

VOTE 67
TEACHERS' SERVICE COMMISSION

499. AUDIT QUERIES AND MANAGEMENT LETTER

A test check of the accounts and other related records for the year ended 30th June, 2004 resulted in the issue of 10 queries and one management letter of which the most significant matters raised are referred to in this report. At the time of writing this report 2 audit queries have been replied. In addition, 7 audit queries relating to previous financial years are still outstanding.

500. OUT-TURN

500.1 Supply Vote

The year's out-turn on the Supply Vote was a net expenditure of Shs. 2,075,255,949 against the approved estimates of Shs. 2,075,256,029. Similarly, exchequer issues received during the year amounted to Shs. 2,075,256,029 resulting in a cash balance of Shs. 80 with the Paymaster General's Account.

500.2 Unspent Warrant of Funds Shs. 972,320

The footnotes to the appropriation account show that a total sum of Shs. 567,607,375 was paid to 19 Sub-treasuries as warrants of funds to up-country stations. However, out of the warrants of funds issued an amount of Shs. 566,635,055 was spent leaving a balance of Shs. 972,320. The unspent amount was not adjusted in the Commission's vote's expenditure.

500.3 Outstanding Imprests Shs. 2,056,200

Though the appropriation accounts did not reflect an amount of outstanding imprests, the examination of payments for the year 2003/2004 disclosed an amount of Shs. 2,056,200 of imprests not retired or recovered from the employees concerned.

501. STATEMENT OF REVENUE

The actual revenue collection was Shs. 16,071,547 against the budget provision of Shs. 1,505,000 reflecting an overcollection of Shs. 14,566,547. The performance was approximately 1,068%. This is an indication that the budget estimate was below the potential revenue performance.

**502. UNVOUCHED AND IMPROPERLY VOUCHERED EXPENDITURE –
SHS. 117,779,605**

A test examination of payment vouchers observed payments of value Shs. 117,779,605 which were inadequately vouched as detailed below:-

Category	Amount (Shs.)
Unvouched	3,134,130
Improperly Vouched Expenditure	112,141,795
Payment on strength of Proforma Invoices	<u>2,503,680</u>
Total	<u>117,779,605</u>

**503. STORES PURCHASED BUT NOT ACCOUNTED FOR SHS.
1,633,500**

Test examination of payment vouchers disclosed payments for purchase of stores worth Shs. 1,633,500, which were, however, not accounted for in the stores ledger. In this regard we could not confirm delivery and utilization of the stores.

504. AUDIT CERTIFICATE

In my opinion, the Supply Vote, Miscellaneous Deposit and Revenue Accounts fairly present the financial position of Vote 67 as at 30th June, 2004.