

24. DODOMA MUNICIPAL COUNCIL FOR THE SIX MONTHS PERIOD ENDED 30TH JUNE, 2005

1. REVENUE

1.1 Revenue budget performance

The council planned to collect revenues amounting to Shs.279,586,000 from own sources of revenue during the period ended 30th June 2004. However, a total of Shs.183,159,751 was collected, thus recording a deficit of Shs.96,426,249 or 35.5% of the total budget for the period.

Unrealistic budgeting or minimal efforts exerted in collection of revenues could be the causes for the deficit in revenue collections.

1.2 Revenue earning receipt books not produced

A total of nineteen (19) revenue earning receipt books (not quantified) were not produced for audit when called for. As such revenues collected on them could not be confirmed to have been accounted for.

2. EXPENDITURE

Test checks of expenditure documents disclosed the following irregularities.

	Details	Amount (Shs)
2.1	Missing payment vouchers	2,662,100
2.2	Missing supporting documents	6,290,420
2.3	Missing acknowledgement receipts	4,263,994
2.4	Stores paid for but not delivered	1,310,000
2.5	Payment for books not supplied	2,768,000
2.6	Liquidated damages not claimed	<u>2,491,352</u>
	Total	<u>19,785,866</u>

The total expenditure involved is regarded as improper until the above irregularities are cleared.

3. FINAL FINANCIAL STATEMENT

3.1 Budget performance – expenditure

3.1.1 Budgetary control

Examination of the expenditure against budget disclosed the following anomalies.

- Out of the total budget of Shs.1,061,345,684 a sum of Shs.389,181,345 was spent leaving an unspent balance of Shs.672,164,339 which is 63% of the budget.
- A total sum of Shs.73,578,950 was planned to be spent for capitation expenses. However, a total amount of Shs.323,100,683 was utilized, thus recording an unauthorized expenditure of Shs.249,521,733 for which a proper authority has to be sought for it to be regularized.

The above anomalies are indicative of some weaknesses in the budgetary control or the approved budget was not a realistic one.

3.2 Consolidated balance sheet as at 30th June 2004

3.2.1 Fixed Assets Shs.1,842,046,457

The value of dispensaries was Sh.16,580,416 as at 31st December 2003. However, the value of the same assets stood at Sh.42,180,216 as at 30th June 2004, recording a difference of Sh.25,599,800. No additional assets could be traced in the financial statements and the relevant attachments. Without further information it cannot be accepted that the total value of the assets was correctly presented in the balance sheet.

3.2.2 Debtors and Creditors outstanding

Type	Balance (Shs)
Advances	5,575,362
Imprests	14,152,599
Sundry Debtors	40,171,766
Accrued Expenses	5,944,877
Deposits	21,077,726
Sundry creditors	385,018,842
Transfers	119,828,516
Unclaimed salaries	2,954,439

Clearance action taken is awaited.

4. AUDIT CERTIFICATE

In my opinion, the balance sheet and the summary statement of Income and Expenditure fairly present the financial position of the Dodoma Municipal Council as at 30th June 2004.