

115. TABORA MUNICIPAL COUNCIL FOR THE PERIOD OF SIX MONTHS ENDED 30TH JUNE, 2004

1. REVENUE

1.1 Revenue budget performance

The Council planned to collect revenues amounting to Shs. 137,105,368 during January to June 2004. However, a total of Shs. 102,889,149 was collected, hence recording a deficit of Shs.34, 216,219 or 25% of the total budget for the period. Shs.47, 511,866 was also received as grants in lieu of the abolished revenue sources.

1.2 Missing receipts

The following revenue earning receipt books were not produced for audit on demand:-

CATEGORY	QUANTITY	VALUE
- Official receipts	10 open	-
- Main cashier GRR	2 open	-
- Ushuru wa Soko	2 @15,000	30,000
- Ushuru wa Mkaa	4 @ 30,000	120,000
Total	18	150,000

Hence revenues collected on them could not be confirmed to have been properly accounted for.

1.3 Revenue not banked Shs.6,491,896

Revenue totaling Shs 6,491,896 was not banked by the main cashier despite a favourable vicinity of bank facilities. If this habit is allowed to stay for long, misappropriation of fund may persist in the long run. We call for measures to curb the situation.

1.4 Revenue not remitted to the main cashier

Shs.2,553,660 being revenues collected by various revenue collectors was not remitted to the main cashier for accountability in the books of accounts and banking. In addition Shs.68,500 was not accounted for by the revenue collectors in the relevant revenue collector's cash books. Minimal efforts to ensure that revenue collectors do remit the funds promptly to the main cashier and that such fund are properly accounted

for by the revenue collectors in the revenue collector's cash books were apparent.

1.5 Contract register not maintained

The council entered into contract with several agencies for collection of revenues. However, during the audit a total of Shs.23,293,500 was said to have been collected and remitted by the agencies to the council. In the absence of proper control register, the amount collected and remitted could not be confirmed. In addition, the relevant contract sums, names of the contractors (agencies), amounts remitted, dates of remittances, and the balances due from the contractor could not be ascertained. We call for establishment and proper use of the register.

2. EXPENDITURE

Examination of the payment vouchers and the related records for the six months period ended 30th June, 2004 revealed the following anomalies:-

2.1	Missing muster rolls/pay lists	3,553,906
2.2	Payments made without supporting documents	11,513,203
2.3	Missing Acknowledgement Receipts	101,348,550
2.4	Payments partly supported by expenditure documents (imprest)	<u>4,333,000</u>
	Total	<u>120,748,659</u>

In the absence of the documents and confirmation that payments to various payees have been received by the same the total expenditure cannot be accepted as proper.

3. FINAL FINANCIAL STATEMENT

3.1 Debtors and Creditors outstanding

The balance sheet as at 30th June, 2004 disclosed the following balances:-

(i)	Debtors	Amount (Shs)
	Staff Debtors	3,190,790
	Sundry Debtors	<u>4,192,812</u>
	Total	<u>7,383,602</u>
(ii)	Creditors	
	Sundry Creditors	4,624,928
	Staff Creditors	179,154,540
	Deposit Account Balances	<u>43,743,590</u>
	Total	<u>227,523,058</u>

Clearance action taken is awaited.

4. AUDIT CERTIFICATE

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