

VOTE 84 SINGIDA REGION

720. FOLLOW UP ON PREVIOUS YEARS OUTSTANDING MATTERS 2001/2002

The following matters reported in my previous report for the year 2001/2002 were outstanding as at the time of writing this report (January, 2005).

720.1 PARA 775: OVER-EXPENDITURE SH. 144,547,685

The matter is still unresolved

720.2 PARA 776: ITEMS SPENT WITHOUT BEING PROVIDED FOR IN THE BUDGET SHS. 9,002,950

The matter stands unresolved.

720.3 PARA 779: VALUATION OF FIXED ASSETS

The valuation process is still awaited for audit.

720.4 PARA: 781.2 MISSING ACCOUNTABLE DOCUMENTS

A total of nineteen (19) receipt books valued at Sh. 1,050,000 are yet to be produced for audit.

721. AUDIT QUERIES

A test check of the accounts and related records for the year under review resulted in the issue of 6 audit queries the more significant of which are commented upon in this report. At the time of writing (January, 2005) none of these queries had been satisfactorily replied and closed.

722. OUT-TURN

722.1 Supply Vote

The Supply Vote closed with an apparent saving of Sh. 7,287,806 arising from net expenditure of Shs. 12,543,441,242 against the approved budget provisions of Sh. 12,550,729,048. However, the exchequer issues received during the year were for Sh. 12,549,124,148, resulting in a real saving of Sh. 5,682,906.

722.2 Development Vote

The Development Vote closed with no apparent saving arising from net expenditure of Sh. 1,089,539,680 against exchequer issues of Sh. 1,089,539,680. However, there was over exchequer issues of Sh. 172,865,050 against the approved budget provision of Sh. 916,674,630. The over-issues of Sh. 172,865,050 need Parliamentary Approval.

723. UNAUTHORISED EXPENDITURE SH. 5,615,695

During the year under review the following items of expenditure were overspent to the tune of Sh. 5,615,695, as follows:-

SUB VOTE	DESCRIPTION	APPR. ESTIMATES	ACTUAL EXP	VARIATION OVER	VARIATION IN%
SUB VOTE 1001: STAFF SERVICE SUPPORT UNIT					
310600	Plant and Equipment	903,145	1,830,000	926,855	102.6%
SUB-VOTE 2001: ECONOMIC DEVELOPMENT SUPPORT SERVICE					
270500	Fuel and Oils	5,458,000	7,678,770	2,220,770	40.6%
310400	Acquisition of Technical Equipment and Tools	285,000	370,000	85,000	29.8%
SUB - VOTE 2003: PHYSICAL PLANNING AND ENGINEERING SUPPORT SERVICE					
2705500	Fuel and Oils	22,596,400	3,364,990	768,590	29.6%
SUB - VOTE SOCIAL SECTOR SUPPORT SERVICES					
260600	Office Supplies	1,734,000	3,348,480	1,614,480	93%
Total				5,615,695	

The expenditure is therefore unauthorized, and needs Parliamentary approval to have it regularized.

724. FIXED ASSETS

724.1 Fixed Assets Omitted

The following fixed assets were omitted in the final financial statements:

- (i) Region Hospital Buildings
- (ii) Regional Office Building (RC's Office).
- (iii) District Commissioner's Office – Singida.
- (iv) District Commissioner's Office – Iramba
- (v) District Commissioner's Office – Manyoni
- (vi) Twenty one(21(Motor Cycles

In addition, the same were neither valued nor recorded in the fixed assets register. In the circumstances the financial statements submitted were rendered incomplete.

724.2 Motor Cycles Not Seen For Physical Verification

Scrutiny of the relevant files disclosed a total of twenty five (25) Motor Cycles that could not be produced for physical verification. The same were neither included in the financial statements nor recorded in the fixed assets register.

725. IMPROPERLY VOUCHERED EXPENDITURE SH. 66,652,605

A test check of payment vouchers for the year 2003/2004 disclosed improperly vouched payments as follows:

DETAILS	VOTE/ ACCOUNT	AMOUNTS INVOLVED (SHS)
Missing payroll	Supply	33,504,351
Missing supporting document	Supply	28,286,254
	Development	320,000
	Deposit	<u>4,542,000</u>
Total		66,652,605

The missing documents should be produced for audit.

726. PAYMENTS NOT CONFIRMED AS RECEIVED – SHS. 148,123,348

A test check of the year's accounts disclosed a number of payments amounting to Sh. 148,123,348 made to various institutions and individuals. These payments could not be confirmed to have been received by the payees in the absence of the relevant acknowledgement receipts.

727. STORES NOT TAKEN ON LEDGER CHARGE SHS. 5,578,560

An audit inspection carried out disclosed that stores purchased worth Sh. 5,578,560 were not recorded in the stores ledger for control purposes. Accountability for the stores was therefore questionable. The details are as follows:

STATION	AMOUNT
RAS – Singida	4,772,060
RMO – Singida	806,500
Total	5,578,560

Without ledger folios references and utilisation details, delivery and proper utilisation of the stores cannot be confirmed.

728. MISSING ACCOUNTABLE DOCUMENTS – SHS. 590,000

A total of eleven (11) receipt book worth Sh. 590,000 were not produced for audit. Details are as follows:

STATION	TYPE OF RECEIPT	QUANTITY	VALUE
RMO – Singida	Cost sharing	5	250,000
	Capitation	6	340,000
Total		11	590,000

Despite my observation reported in para 981.2 of my previous report of 2001/2002 the same anomaly has reappeared. It appears that no remedial measures have been taken to curb the situation.

729. ERECTION OF A BOOSTER TOWER

M/S Vodacom erected a booster tower on government land. However, the contract or any agreement entered into between the Secretariat and M/S Vodacom could not be produced for audit. In addition, no fees appeared to have been collected from the private firm for use of government land.

730. OUTSTANDING PREVIOUS REPORTS

The following audit observations sent to the Office of the Regional Medical Officer have to date not been replied to:

- (i) Schedule of observations for the period ended 31st December, 2000
- (ii) Schedule of observations for the period ended 31st March, 2002
- (iii) Schedule of observation for the period ended 31st December, 2002
- (iv) Schedule of observation for the period ended 30th August, 2003

731. TREASURY STOCK VERIFICATION UNIT

- (a) Verification carried out at Regional Medical Office in September 2003, revealed the following irregularities:-
 - (i) Various stores including sponge mattresses, projector and beds worth Shs. 682,950 were long outstanding on loan and no efforts were being taken to recover them.

- (ii) Stores worth Shs. 2,973,800 were issued to various users, but the issue vouchers were not signed by the respective recipients.
 - (iii) Various drugs worth Shs. 4,673,060 were noted to be expired before use. No loss report had been prepared and submitted.
 - (iv) Stores worth Shs. 682,950 were found deficient when physical and ledger stock balances were compared.
- (b) **Verification carried out at the District Administrative Secretary's Office Singida in May 2004, revealed the following irregularities:-**
- (i) Stores worth Shs. 2,625,180 received from various sources were neither taken on ledger charge nor could their utilization accounts be produced.
 - (ii) Fuel worth Shs. 2,103,000 was issued to various Government vehicles within the District but was not accounted in the respective vehicle's log books.
 - (iii) Stores worth Shs. 1,777,000 locally purchased from various suppliers were neither taken on ledger charge, nor produced as surplus on hand nor could their utilization account be produced.

732. AUDIT CERTIFICATE

In my opinion the Development Vote the Supply Vote, Miscellaneous Deposit and Revenue Accounts present fairly the financial position of Vote 84 as at 30th June, 2004.