

VOTE 79 MOROGORO REGION

658. AUDIT QUERIES

A test check of the accounts and related records for the year ended 30th June, 2004 resulted in the issue of 25 audit queries out of which 16 have been satisfactorily replied leaving 9 queries still outstanding as at the time of writing this report (December, 2004). In addition three (3) queries relating to 2002/2003 year of accounts are still outstanding.

659. OUT - TURN

659.1 Supply Vote

The Supply Vote closed with an apparent saving of Shs. 2,655,051 arising from net expenditure of Shs.20,182,768,187 against total approved estimates of Shs.20,185,423,238. However, as the exchequer issues received during the year amounted to Shs.20,183,108,817 the real saving with the Paymaster General's Vote Account was Shs.340,630.

659.2 Development Vote

The Year's out-turn on the Development Vote was shs.3,644,728,515 against net approved estimates of Shs.3,644,744,800 an apparent saving of Shs.16,285. However, exchequer issues received during the year similarly amounted to Shs.3,644,744,800 leaving an actual cash balance of Shs.16,285 with the Paymaster General's Account.

660. FOOTNOTES TO THE APPROPRIATION ACCOUNTS

The footnotes to the Appropriation Accounts disclosed outstanding liabilities totalling Shs.33,041,149 comprised of arrears of salaries Shs.28,314,883 and Subsistence allowance Shs.4,726,266.

Effort to clear the outstanding liabilities is called for.

661. STATEMENT OF REVENUE

The Statement of Revenue as at 30th June, 2004 reflected an out-turn of Shs.3,599,588 as against the approved estimates of Shs.2,888,000 resulting in an overcollection of Shs.711,588 or 25% of revenue estimates.

662. STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH JUNE, 2004

662.1 Unpaid LAFP – Shs.93,000,000

The Statement of Assets and Liabilities as at 30th 2004 disclosed unpaid LAFP under item 79-693-1016 of Shs.93,000,000. However, the payee's supporting schedule was not submitted along with the accounts, thus the correctness of the amount reported in respect of the beneficiaries could not be ascertained.

663. BANK RECONCILIATION STATEMENTS

Bank Reconciliation statements as at 30th June, 2004 for Supply Vote, Development Vote, Miscellaneous Deposit and Revenue Accounts were prepared and submitted along with the Appropriation Accounts. However, the following outstanding items as reflected in the bank reconciliation statements were not cleared to date.

Item	Supply Account	Development Account	Deposit Account
Unpresented cheques	63,146,900	53,124,810	18,661,610
Payment other than unpresented cheques in cash book not in PMG's Statement	<u>20,124,371,287</u>		
Total Shs.	<u>20,187,518,187</u>	<u>53,124,810</u>	<u>18,661,610</u>

Clearance action is called for.

664. DEVELOPMENT GRANTS TO COUNCIL NOT ACKNOWLEDGED RECEIPT – SHS. 67,191,200

Payment totaling Shs.67,191,200 were made to the Council Directors to meet expenditure on Development Projects. However, confirmation of receipt of the funds by respective Council's were not made available to audit as detailed below:-

Pv.No.	Amount (Shs)	Payee
5/9	9,250,000	Municipal Director Morogoro
6/9	16,449,700	DED – Morogoro
7/9	8,500,000	DED – Ulanga
8/9	7,000,000	DED – Kilombero
9/9	<u>8,800,000</u>	DED – Kilosa
Total Shs.	<u>67,191,200</u>	

665. IMPROPERLY VOUCHERED EXPENDITURE – SHS. 4,980,000

Test check of Supply Vote, Development Vote and Miscellaneous Deposit Accounts for the year 2003/2004 revealed existence of improperly vouched expenditure totaling Shs.113,196,548 of which payments of Shs.108,216,548 were confirmed to have been subsequently cleared leaving a balance of Shs.4,980,000 still outstanding as detailed below:-

Category	Amount Queried as at 30 th June, 2004	Amount Outstanding as at December, 2004
Missing Supporting Documents	83,626,694	3,480,000
Proforma Invoices	6,549,854	1,500,000
Unreceipted Paylists	<u>23,020,000</u>	<u>NIL</u>
Total Shs.	<u>113,196,548</u>	<u>4,980,000</u>

666. OUTSTANDING ADVANCES AND IMPRESTS – SHS. 6,750,120

Examination of Payment vouchers for the year ended 30th June, 2004 revealed outstanding advances and imprests totalling Shs.31,780,320. However as at the time of writing this report December, 2004 imprests totalling Shs.25,030,200 were confirmed to have been settled while Shs.6,750,120 were still outstanding as detailed below:-

Category	Amount Queried	Amount Cleared	Amount Outstanding
Imprests	31,480,320	25,030,200	6,450,320
Advances	<u>300,000</u>	<u>NIL</u>	<u>300,000</u>
Total Shs.	<u>31,780,320</u>	<u>25,030,200</u>	<u>6,750,120</u>

667. IRREGULAR OR QUESTIONABLE PAYMENTS

667.1 Compensation to Civilians during the extension of Chalinze – Melela Road – Shs.4,889,744

The Secretariat paid an amount of Shs.4,889,744 to the District Administrative Secretary – Morogoro as compensation to civilians whose crops or houses were demolished during the extension of Chalinze – Melela Road. However, the payment is questionable due to the fact that the valuation report as the basis of compensated amount was not available for scrutiny.

668. STATEMENT OF FIXED ASSETS – SHS. 381,967,490

The Fixed Assets schedule to the Final Accounts, reflected fixed assets totalling Shs.381,967,490. However, the schedule included unserviceable, grounded and sold motor vehicles, which would not have been included in the final accounts.

669. AUDIT CERTIFICATE

In my opinion, Supply Vote, Development Vote, Miscellaneous Deposit and Revenue Accounts present fairly the financial position of Vote 79 as at 30th June, 2004.