

**(NBAA)**  
**THE NATIONAL BOARD OF ACCOUNTANTS AND AUDITORS**  
**TANZANIA**



**TECHNICAL PRONOUNCEMENT NO. 1 OF 2015**

**SCOPE OF APPLICABILITY OF THE INTERNATIONAL PUBLIC  
SECTOR ACCOUNTING STANDARDS (IPSASs) AND  
INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)**

Tanzania decided to adopt in full International Accounting and Auditing Standards since July, 2004. However, there has been confusion on the application of either International Public Sector Accounting Standards (IPSASs) or International Financial Reporting Standards (IFRSs) in the Public Sector.

Public sector entities include ministries, regional governments, government departments, agencies and local governments.

The International Public Sector Accounting Standards are designed to apply to public sector entities with all of the following characteristics:

- (a) Are responsible for the delivery of services to benefit the public and/or to redistribute income and wealth;
- (b) Mainly finance their activities, directly or indirectly, by means of taxes and/or transfers from other levels of government, social contributions, debt or fees and
- (c) Do not have capital providers that are seeking a return on their investment or a return of their investment; and
- (d) Do not have a primary objective to make profits.

The Board would like to specify that all public sector entities with the above attributes should apply the International Public Sector Accounting Standards issued by the International Public Sector Accounting Standards Board (IPSASB) and all public sector entities without the above four attributes (commercial public sector entities) should apply International Financial Reporting Standards (IFRSs) issued by International Accounting Standards Board (IASB).

This pronouncement replaces Technical Pronouncement No.2 of 2009 on the Scope of Application of IPSASs.

**This pronouncement will become effective for the accounting period ending on or after 30<sup>th</sup> June, 2016.**

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