

**64. MUSOMA TOWN COUNCIL FOR THE SIX MONTHS
PERIOD ENDED 30TH JUNE, 2004**

1. REVENUE

1.1 Revenue underbanked Shs.2,346,056

Records on revenue collections and banking revealed under banking of Revenue aggregating to Shs.2,346,056 under Revenue and Recurrent accounts.

1.2 Revenue Collection Performance

As against Shs.163,095,000 estimated to be collected by the Council for the six months period ended 30th June,2004 from own sources, only Shs.157,166,225 was realized reflecting a collection shortfall of Shs.5,928,775.

2. EXPENDITURE

Audit examination of payment vouchers revealed the following anomalies:-

<u>Type</u>	<u>Amount (Shs.)</u>
Payment without contractual agreement	2,932,088
Stores struck-off from ledgers without issue vouchers	200,000
Additional/or double payment for the service already paid for	1,500,000
Overpayment of salary	4,126,200
Salary made to an officer who is no longer in the Public service	614,000
Salary Advance recoveries made at source not accounted for	2,366,100
Payments made on Proforma Invoices	619,600
Irregular and/or questionable Expenditure	<u>4,602,342</u>
Total	<u>16,960,330</u>

3. FINAL FINANCIAL STATEMENTS

3.1 Out - Turn

The Council's accounts closed with a surplus balance of Shs.17,368,643 arising from total expenditure of 1,298,351,808 against total income of Shs.1,315,720,451 received during the period under audit.

3.2 Debtors outstanding Shs.80,147,512

The Consolidated Balance Sheet as at 30th June,2004 reflected the following debtors.

<u>Category</u>	<u>Amount (Shs)</u>
Salary Advances	21,740,809
Imprests	13,521,840
Services Levy	17,119,448
Hotel Levy	2,133,375
Market dues	5,405,000
Property tax, Rent and Advance payments	19,893,400
Others	<u>333,640</u>
Total	<u>80,147,512</u>

Clearance action taken is awaited

3.3 Creditors outstanding Shs.59,696,304

The Balance Sheet as at 30th June,2004 reflected creditors of Shs.59,696,304 outstanding which comprised of the following:-

Statutory payment payable to LAPF	15,581,647
Money payable to retired office	141,989
Compensation payable on land plots	3,623,175
Unclaimed salaries (Afya casual Labourers)	2,069,480
Youth and Women Groups	7,512,673
Other Creditors	<u>30,767,340</u>
Total	<u>59,696,304</u>

Early clearance of these balances is awaited.

4. AUDIT CERTIFICATE

In my opinion, the Balance Sheet and consolidated statement of Income and Expenditure present fairly the financial position of the Musoma Town Council as at 30th June, 2004.