

101. BUKOMBE DISTRICT COUNCIL FOR SIX MONTHS PERIOD ENDED 30TH JUNE, 2004

1. REVENUE

1.1 Revenue collection performance

During the period of January to June, 2004 the Council collected revenue from its own sources totalling shs.48,769,478 as against the estimated income of shs.32,250,000 registering a surplus of shs.16,519,478 or 51%. Further, the Council received Shs.98,346,136 being grants in lieu of the abolished revenues sources.

2.0 EXPENDITURE

2.1 Unvouched expenditure amounting to shs.5,829,193

Six payments vouchers amounting to shs.5,829,193 were not produced for audit scrutiny.

2.2 Unproduced payment vouchers purported to be taken by PCB – totalling shs.25,985,806

Five payment vouchers involving shs.25,985,806 from Educations account were purported to be held by the Prevention of Corruption Bureau (PCB). Therefore access to these vouchers for audit purposes was limited.

2.3 Hospital Equipment not yet delivered worth shs.16,200,100/=

Seven pieces of refrigerators ordered in May, 2004 and paid for had not been received at the time of the audit (November, 2004).

2.4 Purchases of dental equipment without approval shs.2,684,800

Dental Equipments worth shs.2,684,800 were purchased towards the end of the financial year (June, 2004) without the approval of the Chief Dental Officer. The District Dental Officer has confirmed that the purchased equipment were below standards.

3. FINAL FINANCIAL STATEMENTS

3.1 Consolidated Balance Sheet as at 30th June 2004

3.1.1 Total of fixed assets wrongly shown shs.4,312,197,375

On casting the schedule of fixed assets submitted along with the final financial statements add up to shs.4,243,865,278 (audit figure) thereby reflecting a difference of shs.68,332,097 against the amount of shs.4,312,197,375 for fixed assets indicated in the financial statement. The difference highlighted would appear to have been caused by using straight line method of depreciation instead of the Council adopted method of diminishing return method.

3.1.2 Outstanding debtors shs.26,838,648

The balance sheet disclosed outstanding debtors totalling shs.26,838,648 out of which a sum of shs.2,266,500 has so far been recovered indicating laxity in debtors managements. The position at the time of reporting (November, 2004) was as under:

Category	Position as at 30.6.2004 (Shs)	Amount recovered	Balance outstanding (Shs)
(i) women and youth fund	2,700,000	1,325,500	1,374,500
(ii) Imprests	941,000	941,000	NIL
(iii) SHIRECU	23,197,648	-	23,197,648
	26,838,648	2,266,500	24,572,148

3.1.3 Creditors outstanding Shs.85,696,325

The balance related to 29 credit items which had not been cleared as at 30th June, 2004.

4. AUDIT CERTIFICATE

In my opinion the consolidated balance sheet and the summary statement of Income and Expenditure present fairly the financial position of Bukombe District as at 30th June, 2004.