

**VOTE 88
DAR ES SALAAM REGION**

774. FOLLOW UP OF OUTSTANDING ITEMS IN THE PREVIOUS ANNUAL REPORT F/Y 2002/2003

774.1 Outstanding Liabilities Shs.12,357,265 (Para 4)

Clearance particulars in respect of the above outstanding amount have not yet been furnished as at the date of audit (December,2004).

774.2 Subventions to Councils not acknowledged receipt Shs.17,940,670,944 (para 5)

Acknowledgement receipts to support the payments have not been produced as at the date of writing the report.

774.3 Outstanding Imprests Shs.14,588,800 (para 6)

Clearance of the remaining balance of Shs.3,075,800 is called for.

774.4 Questionable Payments Shs.48,458,589 (para 8 (8.1 and 8.2))

Action taken to clear the following outstanding balances totalling shs.26,740,753 is awaited.

Para	Item	Amount Outstanding
8.1	Missing Expenditure	
	• Statement/details	11,090,290
	• Missing acknowledgement receipts	12,694,163
8.2	Purchases made without use of LPOs	<u>2,956,300</u>
	Total	26,740,753
		=====

774.5 Items of Stores not taken on ledger charge shs.13,090,000 (para 9)

Accountability of the outstanding items of stores worth shs.12,455,000 is yet to be furnished to audit.

775. AUDIT QUERIES

775.1 A test check of the accounts and related records for the financial year ended 30th June, 2004 resulted in the issue of 22 audit queries of which none had been replied as at the reporting date. In addition, 11 queries relating to financial year 2002/2003 have not yet been settled.

776. OUT-TURN

776.1 Supply Vote

The Supply Vote closed with an over expenditure of shs.188,519,239 arising from net expenditure of shs.24,099,626,497 incurred against the net Approved Estimates of Shs.23,911,107,258. However, Exchequer Issues received during the year amounted to shs.24,101,039,258, resulting in a balance of shs.1,412,761 with the Paymaster General's Account at the Bank of Tanzania.

776.2 Development Vote

The year's out-turn on the Development Vote account was a net expenditure of Shs.567,001,880 against net approved estimates of shs.715,916,900 resulting in an apparent saving of shs.148,915,020.

However, the actual Exchequer Issues received during the year amounted to shs.567,011,900, making a real cash balance of shs.10,020 with the Paymaster General's Account.

777. STATEMENT OF REVENUE

The Statement of Revenue as at 30th June, 2004 reflected an out-turn of shs.184,120 as against the approved estimates of shs.1,420,000 resulting in an under collection of shs.1,235,880 or 87% of estimated revenue indicating that the revenue estimates were either unrealistic or there was laxity in collection.

778. LICENSING PROCEEDS NOT BANKED SHS.66,013,083

Licensing proceeds of Dar es salaam Region Transport Licensing Authority totalling shs.66,013,083 made between July, 2003 and June, 2004 would appear to have not been banked and no explanation has been given for non banking of the large amount, inspite of the lapse of time from the date the collections were made, indicating lack of internal control on the part of the Secretariat in managing public funds.

779. BANK RECONCILIATION

Audit noted variances in the cash book balances as follows:

Account Item	Case book balance as per Statement of Vote Account Shs.	Cash book balance as per CPS Shs.
Recurrent Vote	1,412,760	146,855,485
Development Vote	10,020	61,200,240
Deposit Account	126,206,226	?

These differences need reconciliation.

780. DEVELOPMENT GRANT TO LOCAL AUTHORITIES NOT ACKNOWLEDGED RECEIPT SHS.353,363,899

During the financial year 2003/04, the Treasury released grants to the Councils of Dar es salaam Region amounting to Shs.353,363,899 against approved estimates of shs.502,268,900 and charged to Appropriation Accounts of the Secretariat. However, acknowledgement receipts issued by the respective Councils to confirm receipt of the grants were not produced to audit when called for.

781. IMPROPERLY VOUCHERED EXPENDITURE SHS.74,546,063

A test check of the accounts of Supply Vote, Development Vote and Miscellaneous Deposit Accounts for the year 2003/04 revealed existence of Improperly Vouched Expenditure totalling shs.74,546,063 as analysed below:-

Category	Amount (shs)
• Missing Paylists	2,510,000
• Missing acknowledgement receipts:	
- Statutory deductions	Shs.1,541,172
- Other payments	<u>Shs.47,218,710</u>
Missing Expenditure Statements, receipts and cash sales	48,759,882
	<u>23,276,181</u>
Total	<u>74,546,063</u> =====

782. ITEMS OF STORES NOT TAKEN ON CHARGE SHS.15,858,400

Various items of stores worth shs.15,858,400 locally purchased by the Regional Administrative Secretary's Office during the year under review had not been taken on ledger charge nor was their utilization account furnished to audit when called for viz:-

Items of stores	Amount (Shs)
• Fuel	4,284,000
• Stationery and furniture	6,829,400
• House holds & Equipments	4,170,000
• 4 tyres	<u>575,000</u>
Total	15,858,400 =====

783. PAYMENT FOR MOTOR VEHICLE NOT DELIVERED SHS.88,757,393

An amount of shs.88,757,393 was disbursed by the Secretariat to M/S Toyota Tanzania Ltd for the purchase of one motor vehicle (Toyota Land Cruiser). However, the motor vehicle had not been delivered as at the date of writing this report (January,2005).

784. AUDIT CERTIFICATE

In my opinion, subject to clearance of matters raised in the preceding paragraphs, the Supply Vote, Development Vote and Revenue Accounts present fairly the financial position of Vote 88 as at 30th June, 2004.