

## **14. KIBAHA TOWN COUNCIL FOR THE SIX MONTHS PERIOD ENDED 30<sup>TH</sup> JUNE 2004**

### **1. FOLLOW-UP ON THE OUTSTANDING MATTERS FOR PREVIOUS YEAR**

#### **2002 Accounts**

#### **1.1 Para 2.2 Missing Receipt Books**

One open receipt book has not been traced and is yet to be produced for audit inspection.

### **MATTERS ARISING FROM THE ACCOUNTS OF 2004**

### **2. REVENUE**

#### **2.1 Revenue collections performance:**

As against revenue estimates of shs. 179,379,935 expected to be collected by the Council for the period ended 30<sup>th</sup> June, 2004 from the Councils own sources, a total of Shs. 116,831,930 was realized registering a collection shortfall of Shs.62,548,005 being 35% of the estimated revenue. The collection made included grants of Shs. 16,329,914 received in lieu of the abolished revenue source.

#### **2.2 Unproduced revenue receipt books**

Three revenue receipt books used to collect council's revenue were not produced to audit when called for during the inspection.

### **3. EXPENDITURE**

#### **3.1 Improperly Vouched expenditure Shs. 5,702,843**

Payments amounting to Shs. 5,702,843 were made without supporting documents. The authenticity and regularity of the expenditure incurred could not be established.

#### **3.2 Stores not accounted for Shs. 1,699,900**

Stores worth Shs. 1,699,900 ordered and paid for during the year under review, were neither taken on ledger charge nor their utilization accounts produced for audit inspection.

#### 4. FINAL FINANCIAL STATEMENTS - 2004

##### 4.1 Consolidated Balance Sheet

Examination of the Balance sheet as at 30<sup>th</sup> June, 2004 disclosed the following outstanding balances:-

<b>(i) Debtors:</b>	<b>Shs.</b>
Salary Advance	2,874,967
<b>(ii) Creditors:</b>	
Moto Investment	1,718,400

Immediate action to clear the outstanding balances is called for.

##### 5. AUDIT CERTIFICATE

In my opinion, the Consolidated Balance Sheet and Summary Statement of Income and Expenditure present fairly the financial position of the Kibaha Town Council as at 30<sup>th</sup> June, 2004.