

**106. SHINYANGA MUNICIPAL COUNCIL FOR THE SIX MONTHS
PERIOD ENDED 30TH JUNE, 2004**

1. REVENUE

1.1 Revenue collection performance

As against shs.108,865,000 estimated to be collected by the Council from own sources during the period under review, shs.93,860,890 was collected resulting in a deficit collection of Shs.15,004,110. Further, the Council received grants of Shs.54,266,119 in lieu of the abolished revenue sources.

2. EXPENDITURE

2.1 Improperly vouched expenditure shs.8,595,500

A test examination of payment vouchers for the year under review disclosed improperly vouched expenditure of shs.8,595,500

2.2 Imprest not recorded in the Register shs.4,655,100

The Council paid out a sum of shs.4,655,100 as imprests but they were not recorded in the imprest register and hence retirement details became unknown in audit.

2.3 10% payment of service levy collection paid to council workers shs.1,697,076

Examination of payment vouchers disclosed that 10% payments amounting to shs.1,697,076 out of service levy collection were made to council's workers who collected such revenue. However the payments would appear to be improper as council workers receive monthly salaries.

3. FINAL FINANCIAL STATEMENTS

3.1 Fixed Assets shs.3,316,083,652.33

The fixed Asset at cost figure of shs.3,316,083,652.33 reflected in the balance sheet did not tally with that in the supporting schedule which amounted to shs.2,174,100,945.80 only.

The difference of shs.1,141,982,706.53 has not been explained.

3.2 Debtors shs.94,571,943

The sum of shs.94,571,943 was reflected in the balance sheet as debtors outstanding relating to:-

• Tanzania Breweries	58,103,955
• Salary Advances	149,944
• Women and Youth Fund loans	11,670,600
• Imprests	<u>24,647,444</u>
Total shs.	<u>94,571,943</u>

3.3 Creditors shs.26,127,351

The creditors balance of shs.26,127,351 shown in the balance sheet was made up of the following:-

Category	Balance
• Sundry creditors	23,671,747
• Unclaimed salaries	2,455,604

Clearance details of these balances are still awaited.

3.4 Acquired Computer not included in Council's Assets shs.1,950,000

Newly acquired computer worth shs.1,950,000 was observed to be omitted in the schedule of fixed assets submitted along with final financial statement.

4. AUDIT CERTIFICATE

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