

**VOTE 81  
MWANZA REGION**

**682. AUDIT QUERIES:**

A text check of the accounts and related records for the year ended 30<sup>th</sup> June 2004 resulted in the issue of 56 Audit queries. However 7 queries have been replied. In addition 24 audit queries relating to the previous years are still outstanding as shown below:-

Year	No of O/S queries
2002/2003	24
2003/2004	<u>49</u>
	<u>73</u>

**683. OUT-TURN:**

**683.1 Supply Vote**

The Supply Vote account ended with an apparent saving of Shs. 9,083,148 arising from reported net expenditure of Shs. 27,099,746,525 against reported approved estimates of Shs. 27,108,829,673. However, exchequer issues received during the year, totalled Shs. 27,111,376,623 leaving a cash balance of Shs. 11,630,148.

**683.2 Development Vote:**

The year's out-turn on the Development Vote was Tshs.1,401,154,746/= against approved estimates of Tshs.2,064,613,900 an apparent saving of Tshs.663,459,154. However, as exchequer issues received during the year amounted to Tshs.1,402,540,114 the real saving was Tshs.1,385,368.

**684. STATEMENT OF REVENUE:**

The Statement of Revenue for the year under review reflected revenue collection of Tshs.1,555,022 against approved estimates of Tshs. 2,693,000 an under collection of Tshs.1,137,978 which represents 42.2% percent of the estimated revenue.

**685. STATEMENT OF APPROPRIATION IN AID:**

The Statement of Appropriation in aid for the year under review showed actual collection of Tshs. 786,554 against the estimated amount of Tshs.2,547,000 recording a shortfall of Tshs.1 760,446 or 69.1% percent of the estimated amount. This indicates that either the estimates were not realistic or there was laxity in collection.

**686. OUTSTANDING IMPRESTS – TSHS.8,537,000**

A total sum of Tshs. 2,210,000/= was shown as outstanding in the Statement of Vote account under the footnotes to the Appropriation account. However, examination of payment vouchers revealed outstanding imprests of Tshs. 8,537,000 as against Tshs.2,210,000 reflected in the Appropriation Account and Statements.

**687. LOSSES OF CASH AND STORES:**

One Laptop Computer Toshiba S/No.12365 worth Tshs. 2,300,000 loaned to the Regional Education Office was reported to have been lost. However, this figure was not reflected in the footnotes to the appropriation account under Losses of Stores as required.

**688. UNPAID DEBTS – TSHS. 31,417,555**

It was noted during the audit inspection that debts amounting Tshs.31,417,550.00 had not been paid to various suppliers in respect of goods and services rendered to the Regional Secretariat and the amount was not reflected in the Statement of Assets and Liabilities as at 30<sup>th</sup> June, 2004 as follows:

F/Year	Amount (Tshs.)
2001/2002     ...     ...     ...     ...     ...	3,206,024.00
2002/2003     ...     ...     ...     ...     ...	7,188,240.00
2003/2004     ...     ...     ...     ...     ...	21,093,291.00
	31,417,550.00

These debts will upon payment greatly affect the financial position of Vote 81.

**689. DEPOSIT BALANCES DIFFER:**

The Statement of Vote account under the footnotes to the Appropriation account showed deposit balance of Tshs.77,999,992 as at 30<sup>th</sup> June, 2004 whereas the sub-Treasury's statement of deposits balances totalled Tshs.116,551,441.00. The Secretariat needs to reconcile the variance of Tshs. 38,551,449.

**690. UNVOUCHED AND IMPROPERLY VOUCHERED EXPENDITURE  
TSHS.93,363,459**

Though footnotes to the appropriation accounts did not reflect payments of Unvouched and Improperly Vouched expenditure, however examination of payment vouchers revealed improperly vouched expenditure valued at Tshs.93,363,459.00 detected during audit as summarized below:-

Category	Value (TShs.)
Improperly Vouched expenditure	82,048,859
Payments on profoma invoices	11,314,600
<b>Total</b>	<b>93,363,459</b>

**691. ACKNOWLEDGEMENT RECEIPTS NOT PRODUCED –TSHS.  
4,940,000**

Acknowledgement receipts for payments worth Tshs. 4,940,000 to various payees were not produced for audit verification.

**692. DAS – KWIMBA:**

**Unproduced accountable documents:**

It was observed during the audit inspection that, the accountable documents listed below were not produced to audit as it was stated that the accountable documents were taken by the police for investigation.

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<u>Type of Receipt books</u>	<u>Serial No.</u>
ERV.	12458801 – 12459000
“	12459001 - 12459200
“	12460801 – 12461000
“	14900801 – 14901000
“	14901401 – 14901600
“	14902401 - 14902600
“	14903201 – 14903400
Bank P/Slip	156801 – 156850
“	00461701 – 004661750

On completion of the police investigation these documents should be made available for audit verification.

### **693. STORES LEDGER – REFERENCES:**

Stores worth Tshs.1,890,000 were ordered and paid for. However contrary to stores regulations the goods were not recorded and cross-referenced to the ledger folios, as a result physical verification was not possible.

### **694. PAYMENT OF EXTRA DUTY ALLOWANCE – TSHS. 2,825,000**

A sum of Tshs.2,825,000 was paid to various officers as extra duty allowance. The payment included Tshs.1,725,000 charged from Development Vote account instead of recurrent account. In addition, the nature of the work performed by these officers was not known in audit.

### **695. IRREGULAR/QUESTIONABLE PAYMENTS:**

Audit examination of payment vouchers and related records revealed the following:-

**(i) Questionable payment of night/other allowances:**

Payments totalling Tshs.17,635,000 were made to various officers as night out allowances while on duty. However, the nature of safari and duty performed were not identified.

**(ii) Overlapping payments – Tshs.750,000**

Payments amounting to Tshs.750,000 made to various officers as night out allowances had overlapped.

**(iii) Doubtful claims of refund of money – Tshs.2,254,612**

Payments amounting to Tshs.2,254,612 were made to various officers as a refund of money which they spent from their own pockets for office activities. However the office activities performed by these officers was not identified.

### 696. MATTERS ARISING FROM LOCAL INSPECTION:

#### Stores not taken on Ledger charge Tshs.3,938,287

Audit inspection carried out in various offices disclosed that stores worth Tshs.4,734,187/= as detailed below were neither taken on charge nor their utilization account rendered to audit.

Office	Description	(TShs.)
Das – Magu	Printer laser	495,000.00
Das – Ukerewe	Fuel, tyres	1,440,287.00
Das – Missungwi	Tyres, fuel & fridge	1,673,000.00
Das – Kwimba	fuel	330,000.00
<b>TOTAL</b>		<b><u>3,938,287.00</u></b>

### 697. TREASURY STOCK VERIFICATION UNIT

#### (a) Unsupported Issues of Stores Shs. 151,809,855

Various stores worth Shs. 151,809,855 were struck off ledger charge as issued without supporting issue voucher references as follows:-

i.	District Administrative Secretary, Ukerewe (June, 2003)	Shs. 14,503,560
ii.	Regional Administrative Secretary Mwanza (December, 2003)	5,990,940
iii.	DAS Sengerema (May, 2004)	18,839,580
iv.	DAS Kwimba (March, 2004)	95,873,120
v.	DAS Misungwi (January, 2004)	13,044,255
vi.	DAS Magu (September, 2003)	3,558,400
		<b>151,809,855</b>

**(b) Unreceipted Issues of Stores Shs. 12,069,150**

Issue vouchers pertaining to issues of stores worth Shs. 12,069,150.00 were not authenticated by respective recipients as follows:-

i.	District Administrative Secretary, Ukerewe (June, 2003)	Shs. 1,407,250
ii.	DAS Sengerema (May, 2004)	8,458,300
iii.	DAS Kwimba (March, 2004)	1,564,500
iv.	DAS Misungwi (January, 2004)	639,100

**(c) Unaccounted For Purchases of Stores Shs. 51,375,696.20**

Various stores worth Shs. 51,375,696.20 locally purchased were neither taken on ledger charge nor could their utilization accounts be produced as follows:-

i.	District Administrative Secretary, Ukerewe (June, 2003)	Shs. 7,509,000
ii.	DAS Kwimba (March, 2004)	Shs. 763,613
iii.	DAS Missungwi (January, 2004)	2,211,640
iv.	DAS Magu (September, 2003)	1,002,198
v.	RAS Mwanza (December, 2003)	38,408,345
vi.	DAS Sengerema (May, 2004)	1,480,900
		<b>51,475,696.20</b>

**(d) Unaccounted For Receipts of Stores Shs. 3,588,000**

Stores worth Shs. 3,588,000 received from various sources were neither accounted for in ledgers nor could their utilization accounts be produced as follows:

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i.	Regional Administrative Secretary, Mwanza (December, 2003)	Shs. 1,440,000
ii.	District Administrative Secretary, Sengerema (May, 2004)	898,000
iii.	DAS Kwimba (March, 2004)	500,000
iv.	DAS Missungwi (January, 2004)	750,000
		<b>Shs. 3,588,000</b>

**(e) Deficient Stores Shs. 16,660,000**

Stores worth Shs. 16,660,000 were found deficient when ledger and physical stock balances were compared as follows:-

i.	Regional Administrative Secretary, Mwanza (December, 2003)	Shs. 4,630,000.00
ii.	DAS Sengerema (May, 2004)	Shs. 12,030,000
		<b>Shs. 16,660,000</b>

- (f)** Verification carried out at the Regional Administrative Secretary's office, Mwanza in December, 2003 revealed that stores worth Shs. 8,307,500 were outstanding on loan for a long period.

### **698. AUDIT CERTIFICATE:**

In view of my comments in the preceding paragraphs, in my opinion, the Supply Vote, Development Vote, Revenue and Miscellaneous Deposit Accounts present fairly the financial position of Vote 81 as at 30<sup>th</sup> June, 2004.