

**VOTE 85
TABORA REGION**

733. AUDIT QUERIES

A test check of the accounts and related records for the year ended 30th June, 2004 resulted in 15 audit queries being issued, the more significant of which are referred to in this report. At the time of writing this report January, 2005 none of these queries had been replied. In addition, there are 6 outstanding audit queries relating to a previous financial year as shown below:-

Year	No of Queries outstanding
2002/2003	6

734. OUT – TURN

734.1 Supply Vote

The Supply Vote closed with a saving of shs.51,130 arising from net expenditure of shs.15,866,726,173 against reported net approved estimates of shs.15,866,777,303. However, exchequer issues received during the year amounted to shs.15,866,812,298, making an unspent balance of issues of shs.86,125, being cash on hand with Paymaster General's account.

734.2 Development Vote

The Development Vote ended with a saving of shs.29,969 arising from a net total expenditure of shs.621,120,531 against net approved estimates of shs.621,150,500. However, the exchequer issues received during the year amounted to shs.621,140,500 making unspent balance of issues of shs.19,969.

735. UNDER ISSUES OF WARRANTS OF FUNDS ISSUED TO DCS' OFFICES SH.11,397,697

During the year under review the vote received exchequer issues to the tune of Shs.203,053,600 which should have been disbursed to the DCS' Offices. However, up to the closure of the accounts only shs.191,655,903 was actually issued to various DCS' offices leaving a balance of shs.11,397,697 not sent to DCS' offices as shown below:-

Vote 85 Tabora Region

Date	Exch. Notification No.	Amount	Warrant Fund Issued Council	Amount
16/1/2003	85/EB/AG/159/2/13	16,670,000	Uyui	29,845,00
21/8/2003	85/EB/AG/159/2/55	33,340,000	Tabora Urban	30,494,629
11/10/2003	85/EB/AG/159/2/108	16,670,000	Sikonge	32,515,000
14/11/2003	85/EB/AG/159/2/155	16,670,000	Urambo	32,515,000
12/12/2003	85/EB/AG/159/2/192	16,670,000	Igunga	32,921,000
26/1/2004	85/EB/AG/159/2/244	16,670,000	Nzega	33,365,274
27/2/2004	85/EB/AG/159/2/281	16,670,000		
16/3/2004	85/EB/AG/159/2/304	16,670,000		
23/4/2004	85/EB/AG/159/2/357	16,670,000		
22/5/2004	85/EB/AG/159/2/404	16,670,000		
11/6/2004	85/EB/AG/159/2/432	4,683,600		
15/6/2004	85/EB/AG/159/2/443	15,000,000		
Total		203,053,600		191,655,903
Difference				11,397,697

As a result the activities for which these funds were budgeted for were either not implemented or partly implemented.

736. STATEMENT OF REVENUE

The Statement of Revenue for the year under review reflected revenue collections of Shs. 3,481,546 against the approved budget of Shs.1,082,000, reflecting an over-collection of Shs. 2,399,546 or 221.8% of the total budget for the year. Unrealistic budgeting could have been the cause for the overcollection.

737. STATEMENT OF APPROPRIATION – IN – AID

A Statement of Appropriation- in – Aid for the year ended 30th June 2004 shows actual collection of shs.600,755 against the estimated budget of shs.35,000 recording an overcollection of shs.565,755 or 1,616.6% of the total budget. Unrealistic budgeting could have been the reason for the overcollection.

738. BANK RECONCILIATION STATEMENTS

Sub- Treasury bank reconciliation statements for Vote 85 have been submitted together with the accounts as at 30th June 2004. The following items in the bank reconciliation statements were outstanding:-

Item	Supply	Development	Deposit
Unpresented cheques	75,396,871	265,932,739	2,575,282

Clearance of the outstanding items, is requested.

739. IMPROPERLY VOUCHERED EXPENDITURE SHS.79,955,816

Although the footnotes to the Appropriation accounts did not disclose presence of improperly vouched expenditure for the year 2003/2004, a test check of the year's accounts disclosed improperly vouched expenditure of shs. 79,955,816, emanating from missing supporting documents. Without the missing documents the propriety of the total expenditure could not be confirmed.

740. CONSTRUCTION OF DC'S OFFICE AT SIKONGE(PHASES III AND IV) SHS.200,000,000

During the year under review the Secretariat entered into contract Ref. No. 18139/03/04 for Phase III and Ref. No. 181454/03/04 for Phase IV at a total contract sum of Shs. 200,000,000. In the contract the following activities were agreed upon to be performed.

Details	Costs Involved (Shs.)
• Construction of temporary accommodation	200,000
• Construction of Latrine facilities and first aid shelter	100,000
• Storage facilities	150,000
• Temporary electricity supply	<u>250,000</u>
Total	<u>700,000</u>

A site visit on 10/1/2005 disclosed that the works had not been performed despite the agreement signed between the Contractor and the Secretariat. In addition, the roof of the building had several leakages during the rains, the doors were not closing properly and the wall paints had started falling from the walls, an indication of poor workmanship. Further investigation disclosed that according to the contract Ref. 181454/03/04 the iron sheets were to be applied for roofing counted to 780 M2 of 26 gauge valued at Shs.6,240,000 which was already paid to the contractor. However, the iron sheets used for roofing were of 28 gauge valued at a total of Shs. 3,120,000. Hence the contractor was overpaid by Shs. 3,120,000, and he performed the work contrary to the agreed specifications. No communications between the Secretariat and the contractor were produced regarding the anomaly.

741. REHABILITATION OF KALUNDE WARDS SH. 25,000,000

Rehabilitation of the Kalunde Hospital Wards has been completed at a total cost of Shs. 25,000,000. However, the wards are still unutilized, meaning that there is no value for money.

742. MATTERS ARISING FROM LOCAL INSPECTIONS

742.1 Laxity over control and accounting of stores Shs. 5,292,170

- (i) Local inspections carried out in the office of the District Administrative Secretary Urambo disclosed that various items of stores worth Shs.2,433,570 were not recorded in the relevant ledgers and their utilization account not ascertained.
- (ii) A test check of local purchases orders from DAS Sikonge revealed that fuel amounting to Shs. 152,000 was not supplied among the required order.
- (iii) Stores items worth TShs. 1,474,600 from DAS Sikonge could not be confirmed whether recorded in the ledger due to absence of the store ledger due to absence of the store ledger.
- (iv) A test check of pharmacy items from RMO Tabora amounting to Shs.1,070,800 could not taken on ledger charge, and no utilization statement was produced.
- (v) Drugs amounting to Shs.161,200 from RMO Tabora were found to have expired. However, todate no action has been taken to dispose off items, contrary to stores regulations.

742.2 Receipts books not produced Shs. 1,200,000

Fixed fee receipts books amounting to Shs. 1,200,000 in respect of R.M.O. Tabora were not produced for verification.

743. TREASURY STOCK VERIFICATION UNIT

(a) Unaccounted for Inventories Shs. 5,420,000

Office furniture and equipment worth Shs. 5,420,000 were not taken on master inventory as follows:-

(i)	District Administrative Secretary-Tabora (November, 2003)	Shs. 3,294,000
(ii)	District Administrative Secretary – Urambo (October, 2003)	Shs. 2,990,000
(iii)	District Administrative Secretary – Uyui (November, 2003)	Shs. <u>589,000</u>
		Shs. <u>5,420,000</u>

Vote 85 Tabora Region

(b) Unaccounted for receipts of stores Shs. 4,795,000

Stores worth Shs. 4,795,000 received from various sources were not taken on ledger charge as follows:

(i)	District Administrative Secretary-Tabora (November, 2003)	Shs. 3,295,000
(ii)	District Administrative Secretary – Sikonge (December, 2003)	Shs. <u>1,500,000</u>
		Shs. <u>4,795,000</u>

(c) Unaccounted for Purchases of Stores Shs. 13,627,488

Stores worth shs. 12,627,488 locally purchased were neither taken on ledger charge nor produced as surpluses nor could their utilization account be produced as hereunder.

(i)	District Administrative Secretary-Tabora (November, 2003)	Shs. 727,530
(ii)	Regional Administrative Secretary – Tabora (November, 2003)	Shs. 442,500
(iii)	District Administrative Secretary – Uyui (November, 2003)	Shs. 3,479,000
(iv)	District Administrative Secretary – Urambo (October, 2003)	Shs. 1,371,500
(v)	District Administrative Secretary – Sikonge (December, 2003)	Shs. <u>7,606,958</u>
		Shs. <u>13,627,488</u>

(d) Unreceipted issues of stores shs. 129,990,875

Issue vouchers pertaining to issues of stores worth Shs. 129,990,875 were not receipted by respective recipients as follows:

(i)	District Administrative Secretary-Tabora (November, 2003)	Shs. 1,299,250
(ii)	Regional Administrative Secretary – Tabora (February, 2004)	Shs. <u>128,691,625</u>
		Shs. <u>129,990,875</u>

(e) Unposted issues of stores worth Shs.3,041,600

Stores worth Shs.3,041,600 were issued but the same were not posted in their respective ledger folios as follows:-

Vote 85 Tabora Region

(i)	District Administrative Secretary-Tabora (November, 2003)	Shs.	707,800
(ii)	Regional Administrative Secretary – Tabora (November, 2003)	Shs.	967,500
(iii)	District Administrative Secretary – Uyui (November, 2003)	Shs.	497,500
(iv)	District Administrative Secretary – Urambo (October, 2003)	Shs.	<u>868,800</u>
		Shs.	<u>3,041,600</u>

(f) Deficient Stores Shs. 6,849,250

Comparison between physical and ledger stock balances revealed deficient stores worth shs. 6,849,250 as follows:-

(i)	District Administrative Secretary-Tabora (November, 2003)	Shs.	1,321,500
(ii)	Regional Administrative Secretary – Tabora (February, 2004)	Shs.	1,222,500
(iii)	District Administrative Secretary – Uyui (November, 2003)	Shs.	1,136,000
(iv)	District Administrative Secretary – Urambo (October, 2003)	Shs.	988,750
(v)	District Administrative Secretary – Sikonge (December, 2003)	Shs.	<u>2,180,500</u>
		Shs.	<u>6,849,250</u>

(g) Unsupported receipts of Stores Shs. 65,417,627

Stores worth Shs. 65,417,627 were received and taken on ledger charge without quoting their relevant supporting receipt vouchers as follows:-

(i)	District Administrative Secretary-Tabora (November, 2003)	Shs.	7,873,700
(ii)	Regional Administrative Secretary – Tabora (February, 2004)	Shs.	5,633,767
(iii)	District Administrative Secretary – Uyui (November, 2003)	Shs.	3,393,825
(iv)	District Administrative Secretary – Urambo (October, 2003)	Shs.	360,400
(v)	District Administrative Secretary – Sikonge (December, 2003)	Shs.	<u>48,155,935</u>
		Shs.	<u>65,417,627</u>

Vote 85 Tabora Region

- (h) Verification carried out at Tabora Regional Administrative Secretary's Office in February, 2004 revealed that full payment of shs.25,000,039 was made to M/S Magama Construction for the construction of Sikonge District Office but to date of verification the fencing and wiring for electrical installation works worth shs. 1,730,000 was not executed though paid for in advance.
- (i) Verification carried out at Sikonge District Administrative Secretary's Office in December, 2003 revealed that stores worth Shs.41,292,050 were not transferred from the old ledger folios to respective new ledger folios.

744. AUDIT CERTIFICATE

In my opinion, the Supply Vote, Development Vote, Revenue and Miscellaneous Deposit accounts present fairly the financial position of Vote 85 as at 30th June, 2004.