over 7 years of working experience in Governance, Risk, Controls, Compliance and Assurance lines of service.

He has been an active member with ISACA for over 3 years and he brings on board a strong network with other professional organization bodies.

Joseph is currently working with Britam Insurance Tanzania overseeing the Internal Audit function.



Halfan Semindu - Marketing Director

Halfan is a Certified Information Security Manager (CISM), Certified Information System Auditor (CISA), Certified Data Privacy Solution Engineer (CDPSE) and Certified Blockchain Expert (CBE). Halfan is a member of ISACA for the last 8 years and a registered ICT professional specialized in Cybersecurity by Tanzania ICT commission.

Halfan is currently working with Exim Bank (Tanzania) Limited as Senior Manager - Information Technology.

He, brings to the chapter invaluable experience, knowledge and a unique skills set. His core areas of competence are in digital transformation, cybersecurity, automated controls assurance, banking services, business process improvement, planning and general management.

ISACA Tanzania Board Members



Rosevita Majani - Secretary of the Board.

Rosevita is a Certified Information System Auditor (CISA) with over 7 years working experience in IT Audits. She has extensive experience in assurance, governance, projects, risk and cyber security. She has been an active member with ISACA for over 5 years and served the board as a membership director year 2020/2022. She brings on board passion for audits and strong skills to grow the chapter members and society at large.

Ms. Rosevita is currently working with Stanbic Bank Tanzania as IT Audit Manager.



Daud Ndubula - Certification Director

Daud Ndubula, CISA, CISM, CRISC, CDPSE, CIA, CRMA is a professional Information Systems, Operational and Compliance Auditing, Operational and Technology Risk and Data Privacy Solution Engineering with over 10 years of proven practical experience. He previously worked with USAID supported projects as Systems Admin on the implementation of social enterprise projects, currently capitalizing his professional knowledge and experience in the banking sector as a Manager, Technology Risk, NMB Bank Plc. He is an ISACA Global member of the CRISC Review Manual Expert Reviewers, he reviews ISACA Journal Articles and writes ISACA Exam Items (Certification Exam Questions).

Mr. Ndubula is a member of both ISACA (gold member) and IIA, previously served as an Education Director for ISACA Tanzania Chapter. He is the current Certification Director for the Chapter.



Nsaa-Iya Kihunrwa - Education Director

Nsaa-Iya is a Systems Analyst providing coordination support to the Development Partners Group for Water Sanitation & Hygiene in Tanzania (DPG-WASH). He is a Certified Information Systems Auditor (CISA) and holds a Masters of Business Administration (MBA) degree from Stetson University, Florida USA - 2003. He holds a Bachelor of Science with Computer Science (UDSM Tanzania class of 1999).

He has worked in the public and private sectors in Tanzania and cumulatively has twenty years of experience in programme/ project management, conservation management, and Information Technology (IT). He is proficient in project management with certifications accredited by George Washington University (USA) and the British Technology & Education Council (BTEC).

He has been an ISACA member since 2005, and a Board member since 2015 having served various Board positions including Chapter Secretary, Academic Relations, and Education Directorates.

ISACA Tanzania Board Members



Kenneth Wakati - Immediate Past President

Kenneth has more than 25 years of broad experience leading business transformation and overseeing technology operations in private corporate organizations (manufacturing and mobile telecommunication), banking and government sectors. He holds academic qualifications in Engineering and Computer Science. He is Certified Director with Institute of Directors Tanzania, Certified Project Management Professional (PMP) and Fellow of the Chartered Institute of Information Technology (UK) and possess strong strategic management skills with the unique ability to work with stakeholders in the design and implementation of Information Technology (IT), Business Transformation, IT Project Advisory & Assurance, Change Management, Business Continuity, IT Governance as well as P & L strategies.

Kenneth has previously worked in management and leadership teams for several organizations including Equity Bank Tanzania, Absa Bank Tanzania, Wananchi Business Services, Tanzania Revenue Authority, Vodacom Tanzania and JTI-Tanzania Cigarette Company.

ISACA Tanzania Chapter Staff



Lilian Muze - Business Development Coordinator

Lilian has more than seven (7) years of experience in business development also members and stakeholders management. Prior to ISACA, she has also worked for Institute of Internal Auditors Tanzania as Head of Communication and Business Development. She is in charge of chapter's daily business operations and execution of overall strategic direction of the chapter to enable it to attain its growth objectives under the guidance of the board.

Ms. Muze holds a Master degree of Business Administration (MBA) in Corporate Management from Mzumbe University and a Bachelor degree in Sociology from the University of Dar es Salaam in Tanzania.



Heri Haroub Mvula - Accounts And Administration Officer

Heri perform a variety of accounting and administration duties for the chapter under Treasurer and Business Development Coordinator guidance.

Mr Mvula holds a Bachelor Degree in accounting from the Institute of Accountancy Arusha (IAA)

Who We Are

The Information Systems Audit and Control Association (ISACA) www.isaca.org, is a global association formed in 1969 that helps individuals and enterprises achieve the positive potential of technology. Today's world is powered by information and technology, and ISACA equips professionals with the knowledge, credentials, education and community to advance their careers and transform their organizations.

ISACA Tanzania Chapter is a local chapter of ISACA pursuing similar objectives. The chapter was formed in 2002 and has grown due to demand. The chapter's operations were formalized in 2016 after registering with BRELA as a Company Limited by guarantee with certificate of incorporation no 128369. Currently the Tanzania Chapter has 400 members.

The chapter is governed by the Board of Directors which is elected by members at the General Meeting. The Board of Directors which has a total of ten members is composed of the President, Vice President, Treasurer, Secretary of the Board, Education Director, Academic Director, Membership Director, Marketing Director, Certification Director and one Recent Past President.

Our Services

- **We offer globally recognized certification programs** which are Certified Information System (CISA), Certified in Risk and Information Control (CRISC), Certified Information Security Manager (CISM), Certified in Governance of Enterprise IT (CGEIT), Cybersecurity Practitioner Certification (CSX-P-CSX), Certified Data Privacy Solutions Engineer (CDPSE), Information Technology Certified Associate (ITCA), and Certified in Emerging Technology Certification (CET). ISACA Tanzania Chapter provides review classes, support and guidance for members to obtain these certifications.
- **We offer training programs to fit your learning preference**—in-person and online. These educational opportunities range in scope from IT audit, assurance, governance, risk, security and cybersecurity professionals and are offered at your convenient times and to meet your budgetary needs.
- **The ISACA Tanzania Annual Audit, Risks & Cybersecurity Conference** The Annual Conference takes place in the last week of June annually, we always attended by over 200 participants. In our conference you will get together with what to know and who to know—in your field of IT, business and beyond also get a chance to connect with fellow professionals around the world.
- **Membership Services**, we register members and issue membership Id and access to our website, An ISACA membership provides access into the world's largest global organization for empowering IS/IT audit, control, security, cybersecurity and governance professionals to succeed in any industry.

Membership Benefits:

- Discounts & free access to Frameworks, resources and guides
- Career tools & services
- Access to free CPEs, Webinars & Members Only Events

Chapter's Advocacy Activities

President Meeting with IAG

- We successfully sponsored President visit to Dodoma, he was accompanied by the Past President, Mr. Kenneth Wakati and they succeeded to meet the Internal Auditor General(IAG).
- On behalf of ISACA Tanzania Chapter, Mr. Baziwe presented a trophy to the Tanzania Internal Auditor General(IAG), CPA. Athumani Mbuttuka in recognition of his contribution to the information systems audit profession and promoting their continued professional education in Tanzania.



ISACA Tanzania President Mr. Peter Baziwe (right) handing over a trophy to Internal Auditor General (IAG), CPA. Athumani Mbuttuka when he paid a courtesy visit at his office in Dodoma.

ISACA Certifications



Chapter's Advocacy Activities

Business Trips in Zanzibar and Dodoma

We sponsored the Chapter's Business Development Coordinator in her courtesy visits to Dodoma and Zanzibar which aimed at meeting the key stakeholders and with promoting the chapter.



The Chapter's Business Development Coordinator Ms.Lilian Muze (left) with the Zanzibar Internal Auditor General, Ms. Fatuma Khamis Mohamed when she paid a courtesy visit at her office.



Ms.Lilian Muze with the Chief Internal Auditor of Ministry of Information Communications and Information Technology, Ms.Joyce Christopher when she visited the Ministry offices in Dodoma

At the ministry she also succeeded to meet the Director of ICT,Mr.Mulembwa Munaku and the Assistant Director of Cybersecurity, Eng.Stephen M.Wangwe.

The Chapter's mission is to cooperate with the Government to ensure we build trust and assurance in the digital economy.

Chapter's Advocacy Activities

Sponsorship WIMA Event

In this year the chapter sponsored the Women In Management Africa (WIMA) Breakfast Meeting that was held at Coral Beach Hotel in Dar es Salaam. Total amount of Tzs 5 Million was provided to WIMA. We succeeded to promote our chapter to the WIMA audience and got a chance to give a brief overview of ISACA. Our female members were sponsored to attend the event



ISACA Past President Ms. Neemayani Kaduma giving brief summary about ISACA at the WIMA event in Dar es Salaam

Ms. Kaduma spoke about our services including the ISACA Global recognized professional certifications, the professional training service and ISACA Tanzania Annual Audit, Risk and Cybersecurity Conference. More over She explained to participants about SheLeadsTech and invited them to join group



WIMA Event at Coral Beach Hotel in Dar es Salaam

Professional Trainings

- We successfully conducted seven(7) professional training this year which were;
 - i. CISA Online Review Classes (Jan- March 2022)
 - ii. Web Application Testing with TRA (March 2022)
 - iii. CISA Online Review Classes (April- May 2022)
 - iv. ICT Audit Fundamentals with IAG and GIZ Team (May 2022)
 - v. CISA Review Classes CAG Bootcamp (April -May 2022)
 - vi. CISA Review Classes IAG Bootcamp (July -August 2022)
 - vii. Certified Ethical Hacker with e-GA(October 2022)



President of ISACA Tanzania Mr.Peter Baziwe giving opening remarks at the ICT Audit Fundamentals Training in Arusha



Deputy Internal Auditor General, Mr. Emmanuel M.Subbi giving opening remarks at the ICT Audit Fundamentals Training in Arusha



CISA Review Classes Bootcamp in Bunju Dar es salaam (Controller and Auditor General Team)



ICT Audit Fundamentals Training in Arusha (Internal Auditor General Team)

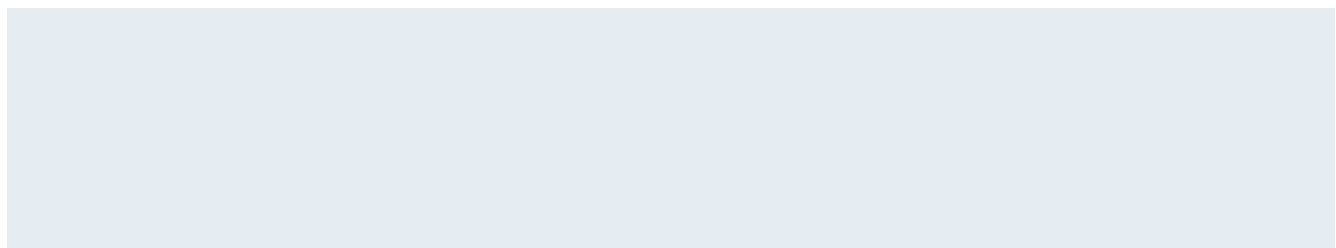
Annual Events

Annual General Meeting (AGM) and Chapter Leaders Elections

- The AGM took place on 15th March 2023 at Onomo Hotel in Dar es Salaam.
- It was preceded by presentation on Implementation of Tanzania Instant Payment System (TIPS) Project by Mr. Mutashobya Mushumbusi from Bank of Tanzania
- The new Board of Directors for the year 2022 – 2024 was selected



“A snapshot of our dedicated team coming together to reflect on the past year and plan for the future at ISACA Tanzania Annual General Meeting.”



ISACA Community Day

- ISACA Community Day is an annual day of service for ISACA members all over the world, their families and friends – individually or through their chapter – to change the world through local volunteer activities, this year’s community day was on Saturday 1st October 2022.



- As the chapter, this year we organized a visit to Jerusalem Orphanage center. Members, staff and board members participated in this event. The chapter donated Tanzanian shillings five hundred thousand (Tzs 500,000), groceries as requested by the center and toys. Participants had an opportunity to have lunch with the staff and children of the center.

Annual Conference

- The chapter succeeded in fulfilling a long time quest of members to change the location for the Annual Conference. This year's conference themed 'Building Trust and Assurance in the Digital Economy' took place in Arusha at Gran Melia hotel on 20- 24 June 2022. The guest of Honor was the Director General of Information and Communication Technologies Commission (ICT Commission), Dr. Nkundwe M. Mwasaga. The event was attended by over 150 participants.



Guest of Honor Dr, Nkundwe Mwasaga giving a speech at the ISACA 2022 Annual Conference in Arusha



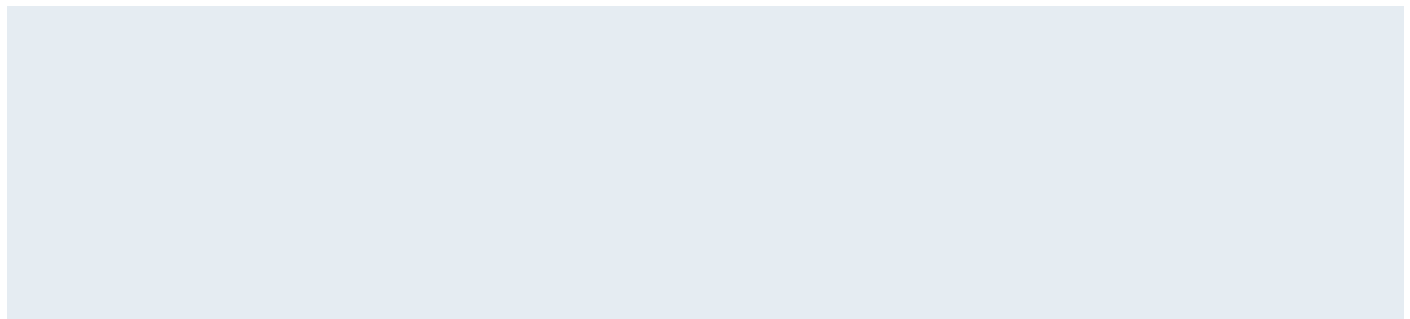
Panel Discussion: ISACA 2022 Annual Conference



We used technology in registration this year where participants had name badges which had QR codes.



We organized a tour trip to Ngorongoro for the conference participants



Cybersecurity Day

- The event was conducted on 12th October 2022 at Protea Hotel by Marriot in Dar es salaam.
- It was a full day event themed Cybersecurity and Data Security in the Digital Economy and was attended by 80 participants who were awarded 6 CPE hours each.



Presentation on Digital Economies by Engineer Peter Ulanga, Director General of the Tanzania Telecommunications Company Limited (TTCL) at the 2022 ISACA Cybersecurity Day



Panel Discussion on Data Security was moderated by Mr. Kenneth Wakati, Past President, ISACA Tanzania, the panelists were Mr. Halfan Semindu, Mr. Remigius Hyera and Mr. Eric Njoroge



Presenters and Participants : Cybersecurity Day

2023 Tech Insights and Cocktail Party

- This is the last event of the year aiming at getting some technology insights for the coming year but members to network and celebrate end of the year
- The event took place on 8th December 2022 at Onomo Hotel in Dar es Salaam and the presenter was Mr. Martin Warioba, the founder and Managing Partner of Warioba Ventures



Mr. Martin Warioba presenting at the 2023 Tech Insights and Cocktail Party



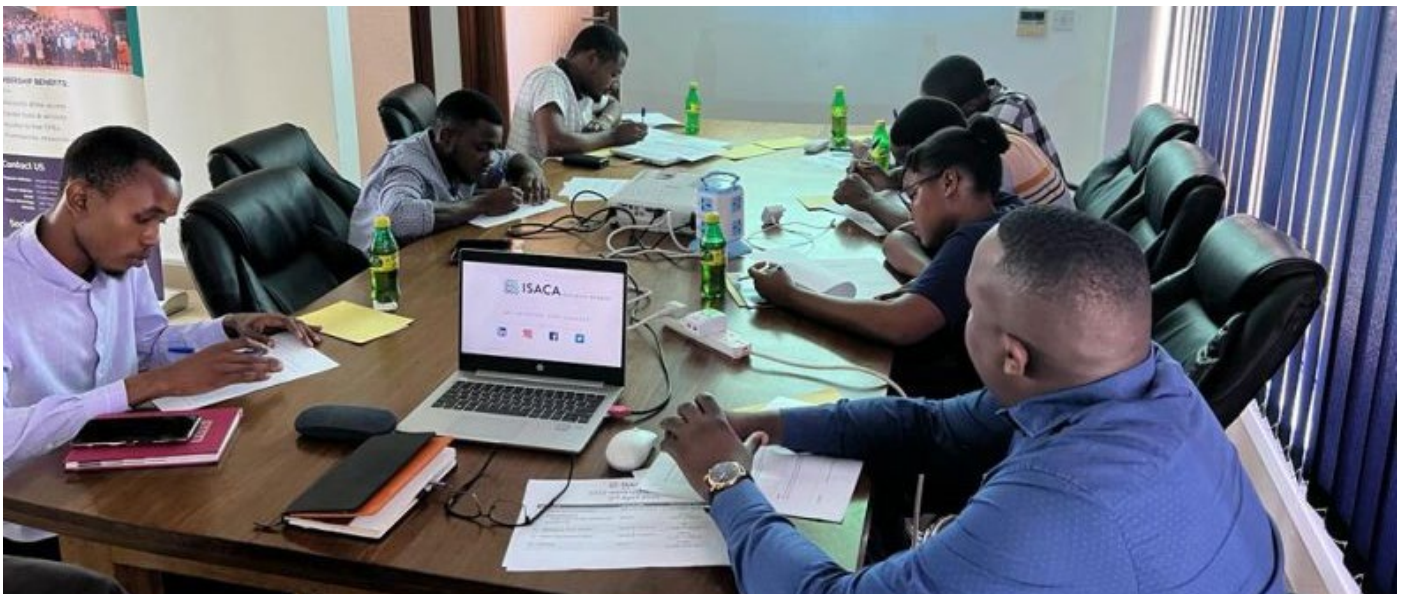
Networking: End of the Year Cocktail Party Cheers to a night of unforgettable memories with great company



Participants and Presenter : 2023 Tech Insights and End of the Year Cocktail Party at Onomo Hotel in Dar es Salaam

University Students Mentorship Program

- In the year 2022 we started the Students Mentorship Program that aims at preparing university students for post university career life in the areas of their interests. The students are introduced to industry experts within the ISACA network.
- We succeeded in conducting the mentorship program for 6 university students for the period of four months from April to July 2022. The chapter remains committed to supporting university students in realizing their career aspirations through such programs.



20 Years Anniversary Celebrations



We celebrated our 20th Anniversary this year by having the anniversary logo which was used in all chapter's communications and different events were organized, such as SheLeadsTech event and the Gala Dinner

We also presented the trophies of appreciation to Chapters past presidents in recognition to their contribution for the development of the chapter



An Evening of Elegance and Celebration of 20 Years Anniversary.



For the 1st time the chapter organized an in-person event for women. The SheLeadsTech event took place on 9th March 2022 at Protel Hotel in Dar es Salaam,

ISACA Tanzania Office

- In this year we moved to a new office with bigger space
 - We managed to get chapter's training room, furniture and lab for practical trainings
- We added office furniture i.e. workstations and comfortable chairs for the staff



ISACA Tanzania training room

Local and International Relationships

- We are in good standing with ICT Commission and they have been inviting us in their stakeholders' meetings
- We have made the chapter known to key stakeholders as IAG, CAG and Donors (GIZ). We are planning to enhance our relationship with key stakeholders by organizing networking and awareness Platforms.
- We have been regularly invited to speak at other Professional Association Events such as ICT Commission, Internet Society, IodT.
- We engaged the ISACA Kenya President to present at the Annual Conference

Information and Communication Technology



- We implemented the use of Outlook Microsoft Office 365 to all Staff and Board Members
- We Purchased Clouds Storage

Chapter's Plans for the future



- Revenue growth through new initiatives and services of the chapter to offer.
- Advocacy strategy for Chapter visibility by key stakeholders including the government, institutions and potential members.
- Implementing movement to get more trainers who will be used in our training programs and organizing quarterly trainers' capacity building to ensure we provide quality training,
- Increase certifications review classes and start conducting CISM review classes,
- Enhancement and Promoting of the inhouse training programs especially on our areas of strength IT Steering Committee and CISA,
- Grow the number of Certified trainers to meet the increasing demands in the market.
- Establish more relationship with other organizations and professional institutions such as IIA, Institute of Bankers, NBAA and Ministry of Information and Information Technology,

CHAPTER TWO

ISACA TANZANIA CHAPTER LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

AUDITED BY



DIRECTOR'S REPORT FOR THE YEAR ENDED 31ST DECEMBER 2022

1. INTRODUCTION

The directors are pleased to present their report together with the audited financial statements for the year ended 31st December 2022, which disclose the state of affairs of ISACA Tanzania Chapter Limited (the "Chapter").

2. INCORPORATION OF THE CHAPTER

The Chapter was incorporated on 4th August 2016 as a Company Limited by guarantee with the certificate of incorporation No. 128369. All affairs, business and properties of the Chapter are vested under ISACA Tanzania Chapter Limited.

3. PRINCIPAL ACTIVITIES

The Chapter is a member of the Information Systems Audit and Control Company (ISACA) which is a worldwide company of Information Systems governance professionals. The company currently focuses on assurance, security, and governance and provides globally recognized certification in assurance (Certified Information Systems Auditor (CISA)), security (Certified Information Security Manager (CISM)), Governance (Certified in the Governance of Enterprise IT (CGEIT)), Risk (Certified in Information Systems and Risk Controls (CRISC)) and Cyber Security (CSX).

4. COMPOSITION OF THE BOARD OF DIRECTORS

The directors of the Chapter at the date of this report and who have served since 1st January 2022 except where otherwise stated, are:

S/N	Name	Nationality	Positions	Profession	Qualification	Date From
1	Peter Baziwe	Tanzanian	President	IT Consultant	BSc, MBA, CISA CISSP, CBE	February 2020
2	Kenneth Wakati	Tanzanian	Past President	Certified PMP, ITBMC	BSC, PGD	February 2020
3	Dora Ndabaga	Tanzanian	Vice President	Certified IS Auditor	BSc, MBA, CISA, CIA	February 2020
4	Rosevita Majani	Tanzanian	Secretary	Information Security	BSc, CISA, CISM, CRISC	February 2020
5	Benedicto Baragomwa	Tanzanian	Treasurer	Certified Public Accountant	CISA, ACPA, CiD- ir, MBA Economics and Finance	March 2022
6	Cornely Kilatu	Tanzanian	Membership Director	Certified IS Auditor	CISA, ACPA-PP	March 2022
7	Nsaa-iya Kihunrwa	Tanzanian	Education Director	Systems Ana- lyst	CISA, BSc, MBA	February 2020
8	Daud Ndubula	Tanzanian	Certification Director	Certified IS Auditor	CISA, CIA	February 2020
9	Halfan Semindu	Tanzanian	Marketing Director	Information Security	BSc, MBA	February 2020
10	Joseph Kahatano	Tanzanian	Academic Director	Risk Practi- tioner	CRISC, CISA, ACCA, ACPA-PP	March 2022

During the year Mr. Benedicto Baragomwa, Mr. Cornely Kilatu and Mr. Joseph Kahatano were appointed to be members of the Board of Directors.

The Chapter Secretary who served the Chapter up to the date of this report was M/s Rosevita Majani.

5. CORPORATE GOVERNANCE

The Board of Directors consists of ten (10) Directors. All Directors do not hold executive positions in the Chapter. The Board takes overall responsibility for the Chapter, including responsibility for identifying key risk areas, considering and monitoring investment decisions, considering significant financial matters, and reviewing the performance of management business plans and budgets. The Board is also responsible for ensuring that a comprehensive system of internal control policies and procedures is operative, and for compliance with sound corporate governance principles.

The Board is required to meet at least four times a year. The Board delegates the day-to-day management of the business to Business Development Coordinator. Business Development Coordinator is invited to attend board meetings and facilitates the effective control of all the Chapter's operational activities, acting as a medium of communication and coordination between all the various business units.

The Chapter is committed to the principles of effective corporate governance. The directors also recognize the importance of integrity, transparency and accountability.

During the year, the Chapter conducted a total of four (4) board meetings of which three (3) were ordinary board meetings and one (1) was extraordinary meetings.

The followings were key issues discussed:

- a. Recruit the champion in Zanzibar who will advocate ISACA Chapter Mr. Ally Mabrouk,
- b. Members advised the chapter to conduct CISA Bootcamp Training-Crash Programs in different regions such as Arusha, Dodoma,
- c. Members directed the treasurer to develop a policy that will guide the Board remuneration process going forward and the policy be tabled in the next meeting for review and approval by the Board,
- d. The chapter intent to officially hire Heri on contract basis as he is currently intern,
- e. Trainers will be given binding contracts after they have obtained accreditation which is paid for by the chapter and the process would commence in early 2023,
- f. An ACT (Accredited Trainers) agrees to be ready and available for ISACA trainings once they occur and The ACT agreement should contain a clause that binds the ACT (Accredited Trainer) for a 5-year duration since accreditation.

6. CAPITAL STRUCTURE OF THE CHAPTER

The Chapter is a public company limited by guarantee. The liability of members is limited to the guarantee of Tshs 2,000,000 of which four founding members agreed to provide a guarantee of Tshs 500,000 each if the Chapter is wound up.

Below is the list of founding members agreed to provide a guarantee to the Chapter.

S/N	Name	Nationality	Position	Guarantee "Tshs"
1	Peter Kisa Baziwe	Tanzanian	Director	500,000
2	Boniface Francis Kanemba	Tanzanian	Director	500,000
3	Khatib Mohamed Diwani	Tanzanian	Director	500,000
4	Neemayani Sanare Kaduma	Tanzanian	Director	500,000
				2,000,000

7. MANAGEMENT OF THE CHAPTER

Currently, the whole activities of managing the Chapter are performed by Business Development Coordinator (BDC) with the assistance of Finance Intern and guidance from the Board. The Chapter is yet to form the official management structure because of its size and low level of income.

8. MEMBERS OF THE CHAPTER

The total number of members during the year ended 31st December 2022 was 354 members (2021: 300 members), an increase of 15%.

9. FINANCIAL PERFORMANCE FOR THE YEAR

The Chapter made a net profit after tax of TZS 20.4 million for the year ended 31st December 2022 (net loss after tax 2021: TZS 7.6 million).

Realisation of net profit during the year is due low rate of increase in operating expenses compared to the rate of increase in revenue.

Revenue increased by 94% year on year while operating expenses increased by 69% year on year.

Factors that contributed to the increase in operating expenses were increase in marketing expenses, consultancy expenses, staff welfare board expenses, travel, meals, accommodation for conferences, and workshops.

10. RISK MANAGEMENT AND INTERNAL CONTROL

The Board accepts final responsibility for the risk management and internal control systems of the Chapter. It is the task of management to ensure that adequate internal financial and operational control systems are developed and maintained on an ongoing basis in order to provide reasonable assurance regarding:

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

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. There is always a risk of non-compliance of such measures by staff. Whilst no system, of internal control can provide absolute assurance against misstatement or losses, the Chapter system is designed to provide the Board with reasonable assurance that the procedures in place are operating effectively.

The Board assessed the internal control systems throughout the financial year ended 31 December 2022 and is of the opinion that they met accepted criteria.

11. ACTIVITIES DURING THE YEAR

The Chapter continued to gain strength in the IT professional which is evident from increased number of participants in events. During the year, focus was made on running educational events once in every two months. The following events were successfully conducted:

- (i) Annual conference conducted from 20 to 24 June 2022 at Gran Melia hotel in Arusha that was attended by participants 150 from different organizations,
- (ii) Annual General Meeting conducted on 15 March 2022 at Onomo hotel in Dar es Salaam that was attended by participants from different organizations, The AGM was preceded by The Talk on Implementation of Tanzania Instant Payment System (TIPS) Project,
- (iii) 2022 ISACA was able to meet with IAGs both Zanzibar and Tanzania mainland, head of Information System Audits from CAGs offices, got connection to meet with Director General office in Zanzibar, the Head of Cybersecurity, Head of IT Department from the Ministry of Information Technology,
- (iv) A workshop on Cybersecurity Day which took place on 12 October 2022 at Protea hotel by Marriot in Dar es salaam. The theme was cybersecurity and data security in digital economy, attended by 80 participants were awarded 6 CPE hours each,
- (v) Celebrate 20 years anniversary, having gala dinner which was held at Lush garden hotel in Arusha on 24 June 2022. Trophies were presented to the past president,
- (vi) Technology Insights and Cocktail party which took place at Onomo hotel in Dar es salaam on 8 December 2022, and
- (vii) ISACA Community Day conducted by members, staff and board members of ISACA at Jerusalem orphanage center on 1 October 2022, the chapter donated 500,000, groceries and toys to the center.

12. EMPLOYEE WELFARE

Management/employee relationship

Currently, the Chapter has only one employee who is employed on a contractual basis as Business Development Coordinator (BDC) to run the day-to-day activities including marketing the chapter and events planning and managing day to day chapter activities. The BDC is reporting directly to the Secretary who is the Board member of the Chapter. The relationship between this employee and the Board of Directors is good.

Training facilities

In-house training is given to the employee on various aspects of modern company operations and the use of computers. The employee participates in various professional seminars to strengthen her professional career.

Motivation

In order to improve the motivation of an employee, the Chapter provides continuous training and reward through performance related remuneration. In addition, the Chapter's management has regular meetings with an employee to ensure that her views on the promotion of efficiency and improvement in working conditions are properly debated within the Chapter.

13. SOLVENCY

The Board of directors confirms that applicable accounting standards have been followed and that the financial statements have been prepared on a going concern basis. The Board of directors has reasonable expectation that Chapter has adequate resources to continue in operational existence for the foreseeable future.

14. GENDER PARITY

During the year the Chapter has only one employee who is female.

15. POLITICAL AND CHARITABLE DONATIONS

The Chapter donated TZS 500,000, groceries and toys to Jerusalem orphanage center to political or charitable organizations during the year. (2021: Nil)

16. RELATED PARTY TRANSACTIONS

Related party transactions are disclosed in Note 17 to the financial statements.

17. CORPORATE SOCIAL RESPONSIBILITY

The Chapter is behaving ethically and committed to improve the quality of life of its members as well as of the local community and society at large. Apart from its services to touch the lives of the community directly, the Chapter participate in various activities that impact positively the society.

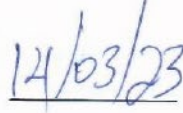
18. AUDITORS

The auditors, Claritas International, have expressed their willingness to continue in office and are eligible for re-appointment.

Approved by the Board of Directors and signed on behalf by



Peter Baziwe
President



Date

STATEMENT OF RESPONSIBILITY BY THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 2022 The Companies Act No.12 of 2002 requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Chapter as at the end of the financial year and of its profit or loss for that year. It also requires the directors to ensure that the Chapter keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Chapter. They are also responsible for safeguarding the assets of the Chapter and hence for taking reasonable steps for the prevention and detection of fraud, error and other irregularities.

The directors accept responsibility for the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error. The directors are of the opinion that the financial statements which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards (IFRSs) for SMEs and in the manner required by the Companies Act No. 12 of 2002 presents fairly in all material respects the state of affairs of the Chapter as at the end of the financial year and its profit for that year.

The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement. However, any system of internal financial control can provide only reasonable, and not absolute assurance against material misstatement or loss.

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

 <hr/>	 <hr/>
Peter Baziwe President	Date


DECLARATION OF THE HEAD OF FINANCE FOR THE YEAR ENDED 31 DECEMBER 2022

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 Board of Directors to discharge the responsibility of preparing financial statements of ISACA Tanzania Chapter Limited showing true and fair view of the entity position and performance in accordance with applicable International Financial Reporting Standards (IFRS) for SMEs and statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements rests with the Board of Directors as stated on page 6.

I, Benedicto Baragomwa being the Treasurer of ISACA Tanzania Chapter Limited hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31st December 2022 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 ISACA Tanzania Chapter Limited as on that date and that they have been prepared based on properly maintained financial records.


Signed by:
CPA Benedicto Baragomwa
Treasurer
NBAA Membership No. ACRA 2317
Date: *14 March 2023*

The Directors
ISACA Tanzania Chapter Limited
P.O. Box 19749
Dar es Salaam.

REPORT OF THE INDEPENDENT AUDITOR

TO THE MEMBERS OF ISACA TANZANIA CHAPTER LIMITED FOR THE YEAR ENDED 31 DECEMBER 2022

Report on the Audit of the financial statements

Our opinion

In our opinion, the financial statements give a true and fair view of the financial position of ISACA Tanzania Chapter Limited as at 31 December 2022 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards for SMEs and the requirements of the Companies Act, CAP 212 Act No. 12 of 2002.

What we have audited

The financial statements of ISACA Tanzania Chapter Limited comprise:

- the statement of financial position as at 31 December 2022,
- the statement of profit or loss and other comprehensive income for the year then ended,
- the statement of cash flows for the year then ended,
- the statement of changes in equity for the year then ended, and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

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

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the ethical requirements of the National Board of Accountants and Auditors (NBAA) that are relevant to our audit of the financial statements in Tanzania. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the ethical requirements of the NBAA.

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF ISACA TANZANIA CHAPTER LIMITED (CONTINUED)

Other information

The directors are responsible for other information. Other information comprises company information, report of the directors, statement of directors' responsibilities and declaration of head of finance but does not include the Company's financial statements and our Auditor's report thereon.

Our opinion on the Company's financial statements does not cover the other information and we do not provide any form of assurance conclusion thereon.

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

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation and fair presentation of the Company's financial statements in accordance with International Financial Reporting Standards for SMEs and the requirements of the Companies Act, No. 12 of 2002, and for such internal control as the directors determine is necessary to enable the preparation of the Company's financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Company's financial statements, the directors are responsible for assessing the Company'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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Company's 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 our 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.

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF ISACA TANZANIA CHAPTER LIMITED (CONTINUED)

Auditor's responsibilities for the Audit of the Financial Statements (Continued)

- 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Company's financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the Company's financial statements, including the disclosures, and whether the Company's financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide the directors with a statement that we 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 our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we 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. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT OF THE INDEPENDENT AUDITOR


TO THE MEMBERS OF ISACA TANZANIA CHAPTER LIMITED (CONTINUED)


Report on Other Legal and Regulatory Requirements

This report, including the opinion, has been prepared for, and only for, the Chapter's members as a body in accordance with the Companies Act, CAP 212 Act No. 12 of 2002 and for no other purposes.

As required by the Companies Act, CAP 212 Act No. 12 of 2002, we are also required to report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the Chapter has not kept proper accounting records, if the financial statements are not in agreement with the accounting records,

if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the Chapter.


Signed by
Chrisant Christopher, ACPA PP 1781
For and on behalf of Claritas International Certified
Public Accountants
Dar es Salaam
Date: 14 March 2023.



**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

STATEMENT OF PROFIT OR LOSS

	Notes	2022 TZS	2021 TZS
Revenue	6	378,730,426	195,227,708
Operating expenses			
Administration expenses	7	109,525,559	106,262,729
Conference and workshop expenses	8	178,272,933	78,247,541
Consultancy expenses		24,793,491	5,755,320
Personnel expenses	9	35,472,000	15,336,000
Total operating expenses		348,063,983	205,601,590
Profit/(loss) before tax		30,666,443	(10,373,882)
Income tax charge	10(a)	(10,217,842)	-
Deferred tax charge	10	-	(2,725,892)
Net profit/(loss) for the year		20,448,601	(7,647,990)

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Notes	2022 TZS	2021 TZS
ASSETS			
Non-current assets			
Property and equipment	11	16,721,211	9,390,302
Intangible assets	12	2,189,646	2,919,528
Total non-current assets		18,910,857	12,309,830
Current assets			
Accounts receivables	13	4,611,298	9,405,865
Membership fee receivable	14	31,986,594	23,048,820
Cash and bank balances	15	34,769,894	19,863,754
Corporate tax recoverable	10(b)	27,738,312	31,550,061
Deferred tax assets	10(c)	577,344	2,128,690
Total current assets		99,683,442	85,997,190
Total assets		118,594,299	98,307,020
EQUITY AND LIABILITIES			
Equity			
Retained earnings		101,364,691	83,641,982
Current liabilities			
Accounts payables	16	17,229,608	14,665,038
Total current liabilities		17,229,608	14,665,038
Total equity and Liabilities		118,594,299	98,307,020

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

 Peter Baziwe President	Date: <u>14/03/23</u>
 Benedicto Baragomwa Treasurer	Date: <u>14 March 2023</u>

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022
STATEMENT OF CHANGES IN EQUITY

	Retained earnings	Total
	TZS	TZS
For the year ended 31st December 2022		
As at 1 st January 2022	80,916,090	80,916,090
Net profit for the year	20,448,601	30,666,443
As at 31st December 2022	101,364,691	111,582,533
 For the year ended 31st December 2021		
As at 1 st January 2021	91,289,972	91,289,972
Net loss for the year	(10,373,882)	(10,373,882)
As at 31st December 2021	80,916,090	80,916,090

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

STATEMENT OF CASHFLOWS

	Notes	2022 TZS	2021 TZS
Cash flows from operating activities			
Profit before tax		30,666,443	(10,373,882)
Adjustments for:			
Grant recognized as income			-
Depreciation on property and equipment	11	8,430,204	4,659,367
Amortization of intangible assets		729,882	729,882
		39,826,529	(4,984,633)
Movement in working capital:			
(Decrease)/Increase in accounts receivables		(6,532,961)	40,134,716
(Decrease)/Increase in accounts payables		3,779,778	(2,441,393)
		37,073,346	32,708,690
Tax paid		(6,406,093)	(31,285,000)
Net cash flows generated from (utilized in) operations		30,667,253	1,423,690
Cash flows from investing activities			
Purchase of Computers	11	(15,761,113)	-
Net cash flows used in investing activities		(15,761,113)	-
Net increase in cash and cash equivalents		14,906,140	1,423,690
At start of the year		19,863,754	18,440,064
At year end		34,769,894	19,863,754

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Chapter was incorporated in Tanzania in 2016 as a limited by Guarantee Company and is domiciled in Tanzania. The address of its registered office is:

ISACA Tanzania Chapter Limited
P.O. Box 19749,
Dar es Salaam.

2. GOING CONCERN

The directors believe that the Chapter will continue as a going concern on the following grounds:

- (i) Applicable accounting standards have been followed and that the financial statements have been prepared on a going concern basis.
- (ii) The Board of directors has reasonable expectation that ISACA Tanzania Chapter Limited has adequate resources to continue in operational existence for the foreseeable future.

The directors have assessed the Chapter's future cash flows and concluded that there is no matter which makes them believe that the Chapter will not continue as a going concern.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below:

a. Basis of preparation

The financial statements of Chapter have been prepared in accordance with the International Financial Reporting Standards (IFRSs) for SMEs and its interpretations adopted by the International Accounting Standard Board (IASB). The financial statements have been prepared under the historical cost convention except where otherwise stated in the accounting policies below. The financial statements are presented in Tanzania Shillings (Tshs) rounded to the nearest ones.

The preparation of financial statements in conformity with IFRS for SMEs requires the use of estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Chapter's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b. Changes in accounting policy and disclosures

(i) New standards, amendments and interpretations adopted by the Chapter

During the year ended 31 December 2022, there was neither standard nor interpretation that became effective and was relevant to the Chapter in preparation and presentation of these financial statements.

(ii) New standards, amendments and interpretations not effective and yet adopted by the Chapter

A number of new standards, amendments and interpretations were used during the year but are not effective for annual period beginning after 1st January 2022 and have not been early adopted by the Chapter in preparation of these financial statements.

Title	Key requirements	Effective Date
<p>IAS 1 Presentation of Financial Statements</p> <p>“Amendments regarding the disclosure of accounting policies”</p>	<p>The amendments require companies to disclose their material accounting policy information rather than their significant accounting policies in order to provide more useful information to investors and other primary users of the financial statements;</p>	<p>Annual periods beginning on or after 1 January 2023</p>
<p>IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors</p> <p>“Amendments regarding the definition of accounting estimates”</p>	<p>The amendments Clarified the following;</p> <ul style="list-style-type: none"> • The definition of a change in accounting estimates is replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty, • Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty, • The Board clarifies that a change in accounting estimate that results from new information or new developments is not the correction of an error. In addition, the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors, and • A change in an accounting estimate may affect only the current period’s profit or loss, or the profit or loss of both the current period and future periods. The effect of the change relating to the current period is recognised as income or expense in the current period. The effect, if any, on future periods is recognised as income or expense in that future period. 	<p>Annual periods beginning on or after 1 January 2023</p>

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c. Revenue

Revenue comprises the fair value of the consideration received and receivable for the sale of goods and services in the ordinary course of the Chapter's activities. Revenue is shown net of rebates and discounts.

Revenue of the Chapter comprise of Membership fees and fees from conferences, workshops and seminars. ISACA Tanzania Ltd also normally receive revenue grants from HQ-USA to finance seminars for the members in Tanzania

Conference, workshop and seminars fee

The revenue from conferences, workshops and seminars are recognized in the accounting period in which conferences, seminars and workshops are conducted. When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- (i) The amount of revenue can be measured reliably;
- (ii) It is probable that the economic benefits associated with the transaction will flow to the Company;
- (iii) The stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- (iv) The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of the expenses recognised that are recoverable.

Membership fee

The Chapter normally receives fee from its members every year. Each member pays \$ 50 equivalent to Tshs 115,000 every year. The fee is recognized on cash basis in the statement of profit or loss only for the members who are active and have paid their fees in the relevant year.

Revenue grants

The revenue grants are normally recognized in the statement of profit or loss in the specific period in which the relevant expenses are recognized.

d. Trade and other receivables

Trade and other receivable are measured at the original invoice amount because they are short-term with no interest, and expected to be settled within twelve months. They are subsequently carried at amortised cost.

A provision for impairment of trade receivables is established when there is objective evidence that the Chapter will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the carrying amount and the present value of estimated future cash flows discounted at the effective interest rate. The amount of the impairment is recognised in the statement of profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e. Provisions

Provisions are recognised when the Chapter has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

f. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with short-term, highly liquid investments that are readily convertible to a known amount of cash, and that are subject to an insignificant risk of changes in value. For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand and deposits held at call with banks.

g. Property and equipment

Property and equipment are initially recorded at cost, which are those costs directly attributable to bring them to the location and condition necessary for them to be capable of operating in the manner intended by management. Subsequently, Property and equipment are reported at cost less accumulated depreciation. Additional costs are included in the carrying amount of the assets only when it is probable that the future economic benefit associated with the item can be measured reliably. Repairs and maintenance costs for property and equipment are charged to the statement of profit or loss during the financial year in which they are incurred.

The carrying amount of an item of property and equipment shall be derecognizing on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognizing of an item of property and equipment are included in the statement of profit or loss when the item is derecognized

Depreciation is calculated on the straight-line method to write down the cost of each asset to its residual value over its estimated useful life as follows:

Details	Depreciation rates
Land and building	5%
Motor vehicles	20%
Furniture and fittings	25%
Computer equipment	33%
Intangible assets	33.3%

The residual values, useful lives and methods are reviewed and adjusted prospectively if appropriate at the end of each financial year. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of the assets fair value less costs to sell and value in use.

h. Intangible assets

Intangible assets are initially recorded at cost, which are those costs directly attributable to bring them to the location and condition necessary for them to be capable of operating in the manner intended by management. Directly attributable costs are capitalized as part of the software product. Other development costs expenditure that do not meet the criteria are recognized as an expense as incurred. Subsequently, Intangible assets are reported at cost or less accumulated amortization and any accumulated impairment.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i. Income tax

Income tax is the amount of income tax payable on the taxable profits for the period determined in accordance with relevant tax legislation. Income tax represents the sum of the current and deferred tax. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in Tanzania where the Institute operates and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in in accordance with the Income Tax Act, 2004 is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. The current rate of corporation tax is 30% (2021: 30%).

Deferred income tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted at the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that the directors consider that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

j. Foreign currencies

(I) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). The financial statements are presented in Tanzania Shillings, which is the Chapter’s functional and presentation currency.

(II) Transactions and balances

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

k. Trade and other payables

Trade and other payables of the Chapter don’t have a significant financing component therefore they are initially measured at undiscounted invoice price rather than fair value. These are short-term and expected to be settled within twelve months and the effect of discounting is immaterial.

4. FINANCIAL RISK MANAGEMENT

Financial risk factors

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

a) Market risk

(i) Foreign exchange risk

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

If at 31 December 2022 the exchange rate were to change by $\pm 10\%$ at year end, then the net results of the Chapter would change by TZS 159,983 (2021: TZS 142,812). Currency exposure arising from liabilities denominated in foreign currencies is managed primarily through the holding of bank balances in the relevant foreign currencies.

(ii) Interest rate risk

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

b) Credit risk

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

The amount that best represents the Chapter's maximum exposure to credit risk at 31 December 2022 and 2021 is made up as follows:

	Fully performing
	TZS
As at 31 December 2022	
Trade receivable (Note 13)	4,611,298
Membership fee receivable (Note 14)	31,986,594
Cash at bank (Note 15)	34,769,894
Gross financial assets	71,367,786
As at 31 December 2021	
Trade receivable (Note 13)	7,016,111
Membership fee receivable (Note 14)	23,048,820
Cash at bank (Note 15)	19,863,754
Gross financial assets	49,928,685

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

FINANCIAL RISK MANAGEMENT (CONTINUED)

c) Liquidity risk

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

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

	Within 1 Year
	TZS
Year ended 31 December 2022	
Payables (Note 16)	17,229,608
Year ended 31 December 2021	
Payables (Note 16)	14,665,038

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

(i) Property and equipment

Critical estimates are made by the directors in determining depreciation rates for equipment and their residual values. The rates used are set out in 1(c) above.

(ii) Impairment of trade receivables

Critical estimates and judgments are made by the directors in determining impairment provision for bad and doubtful trade receivables.

6. REVENUE

	2022	2021
	TZS	TZS
Membership fees	32,362,417	34,616,157
Conference and workshop fees	245,490,566	140,971,551
Consultancy income	33,386,033	15,980,000
Sponsorship	55,740,000	3,500,000
Other income	11,751,410	160,000
	378,730,426	195,227,708

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022
NOTES TO THE FINANCIAL STATEMENTS

7. ADMINISTRATIVE EXPENSES

	2022	2021
	TZS	TZS
Accounting services	-	4,200,000
AGM expenses	4,044,000	5,028,000
Amortization charges	729,882	729,882
Audit fee and disbursements	6,800,000	5,300,000
Bank charges	1,924,195	1,731,265
Board expenses	16,959,194	17,619,700
Depreciation charge	8,430,204	4,659,367
Directors remuneration	12,600,000	35,294,118
Exchange loss	159,984	142,812
Marketing expenses	7,886,000	3,598,522
Office rent	25,088,535	8,787,471
Staff welfare	4,000,000	4,813,000
Other office expenses	5,411,253	5,527,017
Stationery and office supplies	2,362,000	3,129,000
Travel, meals and accommodations	3,400,000	3,255,000
Donations	8,250,200	-
Telephone, internet and website maintenance	1,326,112	1,160,000
TRA Interest and penalties	154,000	1,287,575
	109,525,559	106,262,729

8. CONFERENCE, SEMINAR AND WORKSHOP EXPENSES

Marketing expenses	12,601,900	7,670,000
Conference package	113,890,810	40,597,271
Travel, meals, and accommodations	43,607,034	29,980,270
Stationery	8,173,189	-
	178,272,933	78,247,541

9. PERSONNEL EXPENSES

Basic salary	26,400,000	14,016,000
Social Security contributions – Employer	2,640,000	1,320,000
Other HR costs	6,300,000	-
WCF Expenses	132,000	-
	35,472,000	15,336,000

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022
NOTES TO THE FINANCIAL STATEMENTS

10. INCOME TAX EXPENSE

	2022	2021
	TZS	TZS
(a) Income tax expense		
Current tax expense	-	-
Under/(over) provision in prior year deferred tax	-	-
Deferred tax expense/ (charge) relating to temporary differences	1,551,346	2,725,892
	1,551,346	2,725,892

The tax on the Chapter's profit before income tax is the same as the theoretical amount that would arise using the statutory income tax rate as follows:

Profit /(loss) before income tax	30,666,443	(10,373,882)
Tax calculated at the statutory income rate of 30%	9,199,933	(3,112,165)
Adjustments		
Non-deductible expenses	1,017,909	386,273
Allowable expenses	-	-
	10,217,842	2,725,892
(b) Income tax payable		
At start of the year	(31,550,061)	(265,061)
Income tax expense for the year	10,217,842	-
Withholding tax deducted at the source	(5,476,663)	-
Paid during the year	(929,430)	(31,285,000)
At end of the year	(27,738,312)	(31,550,061)
(c) Deferred tax		
Deferred tax (assets) liability	(577,344)	(2,128,690)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022
NOTES TO THE FINANCIAL STATEMENTS

11. PROPERTY AND EQUIPMENT

For the year ended 31 st December 2022	Computers	Furniture and Equipment	Total
Cost	TZS	TZS	TZS
At 1 January 2022	10,048,079	10,237,480	20,285,559
Additions	6,048,405	9,712,708	15,761,113
At 31 December 2022	16,096,484	19,950,188	36,046,672
			-
Accumulated depreciation			
At 1 January 2022	5,977,079	4,918,178	10,895,257
Depreciation charge for the year	6,036,181	2,394,023	8,430,204
At 31 December 2022	12,013,260	7,312,201	19,325,461
Net book value			
At 31 December 2022	4,083,224	12,637,987	16,721,211

For the year ended 31 st December 2021	Computers	Furniture & Equipment	Total
Cost	TZS	TZS	TZS
At 1 January 2021	10,048,079	10,237,480	20,285,559
Additions	-	-	-
At 31 December 2021	10,048,079	10,237,480	20,285,559
Accumulated depreciation			
At 1 January 2021	2,597,397	3,638,493	6,235,890
Depreciation charge for the year	3,379,682	1,279,685	4,659,367
At 31 December 2021	5,977,079	4,918,178	10,895,257
Net book value			
At 31 December 2021	4,071,000	5,319,302	9,390,302

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022
NOTES TO THE FINANCIAL STATEMENTS

12. INTANGIBLE ASSETS (ACCOUNTING SOFTWARE)

	2022	2021
Costs	TZS	TZS
As at 1 January	3,649,410	-
Additions	-	3,649,410
As at 31 December	3,649,410	3,649,410

Accumulated amortization		
As at 1 January	729,882	-
Amortization during the year	729,882	729,882
As at 31 December	1,459,764	729,882

Net book value		
At 31 December	2,189,646	2,919,528

13. ACCOUNTS RECEIVABLE

	2022	2021
	TZS	TZS
Conference fees receivable	4,611,298	7,016,111

The outstanding balance of TZS 4,611,298 is in respect of conference fees receivable from TANESCO and DART.

14. MEMBERSHIP FEE RECEIVABLE

	Fees in USD 2022	Fees in TZS Equivalent 2022	Fees in USD 2021	Fees in TZS Equivalent 2021
Balance at 1st January per Head Office's statement	9,908	23,048,820	24,778	56,989,400
Membership fee received	72,363	168,388,701	13,380	30,894,420
Reimbursement for Zoom webcast tool Annual Pro Plan, 2020	-	-	-	-
Less: Funds received from the Head Quarter	(68,522)	159,450,927	(28,250)	64,835,000
Less: Membership charges	-	-	-	-
Balance as at 31 December	13,749	31,986,594	9,908	23,048,820

This amount was receivable from ISACA Head Office as a result of membership fees paid directly to them by the members of the Chapter. Fees are payable annually at the rate of USD 185 out of which USD 50 per member's fee is remitted to the Chapter.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022
NOTES TO THE FINANCIAL STATEMENTS

15. CASH AND BANK BALANCES

	2022	2021
	TZS	TZS
Tanzania Commercial Bank – TZS Account No. 017-00000196	206,119	206,119
Tanzania Commercial Bank- USD Account No. 083-00000002	698,165	698,165
CRDB Bank – TZS Account No. 0150299713400	19,271,144	16,078,261
CRDB Bank - USD Account No. 0250299713400	14,594,466	2,881,209
	34,769,894	19,863,754

16. ACCOUNTS PAYABLE

	2022	2021
	TZS	TZS
Directors' fees and allowances payable	3,000,000	3,000,000
WHT, PAYE and NSSF payable	220,000	7,036,118
Miscellaneous liabilities	13,087,897	4,628,920
VAT payable	852,711	-
WCF payable	69,000	-
	17,229,608	14,665,038

17. RELATED PARTY TRANSACTIONS

There are no other companies that are related to ISACA Tanzania Chapter Limited through common shareholdings or common directorships. The only related parties' transactions relate to directors' remunerations which include fees and sitting allowances.

The following transactions were carried out with related parties during the year:

	2022	2021
	TZS	TZS
Directors' fees emolument	12,600,000	35,294,118

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 NOTES TO THE FINANCIAL STATEMENTS

18. COMMITMENT AND CONTINGENT LIABILITIES

a) Capital commitments

As at 31 December 2022, the Chapter had no contractual approved or unapproved commitments. (2021: Nil).

b) Loan commitments

As at 31 December 2022 the Chapter had no loan commitments (2021: Nil).

c) Legal contingent liabilities

The Directors are of the opinion that there are no contingent liabilities as at 31 December 2022 (2021: Nil).

19. EVENTS AFTER STATEMENT OF FINANCIAL POSITION DATE

There were no events occurring after the statement of financial position date which require disclosure or adjustment.

20. OWNERSHIP AND SHAREHOLDERS

The Chapter is owned by members. However, it is a Company limited by guarantee totaling to TZS 2,000,000. This is made up of four founding members, each offering a guarantee of TZS 500,000.

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