

**103. MASWA DISTRICT COUNCIL FOR THE SIX MONTHS
PERIOD ENDED 30TH JUNE, 2004**

1. REVENUE

1.1 Outstanding revenue collection shs.2,087,550

The register of Agents indicated unsettled amounts of revenue collection to be shs.2,087,550 which were yet to be remitted to the Council.

2. EXPENDITURE

2.1 Missing payment vouchers shs.1,363,000

Payment vouchers totalling Shs.1,363,000 were observed missing. The management has been advised the need of tracing them.

2.2 Payments made without supporting documents shs.13,751,360

Payments amounting to shs.13,751,360 were made without supporting documents.

2.3 Overpayment to a supplier of water pump items shs.1,281,740

A supplier of water pump items was paid Shs.7,840,440 while the tax invoice was for Shs.6,558,700 resulting in over payment of shs.1,281,740. No explanation has been given and recovery is yet to be made.

2.4 Irregular Transfer of funds Shs.16,747,162

The Council transferred Shs.16,747,162 from development account to general fund account without authority. The reimbursement of the same to respective account could not be confirmed in audit.

2.5 Items of stores not taken on ledger charge Shs.1,533,490

The council purchased items worth Shs.1,533,490 which were noted to have not been taken on ledger charge.

3. FINAL FINANCIAL STATEMENTS

3.1 Consolidated Balance Sheet as at 30th June, 2004

3.1.1 Fixed Assets shs.5,494,135,560

This balance could not be confirmed to be correct since the relevant assets schedules were not produced for audit examination. The assets involved were as follows:-

	Amount (Shs)
Land and Building	5,142,211,922
Motor vehicles and Plant	105,257,733
Roads and Bridges	171,439,486
Tools and Equipments	75,226,419
Total	<u>5,494,135,560</u>

3.1.2 Furniture and Fittings Shs.64,547,284

The consolidated balance sheet showed fixed assets totalling shs.5,563,182,844. However the value of furniture/fittings of Shs.64,547,284 was not included therein, hence the value of fixed assets was under stated by Shs.64,547,284.

3.1.3 Deposits Shs. 66,857,774

The following amounts included in the above Deposit figure of Shs.66,857,774 were not supported by schedule of analysis:-

unclaimed salaries	2,443,321
Council Deposit	48,442,321

3.1.4 Debtors and Creditors outstanding

The position of outstanding debtors and creditors as at 30th June, 2004 as reflected in the Consolidated Balance sheet was as follows:-

(i) Debtors Consist of

	Amount (Shs)
Loans	43,862,461
Advances	3,066,169
Imprests	1,156,698
Revolving funds	27,116,630
Total	<u>75,201,958</u>

(ii) Deposits Shs.66,857,774

Prompt energetic efforts to clear the outstanding debtors and creditors is called for.

4. AUDIT CERTIFICATE

In my opinion, the Consolidated Balance Sheet and Consolidated Statement of Income and Expenditure present fairly the final position of Maswa District Council as at 30th June, 2004.