

**VOTE 37  
PRIME MINISTER'S OFFICE**

**164. AUDIT QUERIES**

A test check of the accounts and related records for the year ended 30<sup>th</sup> June, 2004 resulted in the issue of 26 audit queries out of which 7 audit queries have been satisfactorily replied and settled.

**165. OUT-TURN**

**165.1 Supply Vote**

The Supply Vote account for the year ended 30<sup>th</sup> June, 2004 closed with a net expenditure of Shs. 10,940,585,515 against net approved estimates of Shs.10,944,467,154 an apparent saving of Shs.3,881,639. Actual exchequer issues received during the year similarly amounted to Shs. 10,944,467,154 resulting in a cash balance of Shs. 3,881,639 with the PMG's account. However the CPS cash book as at 30<sup>th</sup> June, 2004 showed a closing balance of Shs.1,422,221 a difference of Shs. 2,459,418 yet to be reconciled.

**165.2 Development Vote**

The out-turn on the Development Vote account for the year was an expenditure of Shs. 4,095,612,176 against approved estimates of Shs.4,196,610,100 an apparent saving of Shs. 100,997,924. Exchequer issues received during the year totalled Shs. 4,095,612,176 leaving a NIL cash balance with PMG's Account.

**166. CONSOLIDATED BANK RECONCILIATION STATEMENTS AS AT 30<sup>TH</sup> JUNE, 2004**

The Consolidated Bank reconciliation statements submitted along with the accounts reflected outstanding items as follows:-

Description	Recurrent Account (Shs)	Revenue Account (Shs)
Payments in PMG statements not in cash book	21,789,554	-
Receipts in PMG statements not in cash book	1,439,806,057	-
Receipts in cash book not in PMG statements	-	547,667,051
Total value of Unpresented cheques	382,458,007	-

The outstanding items should be cleared.

**167. STATEMENT OF REVENUE FOR THE YEAR ENDED  
30<sup>TH</sup> JUNE, 2004**

The actual amount of revenue collected during the financial year 2003/2004 was Shs.1,427,169,019 against approved estimates of Shs. 1,637,954,000 resulting in under collection of Shs. 210,484,981 or 13% of the estimated amount.

**168. STATEMENT OF ARREARS OF REVENUE FOR THE YEAR  
ENDED 30<sup>TH</sup> JUNE, 2004 SHS.1,554,379,139**

The Statement of Arrears of Revenue reflected cumulative arrears of revenue of Shs.1,875,958,276 against which Shs. 321,579,137 was collected leaving arrears of Shs. 1,554,379,139.

**169. UNVOUCHED EXPENDITURE SHS. 25,294,732**

A test check of payments for the year under review disclosed unvouched expenditure of Shs. 25,294,732. In the absence of missing vouchers, the authenticity of the payments made could not be ascertained. Replies to my three audit queries raised in this regard are awaited.

**170. IMPROPERLY VOUCHERED EXPENDITURE SHS. 9,549,854**

A test check of payments for the year 2003/2004 disclosed the existence of improperly vouched expenditure of Shs. 9,549,854. In the absence of proper documentation, the authenticity of the payments made could not be ascertained. Two audit queries raised on this matter have not been replied.

**171. PAYMENTS SUPPORTED BY PROFORMA INVOICES  
SHS.12,796,500**

A test check of recurrent expenditure payments revealed that payments totalling Shs.12,796,500 were made on strength of proforma invoices. In the absence of sales documents such as cash sales receipts, delivery notes and utilization records, I was unable to confirm whether the goods and services paid for, were correctly received and brought to account as required by Public finance and Procurement Acts of 2001.

**172. NON-ACKNOWLEDGEMENT OF PAYMENTS MADE TO  
GOVERNMENT DEPARTMENTS AND INSTITUTIONS UNDER  
THE MINISTRY SHS. 49,917,429**

A test check of payments for the year 2003/2004 revealed that an amount of Shs.49,917,429 was paid to various Government Departments and Institutions under the office. However, acknowledgement receipts and audited accounts were not available to confirm receipt and accountability of the funds.

### **173. STORES NOT TAKEN ON LEDGER CHARGE SHS. 24,349,367**

An examination of vouchers and stores records for the year 2003/2004 revealed stores worth Shs. 24,349,367 purchased by the Ministry which were not recorded in the stores ledgers.

### **174. TELEVISION (TVT)**

#### **174.1 Submission of TVT financial statements**

The financial statements for the year ended 30<sup>th</sup> June 2004 were submitted in time, viz. 27<sup>th</sup> September, 2004.

#### **174.2 Audit Findings arising from the Audit**

##### **174.2.1 Accounting or Financial Regulations manual**

An accounting manual, together with financial regulations was not in place, for internal use. This is an important document for managerial purposes.

In addition, an internal audit unit was not in place.

##### **174.2.2 Operating Costs and surpluses**

A review of vital performance data was as follows:-

Item	Year 2003/2004 Shs.	Year 2002/2003 Shs.
Total Income	1216 million	970 million
Operating expenses	1469 million	1109 million
Surplus/Deficit	(253 million)	(139 million)
Debtors	222 million	156 million
Creditors	35 million	19 million

Although total income had increased significantly, higher administrative costs increased the deficits considerably.

A review of the performance controls needs to be urgently done to enhance economy effectiveness and efficiency of the TVT operations generally.

## 175. TANZANIACOMMISSION FOR AIDS (TACAIDS)

### 175.1 Follow-up of previous audit report the year ended 30<sup>th</sup> June, 2003

TACAIDS has failed to render replies to my report on the accounts for the year ended 30<sup>th</sup> June 2003. No reasons have been submitted to me for the non response.

### 175.2 Improperly vouched expenditure Shs. 507,571,330

Payments made during the year, totalling Shs.507,571,330 were inadequately/improperly vouched.

### 175.3 Stores not accounted for Shs. 31,181,562

Stores purchased worth Shs.31,181,562 were not accounted for in stores ledgers.

### 175.4 Outstanding audit queries:-

Query	Outstanding Imprests	Amount Queried Shs.
2	Outstanding Imprests	44,670,455
4	Amount not accounted for i.e. Number of payees and signatures to confirm payment are not attached to the respective documents	2,045,000
5	Payments for services not rendered	14,648,450
6	Funds transferred to various District Councils	161,678,997
	<b>Total</b>	<b>223,042,902</b>

## 176. AUDIT CERTIFICATE

In my opinion, the Supply Vote, Development Vote, Revenue and Miscellaneous Deposit accounts present fairly the financial position of Vote 37 as at 30<sup>th</sup> June, 2004.