

**VOTE 68**  
**MINISTRY OF SCIENCE, TECHNOLOGY**  
**AND HIGHER EDUCATION**

**505. FOLLOW-UP ON OUTSTANDING ITEMS IN THE PREVIOUS YEARS AUDIT REPORTS**

| Para  | F/Year  | Details  | Amount Involved (Shs) | Remaining Balance (Shs) | Comments  |
|-------|---------|--|-----------------------|-------------------------|---|
| 504   | 2000/01 | Internal Audit Reports<br>Unsupported payments to students | 246,675,637           | 77,239,767              | Expenditure Documents are not submitted for confirmation of actual expenditure. |
| 528   | 2001/02 | Accountability of Subvention                               | 50,613,095,978        | 23,222,327,549          | Submission of Audited Accounts to confirm accountability of funds.              |
| 530   | 2001/02 | Students loans   | 6,941,187,595         | 6,941,187,595           | Recovery particulars from students required                                     |
| 531.1 | 2001/02 | Arrears of Revenue not Collected                           | 117,686,474           | 17,470,500              | Progress of collection to abandon the revenue required.                         |
| 534   | 2001/02 | Improperly Vouched Expenditure                             | 4,804,035,302         | 251,125,098             | Expenditure documents are required.   |

**506. AUDIT QUERIES**

A test check of the accounts and other related records for the year ended 30<sup>th</sup> June, 2004 resulted in the issue of 30 audit queries and one management letter. Ten (10) audit queries were satisfactorily replied and settled. Significant matters arising from the remaining 20 audit queries and outstanding matters in the management letter are commented upon in this report.

In addition, there were 22 outstanding audit queries relating to previous years' accounts as shown below:

| Year    | Number of queries |
|---------|-------------------|
| 2001/02 | 6                 |
| 2002/03 | <u>16</u>         |
|         | <u>22</u>         |

**507. OUT-TURN**  
**507.1 Supply Vote**

During the year the out-turn on the Supply Vote was an expenditure of Shs.73,590,830,969, including a sum of Shs.1,300,000 for unretired imprests charged directly to expenditure against the approved estimates Shs.73,595,194,196, which also equalled the exchequer issues released, resulting in a real cash saving of Shs.4,363,227 with the Paymaster General's account.

**507.2 Development Vote**

The year's out-turn on the Development Vote was an expenditure of Shs.8,775,011,085 against net approved estimates of Shs.15,834,218,100 resulting in an unspent budget provision of Shs.7,059,207,015. However, actual exchequer issues received during the year totalled Shs.8,775,040,526 resulting in a cash balance of Shs.29,441 with the Paymaster General's account.

**507.3 Direct to Projects Expenditure**

An expenditure of Shs.8,442,604,225 was incorporated in the Development Vote as direct to project. The amount was made-up of Shs. 4,178,808,768 "C"-fund payments and Shs.4,263,795,457 "D" – fund payments. These amounts were not, supported by documents such as projects' progress and status reports, goods/services delivery notes which could facilitate physical verification of the items paid for and charged directly.

**508. OUTSTANDING IMPRESTS – SHS.35,279,800**

The Statement of Supply Vote account showed Shs.1,300,000 as outstanding imprests as at 30<sup>th</sup> June, 2004. In addition, audit test checks revealed a further amount of Shs.35,279,800 of outstanding imprests which was not disclosed in the accounts. Furthermore, imprest registers were not being maintained for control purposes.

### **509. STATEMENT OF ARREARS OF REVENUE – SHS. 20,145,500**

The Summary Statement of Arrears of Revenue showed an outstanding balance of Shs.20,145,500 as at 30<sup>th</sup> June, 2004. A large amount of arrears of revenue relates to uncollected school fees of Shs.12,337,000 dating back to the year 1998. The Accounting Officer should seek an approval to write-off the amount.

### **510. UNVOUCHED AND IMPROPERLY VOUCHERED EXPENDITURE - SHS.3,618,145,402**

The footnotes to the Appropriation Accounts disclosed an amount of Shs.449,665,038 as unvouched and improperly vouched expenditure. However, the examination of payment vouchers revealed payments involving Shs.3,618,145,402 which were not duly supported as detailed below:-

| <b>S/No</b> | <b>Account</b>     | <b>Supply Vote Amount (Shs.)</b> | <b>Development Vote Amount (Shs.)</b> | <b>Total Amount (Shs.)</b> |
|-------------|--------------------|----------------------------------|---------------------------------------|----------------------------|
| 1.          | Improperly Vouched | 3,596,162,730                    | -                                     | 3,596,162,730              |
| 2.          | Unvouched          | -                                | 21,982,672                            | 21,982,572                 |
|             | <b>Total</b>       | <b>3,596,162,730</b>             | <b>21,982,672</b>                     | <b>3,618,145,402</b>       |

Internal control over the custody of payment documents should be strengthened in order to minimize the loss of documents.

### **511. ACCOUNTABILITY OF SUBVENTIONS – SHS.43,493,813,428**

During the year under review, the Ministry paid out an amount of Shs.43,493,813,428 being subventions to agencies under the Ministry and higher learning institutions as detailed below, to meet recurrent expenditure:-

Vote 68 Ministry of Science, Technology and Higher Education

| <b>S/No.</b>       | <b>Institution</b>   | <b>Amount<br/>(TShs.)</b> |
|--------------------|--|---------------------------|
| 1.                 | Kivukoni Academy   | 180,573,171               |
| 2.                 | Mzumbe University  | 4,280,883,887             |
| 3.                 | Open University  | 2,813,643,223             |
| 4.                 | University College of Lands and Architectural Studies<br>(UCLAS) | 2,564,435,901             |
| 5.                 | Sokoine University of Agriculture (SUA)                          | 9,190,083,789             |
| 6.                 | University of D'Salaam (UDSM)                                    | 15,734,072,077            |
| 7.                 | Higher Education Accreditation Council (HEAC)                    | 569,673,199               |
| 8.                 | Muhimbili University College of Health Science<br>(MUCHS)        | 3,202,364,985             |
| 9.                 | Dar -es -Salaam Institute of Technology (DIT)                    | 2,676,294,822             |
| 10.                | National Council for Technical Education (NACTE)                 | 1,095,977,177             |
| 11.                | National Radiation Council (NRC)                                 | 359,113,978               |
| 12.                | Commission of Science and Technology (COSTECH)                   | 826,697,219               |
| <b>Grand Total</b> |  | <b>43,493,813,428</b>     |

Though the Ministry communicated with the payees for submission of audited accounts to confirm accountability of the funds paid to them, there was no response from the institutions up to the date of writing this report (January, 2005).

**512. STORES NOT TAKEN ON LEDGER CHARGE SHS.46,910,500**

Contrary to financial regulations items purchased by the Ministry worth Shs.46,910,500 were not on record in the stores ledgers. We could not therefore confirm whether the items were correctly received and utilized for the intended purposes. An audit query issued on the matter has not been replied.

**513. AUDIT CERTIFICATE**

In my opinion, the Supply Vote, Development Vote, Revenue and Miscellaneous Deposits Accounts present fairly the financial position of Vote 68 as at 30<sup>th</sup> June, 2004.