

**86. KWIMBA DISTRICT COUNCIL FOR THE SIX MONTHS
PERIOD ENDED 30TH JUNE, 2004**

**1. FOLLOW UP ON OUTSTANDING MATTERS FOR THE PREVIOUS
YEARS**

2002 Accounts

- 1.1 Para 2.3 Receipts books not produced**
Three books are not yet produced.
- 1.2 Para 2.4 Revenue short accounted for Shs.1,104,900**
Shs.220,950 is still outstanding
- 1.3 Para 2.5 Outstanding Loans Shs.883,000**
Shs.310,000 is still outstanding
- 1.4 Para 3.1 Payment vouchers involving Shs.1,643,609 were not
made available to audit.**
Payment vouchers amounting to Shs.523,609 are still
missing.
- 1.5 Para 4.2.1 Valuation of fixed assets**
Valuation certificates from competent valuer are still missing.

MATTERS ARISING FROM 2004 ACCOUNTS

2. EXPENDITURE

Examination of payment vouchers and other related records disclosed the following.

- 2.1** Payments amounting to Shs.37,501,663 were made without supporting documents.
- 2.2** Questionable payment of fictitious claims of substance allowance Shs.688,000.
- 2.3** Payment vouchers involving Shs.845,668 were not made available for

audit examination.

- 2.4** Various items of stores valued at Shs.2,720,000 were not taken on charge in the respective ledgers contrary to financial regulations.
- 2.5** Materials worth Shs.5,964,757 issued to D. M. O – Ngudu and Ngudu Sec. School could not be confirmed to have reached the intended sites due to the absence of site ledgers and hence final utilization of the same could not be evidenced.

3. FINAL FINANCIAL STATEMENTS

3.1 Assets not reflected in the Balance Sheet

Three (3) Council motor vehicles were omitted in the schedule of fixed assets and were therefore not disclosed in the balance sheet viz:-

- SM 1008 Toyota pick up
- SM 2182 Toyota L/Cruiser hard top
- SM 3761 Toyota L/Cruiser hard top

3.2 Debtors Shs.31,763,178

Consolidated balance sheet as at 30th June,2004 disclosed outstanding debtors amounting to Shs.31,763,178 analysed as here below:-

<u>Category</u>	<u>Balance (Shs.)</u>
Imprests	12,067,833
Advances	4,265,240
Sundry debtors (Youth & Women)	15,430,105
Total	31,763,178

3.3 Creditors Shs.89,396,381

Creditors amounting to Shs.89,396,381 as analysed below were outstanding:

<u>Category</u>	<u>Balance (Shs)</u>
Accrued LAFP	35,352,158
Unclaimed LAFP	3,713,184
Unclaimed Salary	19,220,367
Deposits	31,110,672
	89,396,381

Action should be taken to clear these outstanding balances.

4. AUDIT CERTIFICATE

In my opinion the Balance Sheet and Income and Expenditure statements present fairly the financial position of the Kwimba District Council as at 30th June,2004.