

**100. BARIADI DISTRICT COUNCIL FOR THE PERIOD OF SIX MONTHS ENDED 30<sup>TH</sup> JUNE, 2005**

**1. REVENUE**

**1.1 Missing counter foil register**

The counterfoil register used for recording receipt books and other essential accountable documents was not made available for audit inspection despite of several requests. Hence audit of revenue collections could not properly be conducted.

**2.0 EXPENDITURE**

**2.1 Distribution of mosquito nets worth shs.3,900,000 not confirmed**

Procurement of mosquito nets valued at shs.3,900,000 were made by the council and issued to DMO Bariadi. However distribution details to Health centers were not made available.

**2.2 Questionable payment shs.1,430,000**

The council paid a sum of shs.170,000 over and above the approved subsistence rate to teachers who were attending a course at Ndala T.T.C. Further more two officers of the council were paid shs.1,260,000 as fees for a computer course to unknown college and certificates issued were yet to be produced.

**2.3 Salaries paid to retired employees shs.2,134,591**

On checking control sheet together with unclaimed salaries register and personal files we observed that a sum of shs.2,134,591 was paid to six former employees who were not deleted from control sheets after retirements.

**2.4 Unvouched and improperly vouched expenditure shs.59,196,640**

A test check of payments disclosed unvouched expenditure and inadequately vouched expenditure of shs.54,297,140 and shs.4,899,500 respectively.

**2.5 Stores not taken on ledger charge shs.1,180,900**

Stores worth shs.1,180,900 ordered and paid for during the year under review were neither taken on ledger charge nor were their utilization records produced for audit verification.

### 3. FINAL FINANCIAL STATEMENTS

#### 3.1 Trial Balance as at 30<sup>th</sup> June, 2004

Item classified as former leader shown in the trial balance at shs.12,409,000 does not appear in the general ledger and estimates book.

#### 3.2 Consolidated Balance Sheet as at 30<sup>th</sup> June, 2004

3.2.1 The net fixed assets figure of Shs.3,295,971,702 shown in the balance sheet differed with the figure of Shs.3,290,484,019 shown in the schedules submitted by shs.5,487,683.

3.2.2 Vehicle with Registration No. STH 9356 was observed to have been omitted in the schedules.

3.2.3 Closing stocks worth shs.16,292,557 were omitted in the Balance sheet.

#### 3.3 Outstanding Debtors and Creditors

The balance sheet as at 30<sup>th</sup> June, 2004 reported the following balances.

This has an effect of understating current assets in the balance sheet.

| <b>Category</b> | <b>Balance (Shs)</b>      |
|-----------------|---------------------------|
| Sundry debtors  | 83,667,111                |
| Imprests        | 7,817,120                 |
| Advances        | <u>728,300</u>            |
|                 | <b><u>92,212,531</u></b>  |
| Creditors       | 15,302,345                |
| Accruals        | <u>194,126,874</u>        |
|                 | <b><u>209,429,219</u></b> |

Clearance action taken is awaited.

### 4. AUDIT CERTIFICATE

In my opinion the consolidated balance sheet and summary statement of income and expenditure present fairly the financial position of Bariadi District Council as at 30<sup>th</sup> June 2004.