

32. MAKETE DISTRICT COUNCIL FOR THE SIX MONTHS PERIOD ENDED 30TH JUNE, 2004

1. FINAL FINANCIAL STATEMENTS

1.1 Revenue Collection Performance

The council collected a total sum of Shs.100,253,862 from own sources during the period under review. The collection included grants of Shs.32,985,691 received from the central Government in lieu of the abolished revenue sources. The estimated revenue was Shs.78,226,030. This good revenue collection performance was mainly due to the receipt of Shs.31,594,900 under item 13040 (sale of cars) which had a token estimated amount.

1.2 Out-Turn

The Council accounts for the period under review closed with a surplus balance of Shs.298,479,712 arising from total expenditure of Shs.1,088,590,421 against total income of Shs.1,387,070,133.

1.3 Depreciation not expensed in the accounts Shs.31,011,380

Note No.9 submitted in support of the fixed assets reported in the statement reflected depreciation expenses totaling Shs.31,011,380. However, this asset depreciation was not charged in the expenditure statement, therefore the years surplus balance of Shs.298,479,712 reflected was overstated by Shs.31,011,380.

1.4 Consolidated Balance Sheet as at 30th June, 2004

1.4.1 Debtors and Creditors Outstanding

The Consolidated Balance Sheet as at 30th June, 2004 disclosed outstanding debtors and creditors as shown below:

Category:

Debtors	Amount (Shs.)
Imprests	5,086,466
Advances	1,025,995
Sundry Debtors	<u>7,583,500</u>
Total	<u>13,695,961</u>

Creditors

Sundry creditors	20,757,996
General Deposits	6,794,653
Unclaimed Salaries	<u>3,386,755</u>
Total	<u>30,939,404</u>

Clearance action taken for these balances is highly awaited.

1.4.2 Cash Balance

The Consolidated Balance Sheet reflected cash balance of Shs.541,983,357 as at 30th June, 2004. However, audit examination of the individual accounts Balance Reconciliation Statements disclosed the following anomalies:-

Account	Balance as per schedule (note 12)	Balance as per Bank Reconciliation statement
Education	87,263,448	87,213,448
UNICEF	39,621,290	35,930,290
Water	4,857,486	5,120,365
Road Fund	81,503,358	81,866,878

These differences have not been explained.

2. AUDIT CERTIFICATE

In my opinion, the Balance Sheet and summary statement of Income and Expenditure present fairly the financial position of Makete District Council as at 30th June, 2004.