



JURISDICTIONAL PROFILE: **Tanzania**

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This Profile provides information about the application of IFRS® Accounting Standards (Standards) in Tanzania. The Standards are developed and issued in the public interest by the International Accounting Standards Board (IASB). The IASB is the standard-setting body of the IFRS Foundation (Foundation), an independent, private sector, not-for-profit organisation.

The Foundation has prepared this Profile based on information from various sources. The starting point was the answers provided by standard-setting and other bodies in response to surveys the Foundation conducted on the application of the Standards around the world. The Foundation drafted the profile and invited the respondents to the survey. The Foundation also invited others (including regulators and international audit firms) to review the drafts. Their comments are reflected in this Profile.

The purpose of the Foundation's Jurisdictional Profiles is to illustrate only the extent of implementation of the Standards across the globe. The Profiles do not reflect the intellectual property licensing status of the Standards within any given jurisdiction. The Standards are protected by copyright and are subject to licensing arrangements agreed upon within their jurisdiction. For further information, please contact permissions@ifrs.org.

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RELEVANT JURISDICTIONAL AUTHORITY

Organisation	National Board of Accountants and Auditors -Tanzania (NBAA)
Role of the organisation	The NBAA is the Tanzanian accountancy professional body established under the Auditors and Accountants (Registration) Act No. 33 of 1972, as amended by Act No. 2 of 1995. It is the accountancy standards-setting and regulatory professional body, operating under the Ministry of Finance. The Board started carrying out its activities from 15 January 1973.
Website	www.nbaa.go.tz.org/
Email contact	tende.angyelile@nbaa.go.tz

COMMITMENT TO GLOBAL FINANCIAL REPORTING STANDARDS

Has the jurisdiction made a public commitment in support of moving towards a Yes.

single set of high quality global accounting standards?

Has the jurisdiction made a public commitment towards IFRS Accounting Standards as that single set of high quality global accounting standards?

Yes.

What is the jurisdiction's status of adoption?

Tanzania has already adopted IFRS Standards as issued by the International Accounting Standards Board (Board) and the *IFRS for SMEs* Standard.

Additional comments provided on the adoption status?

If the jurisdiction has NOT made a public statement supporting the move towards a single set of accounting standards and/or towards IFRS Accounting Standards as that set of standards, explain the jurisdiction's general position towards the adoption of IFRS Accounting Standards in the jurisdiction.

In 2004, Tanzania adopted IFRS Standards as issued by the Board in full via a technical pronouncement issued by the NBAA. Future standards, amendments, and interpretations issued by the Board are also covered by that pronouncement.

EXTENT OF IFRS APPLICATION

For DOMESTIC companies whose debt or equity securities trade in a public market in the jurisdiction:

Are all or some domestic companies whose securities trade in a public market either required or permitted to use IFRS Accounting Standards in their consolidated financial statements?

All domestic companies whose securities are publicly traded are required to use IFRS Standards.

If YES, are IFRS Accounting Standards REQUIRED or PERMITTED?

Required.

Does that apply to ALL domestic companies whose securities trade in a public market, or only SOME? If some, which ones?

All.

Are IFRS Accounting Standards also required or permitted for more than the consolidated financial statements of companies whose securities trade in a public market?

Yes.

For instance, are IFRS Accounting Standards required or permitted in separate company financial statements of companies whose securities trade in a public market?

Required.

For instance, are IFRS Accounting Standards required or permitted for companies whose securities do not trade in a public market?

Full IFRS Standards are permitted. Alternatively the companies may use the *IFRS for SMEs* Standard.

If the jurisdiction currently does NOT require or permit the use of IFRS Accounting Standards for domestic companies whose securities trade in a public market, are there any plans to permit

Not applicable.

or require IFRS Accounting Standards for such companies in the future?

For FOREIGN companies whose debt or equity securities trade in a public market in the jurisdiction:

Are all or some foreign companies whose securities trade in a public market either REQUIRED or PERMITTED to use IFRS Accounting Standards in their consolidated financial statements?

All foreign companies whose securities are publicly traded in Tanzania are required to use IFRS Standards.

If YES, are IFRS Accounting Standards REQUIRED or PERMITTED in such cases?

Required.

Does that apply to ALL foreign companies whose securities trade in a public market, or only SOME? If some, which ones?

All.

IFRS ENDORSEMENT

Which IFRS Accounting Standards are required or permitted for domestic companies?

IFRS Standards as issued by the Board, ie standards and amendments are adopted/endorsed as and when issued by the Board.

The auditor's report and/or the basis of presentation footnote states that financial statements have been prepared in conformity with:

IFRS Standards.

Does the auditor's report and/or the basis of preparation footnote allow for 'dual reporting' (conformity with both IFRS Accounting Standards and the jurisdiction's GAAP)?

Not applicable. IFRS Standards are the jurisdiction's GAAP.

Are IFRS Accounting Standards incorporated into law or regulations?

Yes.

If yes, how does that process work?

IFRS Standards have the force of law because the use of IFRS Standards is incorporated into regulations of various governmental regulatory bodies, including the Bank of Tanzania (BoT), Tanzania Insurance Regulatory Authority (TIRA), Dar es Salaam Stock Exchange (DSE), Capital Market and Securities Authority (CMSA), and the NBAA technical pronouncement on the adoption of IFRS Standards.

If no, how do IFRS Accounting Standards become a requirement in the jurisdiction?

Not applicable.

Does the jurisdiction have a formal process for the 'endorsement' or 'adoption' of new or amended IFRS Accounting Standards (including Interpretations) in place?

No.

If yes, what is the process?

Not applicable.

If no, how do new or amended IFRS Accounting Standards become a requirement in the jurisdiction?

IFRS Standards automatically have the force of law, without need for endorsement of individual standards, because the use of IFRS Standards is incorporated into regulations of various governmental regulatory bodies, including the Bank of Tanzania (BoT), Tanzania Insurance Regulatory Authority (TIRA), Dar es Salaam Stock Exchange (DSE), Capital Market and

Securities Authority (CMSA), and the NBAA technical pronouncement adopting IFRS Standards.

Has the jurisdiction eliminated any accounting policy options permitted by IFRS Accounting Standards and/or made any modifications to any IFRS Accounting Standards?

No.

If yes, what are the changes?

Not applicable.

Other comments regarding the use of IFRS Accounting Standards in the jurisdiction?

None.

TRANSLATION OF IFRS ACCOUNTING STANDARDS

Are IFRS Accounting Standards translated into the local language?

No. The English Standards are used.

If they are translated, what is the translation process? In particular, does this process ensure an ongoing translation of the latest updates to IFRS Accounting Standards?

Not applicable.

APPLICATION OF THE IFRS FOR SMEs ACCOUNTING STANDARD

Has the jurisdiction adopted the *IFRS for SMEs* Accounting Standard for at least some SMEs?

Yes, Tanzania has adopted the *IFRS for SMEs* Standard without any modifications.

If no, is the adoption of the *IFRS for SMEs* Accounting Standard under consideration?

Not applicable.

Did the jurisdiction make any modifications to the *IFRS for SMEs* Accounting Standard?

No.

If the jurisdiction has made any modifications, what are those modifications?

Not applicable.

Which SMEs use the *IFRS for SMEs* Accounting Standard in the jurisdiction, and are they required or permitted to do so?

SMEs with total assets not more than Tanzania Shillings 800 million (approximately US\$ 400,000) are permitted to use the *IFRS for SMEs* Standard. Alternatively they may use full IFRS Standards.

For those SMEs that are not required to use the *IFRS for SMEs* Accounting Standard, what other accounting framework do they use?

Full IFRS Standards.

Other comments regarding use of the *IFRS for SMEs* Accounting Standard?

The *IFRS for SMEs* Standard should be translated into local language (Swahili) in order to be understandable and useful to most of the SMEs in Tanzania.