

THE UNITED REPUBLIC OF TANZANIA

NATIONAL AUDIT OFFICE (NAO)



**REPORT OF THE CONTROLLER AND AUDITOR GENERAL
ON THE FINANCIAL STATEMENTS OF LUSHOTO DISTRICT COUNCIL
FOR THE YEAR ENDED 30TH JUNE, 2005**

The Controller and Auditor General
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February, 2006

AR/LG/114/2005

Office of the Controller and Auditor General
The National Audit Office,
United Republic of Tanzania

(Established under Article 143 of the Constitution of the URT).

The statutory duties and responsibilities of the Controller and Auditor General are given in the Public Finance Act No. 6 of 2001.

Our Vision

We aspire to be an organization that fosters a culture of financial discipline, transparency and accountability within the Government of Tanzania.

Our Mission

We are the Supreme Audit Institution in Tanzania, which strives to provide timely and high quality audit services to all our clients in order to enhance public sector financial performance by educating key stakeholders on the effective management of public finances; providing value added services and functioning independently and impartially in auditing and reporting on public accounts.

Therefore, our Core Values are: -

- ✓ We strive to achieve and maintain objectivity in providing impartial audit services so as to promote our independence
- ✓ We pursue excellence in the provision of our audit services
- ✓ We exercise professional integrity by demonstrating high ethical standards
- ✓ We focus on people and have great respect to our stakeholders
- ✓ We encourage and promote innovation amongst our members of staff; and
- ✓ We ensure best resource utilization at national as well as individual public entity level.

We do this by: -

- Contributing to better stewardship of public funds by ensuring that our clients are accountable for the resources entrusted to them;
- Helping to improve the quality of public services by supporting innovation on the use of public resources;
- Providing technical advice to our clients on operational gaps in their operating systems;
- Systematically involve our clients in the audit process and audit cycles; and
- Providing audit staff with adequate working tools and facilities that promote independence.

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ABBREVIATIONS AND DEFINITION OF TERMS.

CAG	Controller and Auditor General
CD	Council Director
DED	District Executive Director
DPs	Development Partners
LAAM	Local Authority Accounting Manual
GDP	Gross Domestic Product
LAFM	Local Authority Financial Memorandum
GOT	Government of Tanzania
HIPC	Highly Indebted Poor Countries
IFMS	Integrated Financial Management System
IG	Investment Grant
LGA	Local Government Authorities
LGRP	Local Government Reform Programme
NGO	Non-governmental Organisation
MoF	Ministry of Finance
OCAG	Office of the Controller and Auditor General
PER	Public Expenditure Review
ISA	International Standards on Auditing
PMO-RALG	Prime Minister's Office - Regional Administration and Local Government
PRSP	Poverty Reduction Strategy Paper
PS	Permanent Secretary
PSRP	Public Service Reform Programme
RAS	Regional Administrative Secretary
RS	Regional Secretariat

Financial Statements means:

The Consolidated Balance Sheet, Consolidated Income and Expenditure Statement, Consolidated Cash-flow Statement, Notes and related schedules of Lushoto District Council for the year ended 30th June 2005.

Council means - Lushoto District Council, both as Councillors as well as an operating entity.

1.0 BACKGROUND INFORMATION TO THE AUDIT

1.1 Introduction:

We have completed the audit of Lushoto District Council for the year ended 30th June 2005. Audit findings arising from examination of accounting records, and evaluation of the internal control system which require Management attention and action, are set out under paragraph three of this report.

1.2 Brief history of Client Establishment

The Lushoto District Council was established in 1984 in terms of the provisions of sections 8 and 9 of the Local Government (District Authorities) Act 1982. Besides the Act, the council operates within the framework of the following instruments.

- Local Authority Financial Memorandum 1997.
- Public Procurement Act no 21 of 2004.
- Local Government Finances Act no 9 of 1982.

1.3 Operation Objectives

According to the Government (District Authorities) Act, Lushoto District Council has the following objectives:

- (a) To maintain and facilitate maintenance of peace, order and good Governance within its area of jurisdiction.
- (b) To promote the social welfare and economic well being of all persons within its area of jurisdiction.
- (c) Subject to the national policy and plans for Rural and Urban Development, to further the social and economic development of its area of jurisdiction.
- (d) Collection of Public funds through taxes, licences, fees and charges.
- (e) To convince the public that the use of funds have achieved the maximum benefits through sound financial management.

1.4 Financing

The Council has two sources of funds, own sources and external source. The Internal source included collection of Public funds through, taxes, fees, Licence and charges. On the other hand external source include subsidies from central government, grant and loans from donor community. Total Income during the year was Shs.8,633,540,589 made up of Shs.409,218,843 from own sources and Shs.8,224,321,746 from government grants and donor Aids.

1.5 Management

The Lushoto District Council operates under directives of the full Council, which is a supreme body for legislative responsibilities. Under the Full Council there are three Committees which are directly answerable to it. The Chief Executive for the District Council is the District Executive Director (DED) who is responsible for the day-to-day activities. The structure has positions of Internal Auditor and Legal Officer with responsibilities of advising the Director on matters falling under their jurisdiction.

In addition the structure provides for functional departments namely: Administration, Finance and Trade, Health, Education, Works, Town Planning and Environment and Agriculture, Livestock and Co-operatives as well as Social Welfare and Community Development.

The pictorial management structure of the District Council is shown as appendix to this report.

1.6 Internal Control System

A System of internal control that should be adopted by councils is given under order 9 through 11 of the Local Authority Financial Memorandum; 1997. The Order requires the finance committee to adopt written procedures for proper control of finances. In addition, the Director and the Treasure should ensure there is assignment of specific responsibilities to individual officers, an organization chart of the Finance Department division of responsibilities and periodic rotation of duties. Accountability of all areas of operations by the Director or his designated representative to check effectiveness of the control system is mandatory. The Council is also required to employ its own Internal Auditor who report directly to the director. Similarly, the Public Procurement Act No.21 of 2004 Section 28 (1) requires the Council to establish a Tender Board and Sect.34 (1) provides for establishment of Procurement Management Unit.

The Internal Control set up of Lushoto District Council complies with this order and Procurement Act but is lacking an Audit Committee which is part of transparency and good governance. Nevertheless weakness arises from review of internal control system are included under part 3 of this report.

1.7 Financial Performance Issues

Revenue

The District Council collected an amount of Shs.409,218,843 from own sources against the internal revenue budget of Shs.404,122,500 reflecting an overcollection of Shs.5,096,343 or 1.3%. In addition the

Council received grants amounting to Shs.8,224,321,746 making total revenue of Shs.8,633,540,589 during the year.

Expenditure

The Council spent Shs.8,596,009,833 during the year against total income of Shs.8,633,540,589 or 99.6% of total revenue, leaving unspent amount of Shs.37,530,756.

A comparison of the internal revenue of Shs.409,218,843 against expenditure of Shs.8,596,009,833 is only 4.8% implying that the District Council cannot sustain either its recurrent or development expenditure without depending on grants.

1.8 Audit Mandate:

By virtue of the provision of Article 143 of the constitution of the United Republic of Tanzania, and Section 45 of the Local Government Public Finance Act No.9 of 1982, Revised, 2000 the controller and auditor General is the appointed auditor of all government revenues and expenditure, including the revenues and expenditure of this District Council.

1.9 Audit Objectives.

The main objective of carrying out the audit is to enable me to express an independent opinion on the financial statements of the District Council for the year ended 30th June, 2005 and in particular:-

- To determine whether transactions were executed in accordance with the financial regulations, and recorded properly in the books of accounts for easy preparation of the financial statements.
- To determine whether the revenues due have been collected and used to meet expenses as per approved budget governing regulations.
- To ascertain whether all supporting documents, records and accounts have been kept in respect of all District Council activities.
- To verify whether goods and services bought were acquired through laid down procedures.
- To perform compliance tests to confirm whether management complied in all material respects with regulations.
- To evaluate whether the internal control procedures instituted are effective to provide relevant and reasonable information to the Management, for implementing and monitoring activities and that the assets of the authority are adequately safeguarded against losses from unauthorized use or disposition.
- To verify whether the Council has implemented audit recommendations made in previous audits.

1.10 Audit Scope

The audit was carried out in accordance with the International Standards on Auditing. The audit covered the evaluation of effectiveness of the financial accounting system and Internal control over the activities of the District Council, examination and verification of the accompanying financial statements and other auditing procedures as was considered necessary for the purpose of forming an opinion on the financial statements. The audit was conducted on a test check basis; therefore, the findings are confined to the extent that records and information requested for the purpose of the audit were made available to us.

As auditors we are not required to search specifically for fraud; therefore our audit cannot be relied upon to disclose all such matters. However, our audit was planned so that we would have a reasonable expectation of detecting material misstatement in the financial statements resulting from irregularities or fraud. The responsibility for detection and prevention of irregularities and fraud rests with the Council management who are responsible for setting up and maintaining an adequate and effective system of internal control.

1.11 Audit Methodology

In auditing the financial statements together with their underlying records, the following principal audit steps were followed;

- A review of the council's regulations, guidelines and other Authority's documents as was deemed necessary under the circumstances.
- Examination of receipts and payments to confirm compliance with existing legislation, financial regulations and other instructions or directives.
- A review of the internal control structure by assessing significant policies and procedures and establish its adequacy.
- Review of financial statements, progress reports, various implementation reports and other associated information.
- Conduct compliance tests on the system of awarding contracts and their execution.
- Interview and discussion with some of the staff and other key stakeholders in the implementation of various activities.
- Conduct Local inspection to verify physical implementation of planned activities as well as assessing the progress made.
- Hold entrance and exit meetings with the auditee to discuss the audit objectives and results of the audit, respectively.

1.12 Presentation of Audit Findings

The audit was carried out according to the mandate stated above, applying professional standards and audit procedures that were considered appropriate in each situation.

The audit findings are divided into two parts. The first part comprises the opinion on the critical examination of the financial statements submitted for audit and the circumstances surrounding their preparation and presentation.

The second part comprises the detailed findings on the gaps and shortfalls in the internal control system, which if rectified on time, will greatly improve the effectiveness of the internal control system applied.

2.0 AUDIT REPORT ON THE FINANCIAL STATEMENTS

To: The Regional Commissioner,
Tanga Region.

District Executive Director and Accounting Officer
Lushoto District Council.

RE: INDEPENDENT AUDIT REPORT ON THE FINANCIAL STATEMENTS OF
LUSHOTO DISTRICT COUNCIL FOR THE YEAR ENDED ON 30TH JUNE 2005

I have audited the Consolidated Balance Sheet, Consolidated Statement of Income and Expenditure, Consolidated Cash-flow Statement and the related notes and schedules of the Lushoto District Council shown on pages 11 through 17 of this report for the financial year ended on 30th June 2005.

Responsibility of Council Management on the financial statements

These financial statements are the responsibility of the management of Lushoto District Council.

Order Nos. 9 through 16 of the LAFM requires the Council to establish and support a sound system of Internal Control within the Council. Order No. 53 places responsibility on the Council Management to prepare the financial statements based on Generally Accepted Accounting Standards. Further, section 40 of the Act requires the Accounting Officer to keep and maintain accounts and prepare financial statements in respect of the Council operations in a manner that promotes transparency, accountability and comparability.

Responsibility of the Controller and Auditor General

My responsibility is to express an independent opinion based on the audit. I am also required to satisfy myself whether the funds contributed to the Council were used exclusively and judiciously to meet eligible expenditures with due attention to economy and efficiency, whether the accounts have been kept in accordance with Generally Accepted Accounting Standards, and whether they do comply with the requirements of the Local Government Finances Act No. 9 of 1982 and the Local Authorities Financial Memorandum of 1997.

Basis of opinion

The audit was conducted in accordance with International Standards on Auditing and included such other audit procedures I considered necessary in the circumstances. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. It also includes assessing the significant estimates and judgments made in the preparation of the financial statements, assessing whether the internal control system and the accounting policies are appropriate to the circumstances of the Lushoto District Council, consistently applied and adequately disclosed, evaluating the overall financial statements presentation, and assessing the extent of compliance with the statutory requirements. I believe the audit provides a reasonable basis for my opinion.

Opinion

In my opinion, the financial statements fairly reflect in all material respects, the financial position of Lushoto District Council as at 30th June 2005 and the results of its operations and cash flows for the year then ended, in accordance with the International Financial Reporting Standards.

Further to my opinion the transactions of purchases of office supplies, services, vehicles, mobile equipments and medical supplies which I have tested as part of audit, have generally complied with the requirements of the public Finance Act No. 6 of 2001 and Public Procurement Act No. 4 of 2004.

Dr. Frank Mosses Hiza Mhilu
Ag. CONTROLLER AND AUDITOR GENERAL

Office of the Controller and Auditor General
The National Audit Office
DAR ES SALAAM.

February 2006.

3.0 AUDIT FINDINGS AND RECOMMENDATIONS

3.1 Follow up of outstanding matters from previous audits:

Most of the observations raised in my previous years' Report have been properly dealt with except the following:-

Year of Accounts/ Report	Para	Audit recommendation	Status of implementation
2003	3.11	Misappropriation of PEDP Funds Shs. 8,141,927	The whole amount Shs. 8,141,927 is still outstanding.
2004	3.8	Payments to contractors included VAT Shs. 39,089,246 exempted on road works	The amount Shs. 28,760,962 has not been refunded.

Recommendation

The management should ensure implementation of the recommendations made.

3.2 Current year's findings

(a) Revenue

(i) Revenue Collections Not Banked Shs.564,000

Verification of revenue collection receipt books and their corresponding banking documents revealed that revenue collections totaling Shs.564,000 was not banked, contrary to the requirement of Orders 111 and 189 of the Local Authority Financial Memorandum 1997.

Implication

It implies that regular counter-checks were not carried out, and the amounts may have been misappropriated.

Recommendation

The Council Director should ensure that revenue collections are banked intact daily. Moreover, the Shs.564,000 should be recovered and banked accordingly.

(ii) Missing revenue earning receipt books

9 revenue earning receipt books issued to Revenue Collectors were not produced to audit.

Implication

The accountability of over amounts collected on these books could not be ascertained.

Recommendation

It is recommended that all receipt books issued to collectors (used/partly used/unused as at 30th June 2005) should be returned to the Treasurer for internal control purposes. The missing receipt books should be made available for audit inspection.

(b) Expenditure:

(i) Questionable purchases of health cards for students SHS. 30,800,000 - Education A/C

PV No.	CHEQUE NO.	LPO NO.	PAYEE	AMOUNT
21/6	031386 of 13/6/05	28565 of 13/6/05	Jacaranda Investment 11,000 @ 700/=	7,700,000
3/6	031372 of 8/6/05	28555 of 23/5/05	Jacaranda Investment 11,000 @ 700/=	7,700,000
102/6	031054 of 25/6/05	28581 of 23/6/05	Jacaranda Investment 11,000 @ 700/=	7,700,000
45/7	031121 of 29/7/05		Jacaranda Investment 11,000 @ 700/=	7,700,000
			Total Shs.	30,800,000

Payments totalling Shs. 30,800,000 were made to M/s Jacaranda Investment for the supply of 44,000 health cards for Primary Schools as directed by the Ministry of Education vide letter Ref.PY/BC.97/135/01/47dated 8/2/2005 apparently without allocation of funds for the purpose. Hence, the payments were made from the Council own sources on behalf of the schools. However, the following irregularities were noted during the audit:-

- The health cards were procured by using the quotations instead of tender.
- As at the time of audit (November 2005) only Shs. 4,398,800 was confirmed to have been recovered from the respective primary schools, leaving a balance of Shs. 26,401,200 to be reimbursed to the Council.

Implication

Public procurement Regulations, 2005 have been violated and the amount paid on behalf of the primary schools was not fully refunded.

Recommendation

The Council should follow procurement procedures and ensure the recovery of Shs.26,401,200.

(ii) Internal Auditor's Reports and work programs not produced

The Internal Auditor's reports citing the recommendations for strengthening the internal control system were not provided to audit. To that effect we were not in a position to establish whether the recommendations made were fully implemented.

(iii) Salaries paid to ex-employees (Deceased Staff) shs 816,330

Examination of computer control sheets revealed that, deceased staff salaries continued to appear in the computer payroll and credited to their bank accounts without deletion as shown below: -

NAME	CHEQUE	DATE OF DEATH	ACCOUNT	PERIOD	AMOUNT
S. Muonje	7351775/5011	11/6/05	6804001311	July 05	112,700
				August 05	192,700
				September 05	112,700
Maria Swai	6965343/5012	16/2/05	4162504598	March 05	45,640
				April 05	456,400
Monika Mwaimu	8403836/5012	13/2/05	6804001178	March 05	62,840
				April 05	62,840
J. Shekiondo	9866717/5007	3/4/05	4162402652	April 05	87,090
				May 05	87,090
				June 05	87,090
					816,330

Implication

Government funds might have been misappropriated.

Recommendation

Management should take immediate recovery measures and review controls on this aspect.

(c) Final Financial Statements:

Consolidated Balance Sheet as at 30th June, 2005:

Examination of the Consolidated Balance Sheet for the year under review disclosed the following outstanding balances:-

(i) Current Assets Receivable Shs. 111,858,414

The outstanding current assets included the following:-

Category	Amount	Total
<u>Sundry Debtors:</u>		
• Water bills	12,065,290	
• House rent	7,164,500	
• Women/Youth loans	<u>14,396,839</u>	33,626,629
Salary Advances		22,672,921
Imprests		<u>36,948,132</u>
	Grand Total	93,247,682
		=====

Implication

The existence of such large outstanding debtors implies that, no serious efforts are being made by the Council to have these amounts collected.

Recommendation

The Council should ensure that water bills, house rent and loans (receivables) are collected/or settled during the relevant accounting period.

(ii) Current liabilities payable Shs. 2,955,500

The balance sheet reflected outstanding Creditors amounting to Shs.2,955,500 at 30th June 2005.

Recommendation

We commend the council for honouring its liabilities timely. This spirit should be maintained.

4.0 CONCLUSION

The detailed audit findings presented above have been communicated to management of the Lushoto District Council during our exit meeting. The Management has promised to take appropriate action with a view to rectify the situation. We shall appreciate to receive formally the actions taken in this respect.

Lastly, I would like to express my appreciation for the cooperation given to the audit team. It is my hope that such good working relationships will be extended during future audits.

Dr. Francis Mosses Hiza Mhilu
Ag. CONTROLLER AND AUDITOR GENERAL

CC: The Permanent Secretary,
Prime Minister's Office,
Regional Administration and Local Government,
Box 1923,
DODOMA.

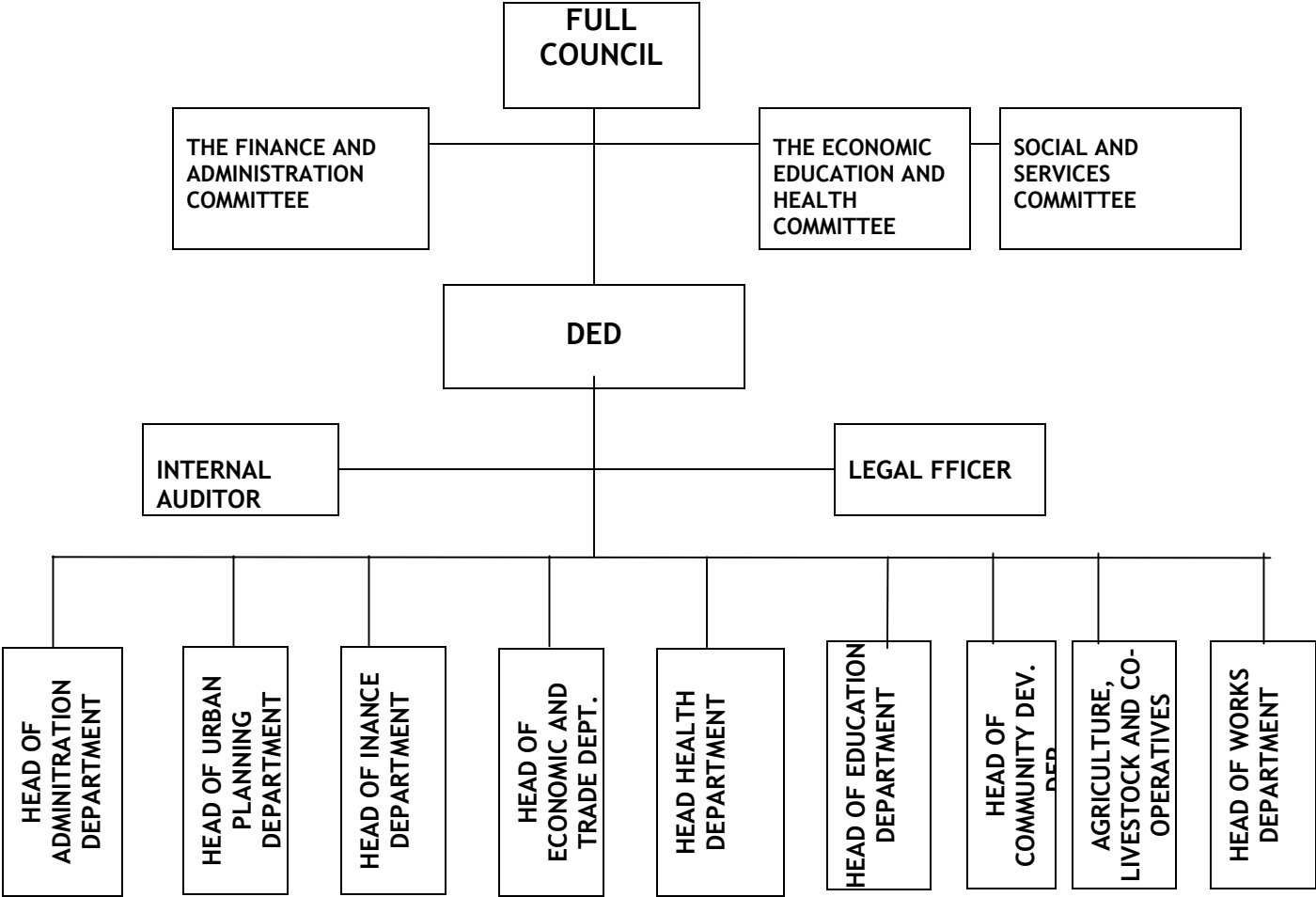
The Permanent Secretary and Paymaster General,
Ministry of Finance,
Box 9111,
DAR ES SALAAM.

5.0 ANNEXURES

- Financial Statements and notes to the financial statements - annexure I
- Organization structure of Lushoto District Council - annexure II

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS.

ORGANIZATION STRUCTURE OF LUSHOTO DISTRICT COUNCIL



MISSING HW5 RECEIPTS BOOKS

	Receipt book	Date	To whom issued
1.	199651 - 700	19/7/2004	Fatuma Sabuni
2.	199051 - 100	21/7/2004	Said Shempue
3.	200301 - 350	29/10/2004	Laurence Kivumbi
4.	200751 - 800	11/11/2004	Samira Shempasi
5.	201151 - 200	30/11/2004	Elia Kihyo
6.	201351 - 400	30/11/2004	Peter Mgwashi
7.	201801 - 850	3/12/2004	Rashid Shekigenda
8.	201901 - 950	7/12/2004	Sadiki Singano
9.	202051 - 100	14/12/2004	Jafari Mahanya
10.	202751 - 300	13/12/2004	Tumaini Vuwo
11.	202301 - 350	23/12/2004	Daud Mpilipili
12.	203801 - 850	13/12/2004	Rajabu Kipimo
13.	202451 - 500	29/12/2004	Sufiani Msagati
14.	202501 - 550	30/12/2004	Ziada Kika
15.	202601 - 650	30/12/2004	Janet Magoma
16.	202651 - 700	30/12/2004	Ijumaa Omari
17.	202701 - 750	31/12/2004	Neema Mbangala
18.	202751 - 800	31/12/2004	Athuman Mnkande
19.	202801 - 850	31/12/2004	Athuman Mnkande
20.	202851 - 900	31/12/2004	Fanuel Kibiriti
21.	204651 - 700	31/1/2005	Shemhina Issa A.
22.	204701 - 750	31/1/2005	Zenobia Mtenga
23.	206051 - 100	2/2/2005	Dickson Mhando
24.	206101 - 150	2/2/2005	Dickson Mhando
25.	206851 - 800	15/2/2005	Rashid Hassan
26.	209351 - 400	10/3/2005	Abeid Kiungulia
27.	209501 - 550	2/3/2005	Laurence Kivumbi
28.	209551 - 600	2/3/2005	Laurence Kivumbi
29.	209601 - 650	2/3/2005	Laurence Kivumbi
30.	209651 - 700	2/3/2005	Laurence Kivumbi
31.	209701 - 750	2/3/2005	Laurence Kivumbi
32.	210601 - 650	11/4/2005	Simon Mroki
33.	211251 - 300	21/3/2005	Rajabu Kipimo
34.	211301 - 350	21/3/2005	Rajabu Kipimo
35.	211601 - 650	21/3/2005	Rajabu Kipimo
36.	211651 - 700	30/3/2005	Athumani Mnkande
37.	211701 - 750	30/3/2005	Athumani Mnkande
38.	211751 - 800	30/3/2005	Athumani Mnkande
39.	211801 - 850	30/3/2005	Athumani Mnkande
40.	211851 - 900	30/3/2005	Athumani Mnkande
41.	211351 - 400	30/3/2005	Athumani Mnkande
42.	211901 - 950	5/3/2005	Saumu Kimangale

43.	211951 - 2000	5/3/2005	Saumu Kimangale
44.	212451 - 500	11/5/2005	Fanuel Kibiriti
45.	212501 - 550	11/5/2005	Fanuel Kibiriti
46.	212551 - 600	11/5/2005	Fanuel Kibiriti
47.	213001 - 050	01/6/2005	Sufiani Msagati
48.	213101 - 150	2/6/2005	Khalid Rashid
49.	213201 - 250	3/6/2005	Neema Mbangala
50.	213251 - 300	3/6/2005	Neema Mbangala
51.	213151 - 200	3/6/2005	Neema Mbangala
52.	213301 - 350	8/6/2005	Augustino Mbwana
53.	213401 - 450	9/6/2005	Jafari Mahanyu
54.	213451 - 500	9/6/2005	Pili Kizungutu
55.	213501 - 550	9/6/2005	Jafari Mahanya
56.	213551 - 600	9/6/2005	Jafari Mahanya
57.	213601 - 650	9/6/2005	Jafari Mahanya
58.	213801 - 850	24/6/2005	Abdallah Kapera

HEALTH

UTILIZATION ACCOUNT OF FUEL (3,699 LITRES OF DIESEL) NOT PRODUCED

<u>PV</u>	<u>AMOUNT</u>	<u>PAYEE</u>	<u>DETAILS</u>	<u>REMARKS</u>
59/8	1,567,500	Alex Masonu	- 2000ltrs diesel LPO 6213 of	No list of vehicles utilized these diesel was produced.
58/8	405,000	Alex Masonu	2/8/04 - 500ltrs diesel LPO 6219 of 3/8/04 Issued to: TO - 2000ltrs (iv 3918) TO - 500ltrs (iv 3916)	
57/8	161,500	Alex Masonu	200ltrs diesel LPO 6212 of 2/8/04 issued to DMCHCO (iv 3919)	List of vehicles utilized the diesel not produced
18/7	273,000	Alex Masonu	350ltrs diesel LPO 5339 of 1/6/04 issued to Pharmacist incharge (IV 3902)	Vehicles received this diesel not provided
17/7	210,000	Alex Masonu	269.3ltrs diesel LPO 5338 of 1/6/04 issued to DMCHO (IV 3901)	Vehicles received this fuel not provided
37/8	304,000	Alex Masonu	380ltrs diesel LPO 5973 of 12/7/04 issued to DHO (IV 3909)	List of vehicles received this diesel not provided
Total	2,921,000			

Appendix D

STORES PAID FOR BUT NOT DELIVERED

Health

PV	Amount	Payee	Details	Remarks
38/8	1,950,000	Alex Masonu	- 2500ltrs diesel LPO 6207 of 2/7/04 - 250ltrs issued to (TO)	-250ltrs recorded in the ledger but issued to (TO) no list of vehicles provided -2250ltrs worth 1,755,000 not delivered
82/6	1,600,000	Roki Enterprises	640 pairs of khanga	47 khangas worth Shs. 117,500 found short in the store
SubTotal	3,550,000			
133/6	4,649,500	Alex Masonu	4894.5ltrs diesel issued to vehicles:- SM 3531 SM 3313 SM 3173 STK 82 DFP 813	- 3845ltrs worth Shs. 365,000 not delivered as at the time of audit October 2005 - Utilization of 4510ltrs worth Shs. 4,284,500 shown to have been issued to above listed vehicles could not found in their log sheet while log sheets of vehicles SM 3173 & SM 3313 not produced
77/3	600,000	Dar Lab & Equipment	8tubes worth 600,000/=	Not delivered
SubTotal	5,249,500			
Grand Total	8,799,500			

UNCLEARED ITEMS IN BANK RECONCILIATION STATEMENTS

Account	Receipt in C/Book not in Bank Statement		Unpresented cheques	
	As at 30/6/05	As at 30/9/05	As at 30/6/05	As at 30/9/05
GENERAL FUND A/C	-	-	25,217,152	-
Development A/C	-	-	97,243	57,242
Deposit A/C	6,147,040	5,871,502	7,941,412	1,820,622
Agricultural	-	-	-	-
Works A/C	923,683	-	1,233,326	496,925
Education A/C	1,295,100	563,100	98,358,914	2,928,626
Health A/C	1,333,000	610,000	92,875,317	5,461,450
Rural Water A/C	500,000	-	913,673	-
NAEP II A/C	-	-	11,300	11,300
Road Fund A/C	40,039,200	-	6,803,185	-
Urban Water	448,235	-	-	10,000
Youth Development A/C	77,000	77,000	-	-
Women Development A/C	1,449,700	1,449,700	450,000	-
UVETA A/C	-	-	5,600	5,600
Reform A/C	4,895,000	-	-	-
DADPS	-	-	2,195,000	-
Total	57,107,958	8,571,302	236,090,822	10,791,765