

THE UNITED REPUBLIC OF TANZANIA



No. 22 OF 1981

I ASSENT,

*Julius K. Nyerere*

President

17TH November, 1981.

**An Act to amend certain written laws**

[.....]

ENACTED by the Parliament of the United Republic of Tanzania.

**1.** This Act may be cited as the Written Laws (Miscellaneous Amend. Short title  
ment) (No. 2) Act, 1981.

**2.** The written laws specified in the first and second columns of the Amend-  
Schedule to this Act are each hereby amended in the manner specified ment of  
opposite to it in the third column of that Schedule. certain  
written  
laws

**SCHEDULE**

FIRST COLUMN	SECOND COLUMN	THIRD COLUMN
Cap. 212	The Companies Ordinance	<p><b>1. In section 2-</b></p> <p>(a) by deleting the definitions "the court," "Minister" and "officer", and substituting for them, respectively, the following definitions:  "the court" used in relation to a company, a parastatal organization or a statutory corporation, means the High Court;  "Minister, means the Minister for the time being responsible for companies' incorporation;  "officer" used in relation to a company, a parastatal organization or a statutory corporation, includes any director, director-general, managing director, general manager, manager or other person, by whatever designation described, who is concerned, as the chief executive, with the management of the business and affairs of the company, organization or corporation, as the case may be, but, save in sections 265, 270 and 271, does not include an auditor;"</p> <p>(b) by inserting the following definitions in their appropriate alphabetical positions--  "Minister responsible for the parent Ministry" in relation to a parastatal organization, means the Minister for the time being responsible under the direction of the President for the principal business in which the parastatal organization in question is engaged or, if the President has not for the time being assigned responsibility for the business in question to any Minister, the President;  "parastatal organization" means any company established under this Ordinance fifty or more percentum of whose sharecapital is owned or otherwise contributed by the Government, a statutory corporation or another parastatal organization or in whose management the Government, a statutory corporation or another parastatal organization participates;"  "Parastatal Organizations Committee" means the Committee of the National Assembly which deals with matters relating to parastatal organizations;"</p> <p><b>2. In section 108-</b></p> <p>(a) by deleting subsection (4) and substituting for it the following:  "(4) The return of every company shall, in addition to the particulars specified in subsection (3), include, in relation to the year of the return-  (a) an audited profit and loss account of the company;</p>

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(b) a copy of the company's balance sheet;

(c) a copy of the auditors report on the accounts of the company, and, subject to such directions as the Registrar may from time to time give in that behalf by notice published in the *Gazette*, shall be in accordance with the form set out in the Fifth Schedule to this Ordinance, or as near to it as circumstances and the directions of the Registrar may permit.

3. In section 110, by deleting subsection (4) and substituting for it the following:

"(4) If a company fails to comply with this section or any of the two preceding sections, the company shall be liable to a default fine, and every officer of the company or the person so in default shall be liable on conviction to a fine not exceeding one hundred and fifty shillings for every day during which the default continues, and the court shall order a statement of the required particulars or the annual return to be furnished to the registrar within such time as may be specified in the order."

4. By adding, immediately after sections 134, the following new sections:

"Accounts and audit of parastatal organizations

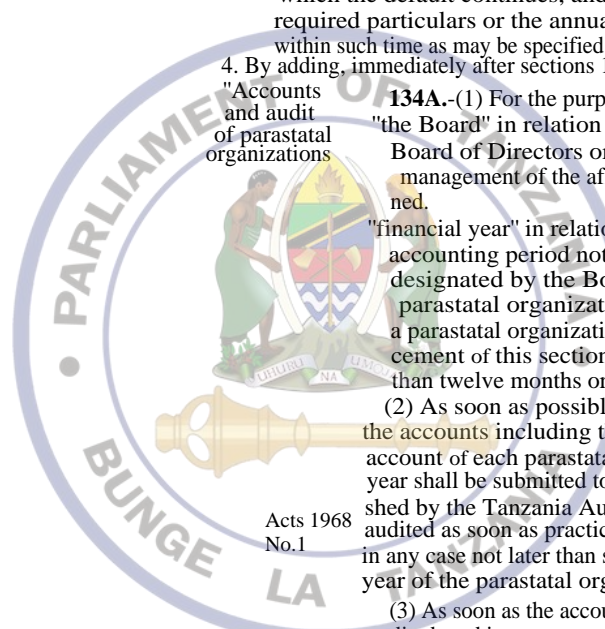
**134A.**-(1) For the purposes of this and section 134B and 131c- "the Board" in relation to a parastatal organization, means the Board of Directors or other body of persons vested with the management of the affairs of the parastatal organization concerned.

"financial year" in relation to a parastatal organization, means any accounting period not exceeding twelve consecutive months, designated by the Board to be the accounting period of the parastatal organization concerned; save that in the case of a parastatal organization incorporated on or after the commencement of this section, the first financial year may be shorter than twelve months or of up to eighteen months.

(2) As soon as possible after the close of the financial year, the accounts including the balance sheet and the profit and loss account of each parastatal organization in respect of the financial year shall be submitted to the Tanzania Audit Corporation established by the Tanzania Audit Corporation Act, 1968, and shall be audited as soon as practicable after they have been submitted, and in any case not later than six months from the close of the financial year of the parastatal organization concerned.

(3) As soon as the accounts of a parastatal organization have been audited, and in any case not later than seven months after the close of that financial year, the Board shall submit to the Minister responsible

Acts 1968  
No.1



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Laying of  
accounts  
before the  
National  
Assembly

for the parent Ministry a copy of the audited statement of accounts together with a copy of the report on the accounts made by the auditors.

(4) Every such audited balance sheet shall be placed before a meeting of the Board and, if adopted by the Board, shall be endorsed with a certificate that it has been so adopted.

**134B.**-(1) The Minister responsible for the parent Ministry of a parastatal organization shall, as soon as may be practicable after he has received them, and in any case not later than eight months after the close of a financial year or such longer period as the National Assembly may, by resolution, approve in that behalf, lay before the National Assembly the following documents in relation to that financial year-

- (a) a copy of the balance sheet and profit and loss statement of the parastatal organization;
- (b) a copy of the auditors' report on the audited accounts of the parastatal organization;
- (c) a copy of the directors' report of the parastatal organization dealing with its activities during that financial year.

(2) Where at the end of seven months from the close of the financial year of a parastatal organization the Minister responsible for the parent Ministry has not received from the Board the documents specified in section 134A (3), he shall, before the expiry of the eighth month from the close of the financial year, or so soon after non-receipt of the documents as the National Assembly meets, cause the National Assembly, by resolution, to approve such longer period as it may determine within which that Minister shall lay the documents before the National Assembly."

"Minister  
may give  
directions  
to Board

**134c.**-(1) Subject to subsection (2), the Minister responsible for the parent Ministry may give to the Board of a parastatal organization for which his Ministry is responsible, directions of a general or specific character regarding the performance by that parastatal organization of any of its functions and the Board shall give effect to every such direction given to it.

(2) Where any instructions intended to be given to a Board by the Minister responsible for the parent Ministry relate to or involve questions of investment of funds of the parastatal corporation or borrowing by the corporation, the Minister responsible for the parent Ministry shall not give those directions until he has consulted and secured the approval to the directions of the Minister for the time being responsible for finance.



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5. By repealing section 326 and replacing it with the following:

"Where company ceases to have place of business

326. If any company to which this Part of this Ordinance applies ceases to have a place of business in the United Republic, or if it ceases to do any business for the purpose of which it was incorporated-

(a) it shall forthwith give notice of either fact to the Registrar and as from the date on which notice is so given the obligation of the company to deliver any document to the Registrar shall cease, and he may, in his discretion, strike the company off the register; or

(b) where the company does not give notice of either fact to the Registrar Pursuant to paragraph (a), if the Registrar, either of his own motion or through any other way, becomes aware of those facts, the company shall be deemed to be defunct, the provisions of section 283 of this Ordinance shall apply to it mutatis mutandi's and the Registrar shall proceed accordingly in relation to the company concerned."

Acts, 1969

The Public Corporation Act, 1969

In section 7.-

(a) by deleting subsection (2) and substituting for it the following subsection:

(2) Subject to any written law, the accounts, of every public corporation shall-

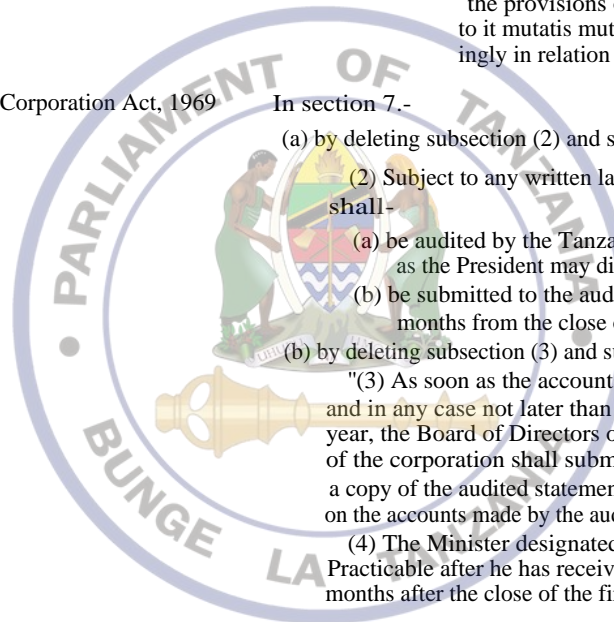
(a) be audited by the Tanzania Audit Corporation or such other person as the President may direct; and

(b) be submitted to the auditors by the public corporation within three months from the close of its financial year. .

(b) by deleting subsection (3) and substituting for it the following:

"(3) As soon as the accounts of a public corporation have been audited, and in any case not later than seven months after the close of its financial year, the Board of Directors or the person entrusted with the management of the corporation shall submit to a Minister designated by the President a copy of the audited statement of accounts together with a copy of a report on the accounts made by the auditors.

(4) The Minister designated by the President shall, as soon as may be practicable after he has received them, and in any case not later than eight months after the close of the financial year of the public corporation or such



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longer period as the National Assembly may, by resolution, approve in that behalf, lay before the National Assembly a copy of every statement of accounts, auditors' report and annual report of the public corporation.

(5) Where at the end of seven months from the close of the financial year of a public corporation the Minister designated by the President has not received from it the documents specified in subsection (3), he shall before the expiry of the eight month from the close of the financial year, or so soon after non-receipt of the documents as the National Assembly meets, cause the National Assembly, by resolution, to approve such longer period as it may determine within which that Minister shall lay the documents before the National Assembly."

Acts. 1968

The Tanzania Audit Corporation

In section 5-

No. I

Act, 1968

(a) by deleting the words "fifteen months "which occur at the beginning of the fourth line of subsection (2) and substituting for them "six months";

(b) by adding, immediately after subsection (5), the following subsections:

(5A) The Corporation shall, as soon as practicable after receipt of the accounts submitted for audit, and in any case not later than three months after such receipt, examine and audit them, and issue a report on them, so however that where the accounts are submitted within three months of the close of the financial year of the client corporation the report on its audited accounts shall be made within not more than three months from the date of submission of the accounts to the Corporation.

(5B) The Corporation may, in addition to certifying the accounts audited by it, prepare, in accordance with the best professional standards, management audit reports, in respect of the client corporation, including-

(a) a review of the internal control procedures;

(b) the adequacy of record keeping;

(c) management decisions which result in any infractious or extravagant use of public funds; and

(d) the degree of compliance, or otherwise, with directions lawfully given by any person entitled or required to give them.

(5c) The Corporation shall each financial year prepare a consolidated report relating result of its audit of the accounts and financial statements of client corporations, and submit it to the President, and a copy of it to the Controler and Auditor-General.





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(5D) Every report Prepared by the Corporation in pursuance of the Provisions of subsection (5c) shall deal in general with the state of the account of each client corporation audited during the financial year in question, pointing out, in relation to each such client corporation-

- (a) any payment made without due authority according to law;
- (b) any deficiency or loss occasioned through negligence or; misconduct;
- (c) any failure to observe a Policy of the highest thrift;
- (I d) any sum which ought to have been but was not brought to account;
- (e) any delay in the submission of accounts for audit;
- (f) any other matter *which in* the opinion of the Corporation ought to be included in the report.

(5E) The President shall, after the receipt of any report, or part of it, submitted to him pursuant to subsection (1), cause it to be presented to the National Assembly without delay; and if the President makes default in presenting that report to the National Assembly; the Controller and Auditor-General shall submit the report to the Speaker of the National Assembly or, if the office of the Speaker is vacant or the Speaker is of any reason unable to perform the functions Of his Office, to the Deputy-Speaker , who shall cause it to be presented to the National Assembly

(50 The Corporation may at any time, if in its opinion it is desirable, transmit to the Speaker of the National Assembly and to the President a special report on any matter which is incidental to the Powers and duties of the Corporation in relation to the accounts and audit of organizations in the Parastatal sector.

(5G) For the avoidance of doubt it is hereby declared that nothing in this Act shall Preclude the Controller and Auditor-General from making any report to the National Assembly which consists of or includes matters relating to parastatal organizations, and that the duty of the Corporation to prepare and submit reports in pursuance of the provisions of this section shall be notwithstanding any report or reports made by the Controller and Auditor-General."

Cap. 439

The Exchequer and Audit Ordinance In Section 28-

(a) by deleting subsection (3) and substituting for it the following:

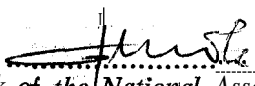
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		<p>"(3) This section shall apply to any body corporate established by or under any written law which is in receipt of a contribution from, or whose operations may under the law establishing it or any law relating to it impose or create liability upon, the public funds of the United Republic.";</p> <p>(b) by adding, immediately after subsection (3) the following subsection:</p> <p>"(4) Where, in the course of the performance of his duties under the Ordinance or any other written law, the Controller and Auditor-General becomes aware of a matter connected with or relating to the accounts of a corporate body to which this section relates, and which in his view deserves to be brought or should but has not been brought to the attention of the National Assembly by the Tanzania Audit Corporation he shall address that matter to the attention of the Corporation with a recommendation that the matter be brought to the attention of the National Assembly.</p>
Acts, 1972 No. 15	The Institute of Development Management Act, 1972	<p>In section 4, by deleting subsection (1) and substituting for it the following:</p> <p>"(1) The Governing body may, with the consent of the Minister, establish a department or departments conducting courses of study in the fields relating to management and administration."</p>
Acts 1966 No. 2	The Moshi Manufacture and Distillation Act, 1966	<p>In section 2, by deleting the definitions "moshi" and "spirits" and substituting or them the following definitions:</p> <p>"moshi means any spirits, notwithstanding the names by which they are known, which are distilled otherwise than in accordance with the terms of a licence issued under section 19 of this Act, and includes spirits commonly known as moshi, machozi ya simba, gongo and umeme;</p> <p>1. spirits" means any intoxicating liquor in the nature of an abscess or abstract from any substance, obtained by distillation, and includes any liquor mixed with spirits;"</p>

Passed in the National Assembly on the twentieth day of October, 1981.

  
Clerk of the National Assembly