ANNUAL GENERAL REPORT OF THE CONTROLLER AND AUDITOR GENERAL

On the Audit of the Financial Statements of Donor Funded Projects for the year ended 30th June, 2011

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THE UNITED REPUBLIC OF TANZANIA
NATIONAL AUDIT OFFICE

Office of the Controller and Auditor General, Samora Avenue, P.O. Box 9080, DAR ES SALAAM.
Telegram: "Ukaguzi", Telephone: 255(022)2115157/8, Fax: 255(022)2117527, E-mail: ocag@nao.go.tz, Website: www.nao.go.tz

Your Excellency Dr. Jakaya M. Kikwete,
The President of the United Republic of Tanzania,
State House,
P.O. Box 9120,
Dar es Salaam.

Re: Submission of Annual General Report of the Controller and Auditor General on the Financial Statements of Donor Funded Projects for the year ended 30th June, 2011

Pursuant to Article 143(4) of the Constitution of the United Republic of Tanzania of 1977 (revised 2005), and Sec.34 (1) (c) of the Public Audit Act No. 11 of 2008, I hereby submit to you my first General Report on Donor Funded Projects for the year ended 30th June, 2011.

I submit.

Ludovick S.L. Utouh
CONTROLLER AND AUDITOR GENERAL

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List of abbreviations

A/C	Account
ACGEN	Accountant General
ASDP	Agriculture Sector Development Programme
ASDS	Agricultural Sector Development Strategy
ASLMs	Agricultural Sector Lead Ministries
BoQ	Bills of Quantity
BWOs	Basin Water Offices
CAATs	Computer Assisted Audit Techniques
CAG	Controller and Auditor General
CDTI	Community Development Training Institute
CFS	Consolidated Financial Statements
CMC	Community Managment Committee
CPO	Central Payment Office
DADPs	District Agricultural Development Plans
DANIDA	Danish International Development Agency
DDPs	District Deveopment Plans
DSS	Diagnostic Service Section
EU	European Union
HBF	Health Basket Fund
IA	Irish Aid
IDA	International Development Association
IFAD	International Fund for Agricultural Development
ISA	International Standards on Auditing
ISSAIs	International Standards of Supreme Audit Institutions
JICA	Japan International Cooperation Agency
LAFM	Local Authority Financial Memorandum
LART	Loans and Realization Trust
LGAs	Local Government Authorities
MDAs	Ministries, Departments and Agencies,
MDG	Milenium Development Goals
MoU	Memorandum of Understanding
MoW	Ministry of Water
NAO	National Audit Office
NBAA	National Board of Accountants and Auditors
NVF	National Village Fund
NWSDS	National Water Sector Development Strategy

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OC	Other Charges
OPD	Output Patient Department
PAC	Public Accounts Committee
PE	Procuring Entities
PFA	Public Finance Act (No. 6 of 2001 revised 2004)
PFGAs	Participatory Farmers Groups Associations
PFMRP	Public Financial Management Reform Programme
PFR	Public Finance Regulations
PLHIV	People Living with HIV
PMG	Paymaster General
PPA	Public Procurement Act (No. 21 of 2004)
PPRA	Public Procurement Regulatory Authority
RAS	Regional Administrative Secretariat
Reg.	Regulation
RWBO	Rufiji Water Basin Organisation
Sect.	Section
SIDA	Swedish International Development Agency
SNAO	Swedish National Audit Office
TASAF	Tanzania Social Action Fund
TMU	TASAF Management Unit
TPRS	Tanzania Poverty Reduction Strategy
TRA	Tanzania Revenue Authority
URT	United Republic of Tanzania
USD	United States Dollars
VFC	Village Fund Coordinator
VFJA	Village Fund Justification Assistant
WSDP	Water Sector Development Programmme

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Office of the Controller and Auditor General,
The National Audit Office,
United Republic of Tanzania.

(Established under Article 143 of the Constitution of the URT)

The statutory duties and responsibilities of the Controller and Auditor General are given under Article 143 of the Constitution of the URT of 1977 (revised 2005) and further elaborated in Sect 10(1) of the Public Audit Act No. 11 of 2008.

Vision
To be a centre of excellence in public sector auditing.

Mission
To provide efficient audit services in order to enhance accountability and value for money in the collection and use of public resources.

In providing quality services, NAO is guided by the following Core Values:

- **Objectivity:** We are an impartial organization, offering services to our clients in an objective and unbiased manner;
- **Excellence:** We are professionals providing high quality audit services based on best practices;
- **Integrity:** We observe and maintain high standards of ethical behaviour and the rule of law;
- **People focus:** We focus on stakeholders' needs by building a culture of good customer care and having competent and motivated work force;
- **Innovation:** We are a creative organization that constantly promotes a culture of developing and accepting new ideas from inside and outside the organization; and
- **Best resource utilisation**: We are an organisation that values and uses public resources entrusted to it in efficient, economic and effective manner.

We do this by:-
- Contributing to better stewardship of public funds by ensuring that our clients are accountable for the resources entrusted to them;
- Helping to improve the quality of public services by supporting innovation on the use of public resources;
- Providing technical advice to our clients on operational gaps in their operating systems;
- Systematically involving our clients in the audit process and audit cycles; and
- Providing audit staff with adequate working tools and facilities that promote independence.

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Foreword

This general report is a summary of results on the audit of Donor Funded Projects financed by Development Partners and The United Republic of Tanzania. The projects are categorized in two categories i.e major four projects and the other projects as listed below:

- Tanzania Social Action Fund (TASAF),
- Agricultural Sector Development Programme (ASDP),
- Water Sector Development Programme (WSDP)
- Health Basket Fund (HBF).

Apart from the audit of projects which are funded through Basket funding arrangement, I also covered other projects which are financed through bilateral arrangements.

The general report for Donor Funded Projects is being prepared and submitted for the first time to the President of the URT in accordance with Article 143 of the Constitution of the United Republic of Tanzania of 1977 (revised 2005) and Section 34(1) & (2) of the Public Audit Act No. 11 of 2008.

Pursuant to Article 143(2) (c) of the Constitution of the URT of 1977 (revised 2005), the Controller and Auditor General, shall at least once every year audit and give an audit report in respect of the accounts of the Government of the United Republic, the accounts managed by all officers of the Government of the United Republic, the accounts of all Courts of the United Republic and the accounts managed by the Clerk of the National Assembly.

Under Article 143(4) of the Constitution of the URT, the Controller and Auditor General is required to submit to the President of the URT every report he makes pursuant to the provisions of sub Article (2) of the same Article. Upon receipt of such reports, the President shall direct the persons concerned to submit these reports before the first sitting of the National Assembly preferably before the expiration of seven days from the day the sitting of the National Assembly began.

The enactment of the Public Audit Act No. 11 of 2008 enhanced the operational independence of my office in the fulfillment of my Constitutional mandate. This was a result of the efforts of his Excellency the President of the United Republic of Tanzania Dk Jakaya Mrisho Kikwete.

The operational independence of my office is expected to enable me acquire the necessary control over all the resources available for the office including human and financial resources, which will enable my office to perform its tasks without being under any undue influence and control of any person or authority.

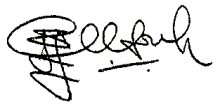
It is worth noting that while my office reports on any non compliance with various laws, rules and regulations and on weaknesses in internal control systems across the public sector entities and in particular the Donor Funded Projects, the ultimate responsibility for the maintenance of an effective and adequate system of internal control and a compliant framework lies with each Accounting Officer.

Parliament and the Tanzanian public looks upon the Controller and Auditor General and the National Audit Office (NAO) for assurance in regard to financial reporting and public resources management in the Public Sector and in relation to the efficiency and effectiveness of programs administration. My office contributes through recommendations given towards improvements in the public sector performance. In this regard, the Government, Development Partners and my office each have a role to play in contributing to Parliamentary and public confidence building in public resources management. However, while the roles of public sector entities and NAO may differ, the desire for efficient utilization of public resources remains a common ground.

In order to meet the Parliamentarian and the public's expectations, NAO continually reviews its audit approaches to ensure that the audit coverage provides an effective and

independent review of the performance and accountability of public sector entities which are recipients of funds from Development Partners. Moreover, we wish to ensure that our audit coverage is well targeted and addresses priority areas so as to maximize our contribution in improving public financial management. Since our work acts as a catalyst in improving financial management, we continue discussing with our auditees on contemporary issues and developments that impact on public sector management, particularly financial reporting and good governance.

I hope that the National Assembly will find the information in this report useful in holding the Accounting Officers to account for their stewardship role of Donor funds and its delivery of improved public services to Tanzanians which it is serving. In this regard, I will appreciate to receive feedback from the users of this report on how to further improve it in the future.



Ludovick S.L. Utouh
CONTROLLER AND AUDITOR GENERAL

National Audit Office,
Dar es Salaam.

March, 2012

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Acknowledgement

I would like to express my gratitude to those who created an enabling environment for me to discharge my Constitutional obligations.

My sincere appreciation is extended to all our stakeholders including the Paymaster General, the Treasury and all Accounting Officers in the respective MDAS and LGAs who are managing and supervising the Donor Funded Projects financed in MDAs and LGAs for the much needed support, cooperation and for providing vital information needed for the preparation of this Annual General Report.

Further, I would like to thank the Donor Community particularly the Swedish National Audit Office (SNAO), the Government of Sweden through SIDA and SNAO, the World Bank through the PFMRP project and all well wishers who have contributed immensely towards the transformation of my office. Their contributions in developing human resource, IT systems and physical assets have tremendous impact in our success. We still need more assistance in further modernizing the audit function in the public sector which would have been greatly speeded up if we could have a willing donor to fund the construction of the envisaged Audit Training Centre to be constructed in Gezaulole in Kigamboni.

Also, I would like to thank all the public servants throughout Tanzania mainland, whether in Central or Local Governments without forgetting the role of taxpayers and Development Partners to whom this report is dedicated. Their invaluable contributions in building the nation cannot be underestimated.

I would like to acknowledge the professionalism and commitment of my staff in achieving our goals and undertaking the work associated with meeting our ambitious audit programs despite the fact that they have been working in very difficult conditions marked with insufficient funding, working tools, low salaries and

sometimes working in very remote locations which are not easily accessible.

Furthermore, I would like to express my thanks to members of my staff for their endeavors to once again enable me discharge my statutory responsibilities. With lots of appreciation, I am obliged to pay tribute to my family and the families of my staff members for their tolerance during our long absence from them in fulfilling these Constitutional obligations.

Lastly, I would also like to thank the Government Printer for expediting the printing of this report for its timely submission on the statutory due date.

May the almighty God bless you all as we commit ourselves to promote accountability and good governance on the use of public resources in the country.

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Executive Summary

This year's Annual Audit Report for Donor Funded Projects dwells on the following:-

A. Background and General Information
B. Basis of Audit Opinion
C. Presentations and analysis of Audit results and Performance of the Projects
D. Procurement Irregularities
E. Financial and Assets Management
F. Performance Report on the Projects
G. Conclusion and Recommendations

A: Background and General Information

This part of the report gives a summary of the final results of the audit of the financial statements of Donor Funded Projects for the year ended 30th June, 2011. The scope of audit in the Donor Funded Projects comprises: Water Sector Development Programme (WSDP), Agricultural Sector Development Programme (ASDP), Tanzania Social Action Fund (TASAF), Health Basket Fund (HBF) and other Donor Funded Projects.

B: Basis of Audit Opinions

The outcome of the audits of Donor Funded Projects for the year under review is shown in the table below:-

Table I: Audit Opinions Summary

Project	Unqualified without emphasis of matter	Unqualified With Emphasis of Matter	Qualified	Adverse	Disclaimer	Total
TASAF	95	30	4	1	0	130
ASDP	28	74	29		1	132
WSDP	34	66	32	-	-	132
HBF	83	21	26	1	1	132
Sub total	**239**	**192**	**91**	**2**	**2**	**526**
Other project	34	19	1	-	-	54
Grand Total	**273**	**211**	**92**	**2**	**2**	**580**

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C: Presentations and Analysis of Audit Results and Performance of Major and Other Projects

This chapter gives analysis of the reasons which gave rise to issuance of a particular type of opinion to a Donor Funded Project. The analysis is aimed at amplifying the basic criteria used in forming the opinions as discussed in the preceding chapter.

A total of 4 major Donor Funded Projects were audited in the financial year 2010/2011 where as 55 other Donor Funded Projects were audited making a total of 51 Donor Funded Projects.

D: Procurement Irregularities

In the individual management letters submitted to each Accounting Officer, I have made a statement that almost all major Donor Funded Projects did not fully comply with the procurement laws as required by the Public Procurement Act No. 21 of 2004 and its related Regulations of 2005. The review of the procurement process found that there is a delay in the preparation of the procurement plan which has resulted to low capacity in utilization of funds allocated for various activities implemented under these projects. My concern is on the level of understanding of the requirements of the procurement laws and regulations.

E: Performance Report on Major Projects and Others

This section gives highlights of performance report of major projects and others including sources of financing, expenditure details and unspent balances at the end of the year. In this year's audit I have introduced a chapter on performance of major Donor Funded Projects in order to evaluate whether funds appropriated to the projects were exclusively spent for the intended purposes; their contribution to the economy and social development of this

country, including challenges encountered; and whether value for money was realized.

F: Financial and Assets Management

This chapter aims at providing information on the financial performance of the Donor Funded Projects for the year under audit. This includes a review of Donor Funded Projects status in regard to outstanding matters from the previous audit recommendations which had been issued separately to each individual accounting officer, funding analysis and current key audit findings.

G: Conclusion and Recommendations

Finally, as per the mandate vested in me under Sect.10 of the Public Audit Act No. 11 of 2008, I have made a number of recommendations in Chapter 7 of this report, of which if implemented I believe will contribute in improving the management of Donor Funded Projects in our country. The recommendations include the following among others.

- Most of the recommendations issued in the previous year's individual reports of the Donor Funded Projects were not responded to, and no action has been taken to address the anomaly which is an indicator of the Government's lacking seriousness in implementing those recommendations.

- Internal Audit Units in MDAs and LGAs are not adequately covering audit of financial statements and transactions of Donor Funded Projects particularly on accountability and performance evaluation in line with the MoU requirements.

- There is a serious problem of non compliance with the requirements of MoUs which insists on adherence with the financial and procurement laws of Tanzania. During the year under review we observed anomalies

amounting to Shs.1,375,404,672 and Shs.3,784,613,760 in respect with procurement and financial management respectively.

- The audit of four major donor funded projects namely, TASAF, WSDP, HBF and ASDP was a challenging task to my Office due to the fact that there has been inadequate staff and lack of adequate financial resources. In this regard, therefore, it is very likely that the audit of the above projects will be outsourced to private audit firms to do the audit on my behalf; however it will still remain my responsibility to issue the reports.

- Release of funds from Development Partners and Treasury to Project implementers has always been delayed and in some occasions releases are effected without instructions. This has contributed in delay or non implementation of earmarked projects and also resulting in huge amounts of unspent balances amounting to Shs. 221,997,432,753 and USD 51,356,184 at year end.

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CHAPTER ONE

1.0 BACKGROUND INFORMATION

This report is issued for the first time following the comprehensive audit of the accounts and underlying documents of Donor Funded Projects pursuant to Article 143 (4) of the Constitution of the United Republic of Tanzania of 1977 (revised 2005) for the financial year 2010/2011.

However, in previous years, my office had been auditing DFP and issuing management letters and audit reports to each accounting officer separately; although a general report was not prepared. Therefore, outstanding matters in this report refer to the audited reports that were issued to the individual project Accounting Officers.

1.1 Audit of Donor Funded Projects

I am required by Article 143 of the Constitution of the URT to audit the Public Accounts and all offices, Courts and authorities of the Government of Tanzania and Donor Funded Projects and submit my reports thereon to the President who shall cause them to be laid before Parliament.

In discharging these duties, I am required in terms of Section 10 of the Public Audit Act No. 11 of 2008, to satisfy myself that:-

- All reasonable precautions have been taken to safeguard the collection of public monies and that the law, directives or instructions relating thereto have been duly observed.
- All monies disbursed have been expended and applied under proper authority and for the purpose intended by such authority and, adequate regulations exist for the guidance of storekeepers and stores accounts and that they have been duly observed.

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In addition, I have the duty, by virtue of the same Section to draw the attention of the Parliament to any apparent lack of economy in the expenditure or use of public monies or stores.

1.2 Functions and Responsibilities of the CAG to the Donor Funded Projects

My responsibility as an Auditor is to express an opinion on the Financial Statements based on my audit. I conducted my audit in accordance with the International Standards on Auditing (ISA), the International Standards of Supreme Audit Institutions (ISSAIs) and such other procedures I considered necessary in the circumstances.

In addition, Sect. 10 (2) of the PAA No. 11 of 2008 requires me to satisfy myself that the accounts have been prepared in accordance with the appropriate accounting standards and that; reasonable precautions have been taken to safeguard the collection of revenue, receipt, custody, disposal, issue and proper use of public property, and that the law, directions and instructions applicable thereto have been duly observed and expenditures of public monies have been properly authorized.

Further, Sect 44(2) of the Public Procurement Act No.21 of 2004 and Reg. No. 31 of the Public Procurement (Goods, Works, Non-consultant services and Disposal of Public Assets by Tender) Regulations of 2005 requires me to state in my annual audit report whether or not the auditee has complied with the provisions of the Law and its Regulations.

1.3 Organisation of audit work at National Audit Office

The report provides a summary of the final results of the audit exercise, which was carried out by my office throughout the country in the course of the year under review. In order for my office to effectively handle this

enormous task of auditing all the Donor Funded Projects in the country, it has established offices in the Regions in Tanzania mainland for administrative purposes.

Audit Staff

It is worth noting the Government's efforts in improving the welfare of my staff although there is a need for further improvement. A new organization structure for my office was recently approved by His Excellency Dr. Jakaya Mrisho Kikwete the President of the United Republic of Tanzania. I have also submitted a proposal of enhanced salary package for my office to the President's Office – Public Service Management. In the meantime, the audit scope has expanded considerably. There is an intention of expanding our coverage up to the District level. These efforts would require the approval of the Government and for it to set aside a budgetary provision to cater for this expansion.

In keeping with current trends, the audit work is no longer confined to financial and compliance auditing. It is my intention to ensure that my audit staff are trained in performance, environmental, gender based auditing, management auditing, risk based auditing and Information Technology (Computer Assisted Audit Techniques – CAATs) in order to be able to perform what is commonly referred to as comprehensive audit which encompasses the audit of every aspect on an organization.

1.4 Scope and Applicable Audit Standards

1.4.1 Scope of Audit

The scope of audit covered on risk and materiality basis, proper expenditure and authorization, performance of Donor Funded Projects and physical verification. Audits were performed to satisfy myself as to the compliance with established Regulations, the exercise of economy, efficiency and effectiveness in the utilization of public

resources and to highlight irregularities, although not exhaustively, that have been reported on in some detail not only through regular inspection reports, but more emphatically through reference sheets to spotlight areas of serious concerns on proper accountability and need for stringent administration of public resources.

In the course of the audit, the findings are brought to the attention of the Accounting Officers of Donor Funded Projects being audited. Accounting Officers are given an opportunity to respond to my observations, recommendations and related commentary, since all Accounting Officers are issued with the audit report, signed by the Controller and Auditor General containing the audit opinion. A management letter signed by the Assistant Auditor General is also issued separately.

1.4.2 Applicable Auditing Standards

I conducted my audit in accordance with the International Standards on Auditing (ISA) issued by the International Federation of Accountants (IFAC) in which Tanzania is a member through the National Board of Accountants and Auditors (NBAA), the International Standards of Supreme Audit Institutions (ISSAIs) and such other procedures I considered necessary in the circumstances. These standards require that I comply with ethical requirements of planning and performing of the audit to obtain reasonable assurance of whether the financial statements are free from material misstatements.

1.5 Accounting Policies

Financial statements of the DFPs are prepared according to the MoU requirements; although they all observe the Public Financial Management Systems of this country.

Reg.53 of the Public Finance Regulations of 2001 (revised 2004) states that the accounting policies of the

Government are so framed to ensure that the resources appropriated by Parliament are properly accounted for. In terms of the Public Finance Act No. 6 of 2001 (revised 2004) all revenues received by the Government shall be deposited into the Consolidated Fund. Payments out of the Consolidated Fund will be made through appropriations by Parliament.

1.6 Preparation and Submission of Financial Statements for Audit

1.6.1 Responsibilities of the Accounting Officer - Central Government

Sect. 25(4) of the Public Finance Act (PFA) No. 6 of 2001 (revised 2004), places responsibility on the Accounting Officer to prepare financial statements for each financial year which give a true and fair view of the receipts and payments made under the project as at the end of the financial year. It also requires Management to ensure that the project management keeps proper accounting records which will disclose with reasonable accuracy its financial position and its responsibility in safeguarding the assets of the reporting entity.

1.6.2 Management Responsibilities to the Financial Statement - Local Government Financed Projects

Where the Local Government Authority receives funds from the Development Partners, preparation of the financial statements is the responsibility of the Council's management as per Order No. 53 of the Local Authorities Financial Memorandum of 1997 and as per signed Memorandum of Understanding.

Order Nos. 9 to 16 of the Local Authorities Financial Memorandum (LAFM) of 1997 requires the management to establish and support a sound system of internal control within the Council. In addition, Order No. 53 places responsibility on the Council's management to prepare the

financial statements of Donor Funded Projects in accordance with the laws, regulations, directives issued by the Minister responsible for Local Governments, the Local Government Financial Memorandum and the International Public Sector Accounting Standards (IPSASs).

1.7 Internal Control Systems

Internal Control System refers to all means by which Government resources are directed, monitored, and measured. Internal controls play an important role in preventing and detecting frauds/misappropriations and protecting the public resources, both tangible and intangible. Implementing an effective internal control structure is an essential responsibility of the management of the entity.

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CHAPTER TWO

BASIS OF AUDIT OPINION

2.0 Introduction

The auditor's opinion is a formal opinion, or disclaimer thereof, issued by an independent external auditor as a result of an audit on the financial statements or evaluation performed on an entity or subdivision thereof (called an "auditee"). The opinion is provided to the user of these financial statements as an assurance service in order for the user to make decisions based on the results of the audit.

An auditor's opinion is considered an essential tool when reporting financial information to users. In the public sector, it is intended to advise Parliament and other users on whether Donor Funded Project's financial statements have been prepared in conformity with the International Public Sector Accounting Standards (IPSAS) and in the manner required by Sect. 25(4) of the Public Finance Act, 2001 (revised 2004) and Order Nos. 9 to 16 of the Local Authorities Financial Memorandum (LAFM) of 1997 including the Donor Funded Project's MoUs compliance with laws and regulations.

In ordinary language, the opinion is an assurance on whether the financial information presented by the auditee is materially correct and trustworthy for making various decisions such as the Government's decision on whether the allocations made to Donor Funded Project have been spent to benefit the citizens. It is important to note that the auditor's opinion on the financial statements is on whether the information presented is correct and free of material misstatements, whereas all other determinations are left for the user to decide.

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2.1 Types of Audit Opinion

There are five common types of auditor's opinions, each one presenting a different situation encountered during the auditor's work. The five opinions are as follows:-

(i) Unqualified Opinion

Unqualified Opinion is sometimes regarded by many as equivalent to "Clean audit opinion". This type of opinion is issued when the financial statements presented are free of material misstatements and are in conformity with the International Public Sector Accounting Standards (IPSAS) including compliance with laws and regulations. It is the best type of an audit opinion an auditee may receive from an external auditor.

(ii) Unqualified Opinion with Emphasis of Matter

In certain circumstances, the audit opinion may be modified by adding an emphasis of matter paragraph to highlight a matter(s) affecting the financial statements. The addition of such an emphasis of matter paragraph does not affect the audit opinion.

The main objective of the emphasis of matter paragraph is to bring closer understanding of the situation obtained in the audited entity, despite the unqualified opinion given.

(iii) Qualified Opinion

The nature of the circumstances giving rise to qualification will generally fall into one or two categories.

- Where there is an uncertainty which prevents the auditor from forming an opinion on a matter (**Uncertainty**).

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- Where the auditor is able to form an opinion on a matter but this opinion conflicts with the view given by the financial statements (Disagreement in best practice or records keeping and non compliance with Laws and Regulations).

(iv) Adverse Opinion

An Adverse Opinion is issued when it is determined that the financial statements are materially misstated and, when considered as a whole, do not conform to the International Public Sector Accounting Standards (IPSAS), cash and accrual basis of accounting, essentially stating that the information contained is materially incorrect, unreliable, and inaccurate in order to assess the results of operations.

The wording of the adverse opinion is clear in which I state that the financial statements are not in accordance with the International Public Sector Accounting Standards (IPSAS).

(v) Disclaimer of Opinion

A Disclaimer of Opinion, commonly referred to simply as a Disclaimer, is issued when I could not form, and consequently refuses to present, an opinion on the financial statements. This type of opinion is expressed when I tried to audit but could not complete the work due to various reasons and therefore I do not issue an opinion. Certain situations where a disclaimer of opinion may be appropriate includes; a lack of independence, or, when there are significant scope limitations, whether intentional or not, or when the auditee refuses to provide evidence and information to me in significant areas of the financial statements and when there are significant uncertainties within the auditee.

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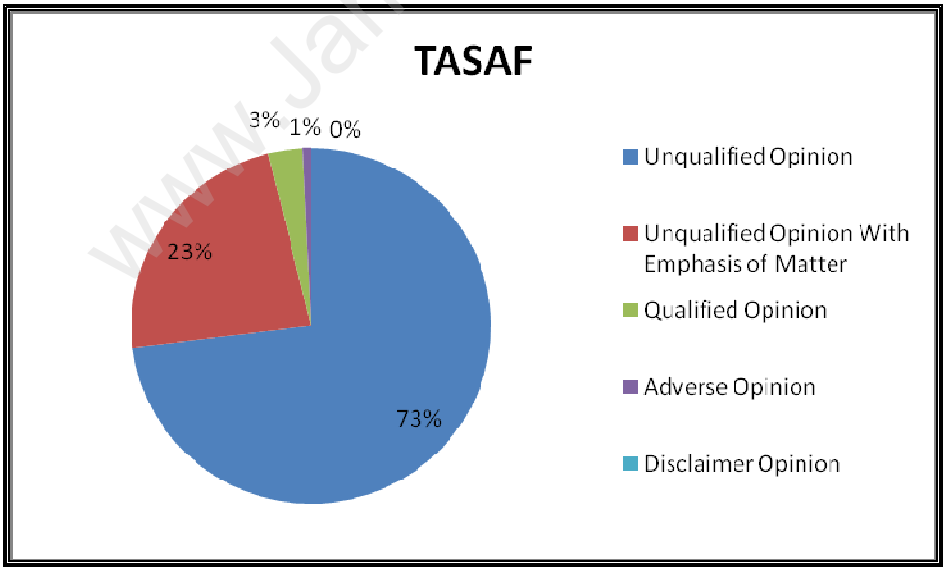
2.2 Audit Opinions Issued on Donor Funded Projects

The following table presents the types of audit opinions issued to Donor Funded Projects for the financial year 2010/2011:-

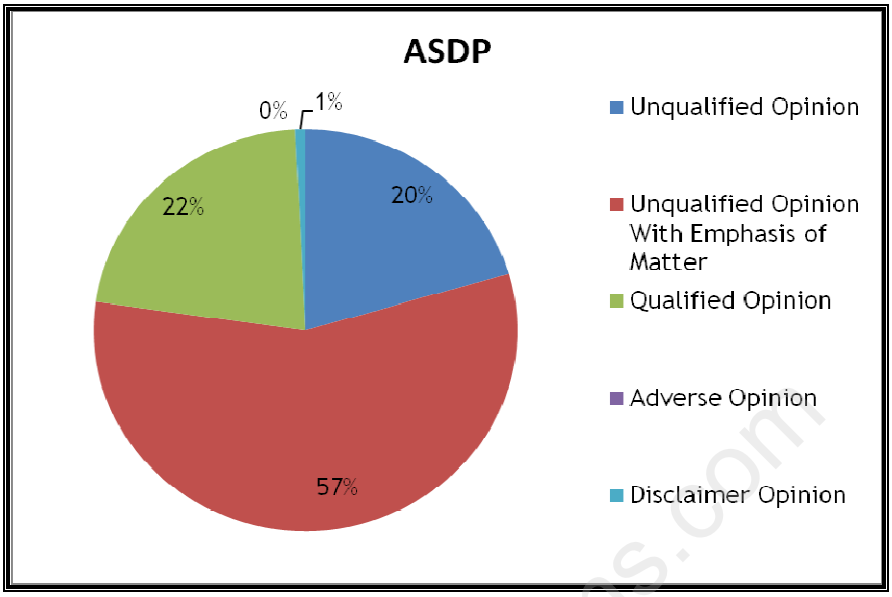
Table 2: Audit Opinions Issued

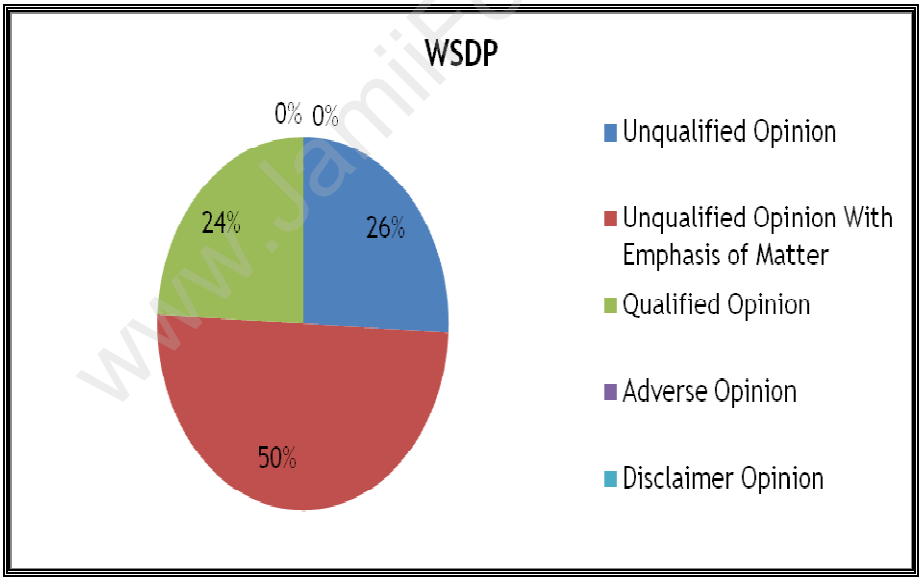
Projects	Unqualified Opinion	Unqualified Opinion With Emphasis of Matter	Qualified Opinion	Adverse Opinion	Disclaimer Opinion	Total
TASAF	95	30	4	1	-	130
ASDP	27	75	29	-	1	132
WSDP	34	66	32	-	-	132
HBF	83	21	26	1	1	132
Sub total	**239**	**192**	**91**	**2**	**2**	**526**
Other Projects	34	19	1	-	-	54
Grand Total	**273**	**211**	**92**	**2**	**2**	**580**

From the table above, it can be analysed in a pie chart as follows:-

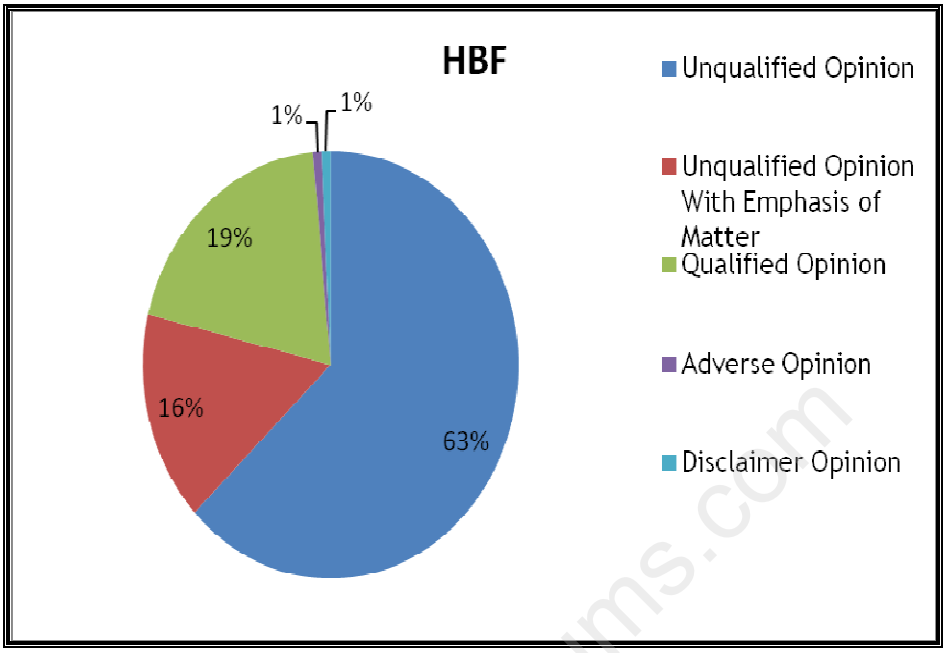


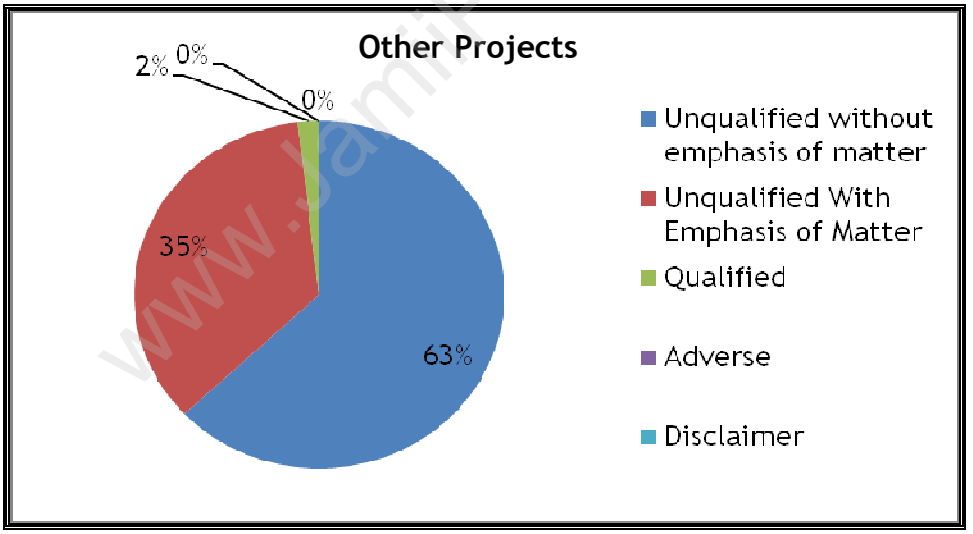
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CHAPTER THREE

FINANCIAL PERFOMANCE OF THE PROJECTS

3.0 Introduction

This chapter gives a detailed analysis of the portfolio of financial performance of WSDP, TASAF, ASDP, HBF and other audited Donor Funded Projects for the financial year 2010/2011. These projects have been financed by the Government of Tanzania and various Development Partners whose financial contribution and implementation status are presented below:-

3.1 Water Sector Development Programme

3.1.1 Financing of the Water Sector Development Programme

During the year under review the Government of Tanzania and Development Partners released Shs. 226,913.350,139 for WSDP projects. In addition, there was an opening balance of Shs.68,332,741,760 which in total made Shs.295,246,091,899 available for use in implementing various WSDP activities in the country. The WSDP financing for financial year 2010/2011 is as shown below:-

Table 3: Source of Funds for WSDP

Donor/GoT	Amount (Shs.)	Amount (Shs.)
Opening balance as on 1/7/2010		68,332,741,760
GoT Contributions	25,005,023,987	
DPs Contribution to Basket Fund	105,455,266,116	
DPs Contribution to Earmarked Projects	96,453,060,036	
Total Contribution/released		226,913.350,139
Total funds available during the year		295,246,091,899

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Table 4: Funds Contributed by DPs to WSDP under Basket arrangement

Name of Development Partner	Amount in Shs.
IDA	26,576,474,753.92
KFW	25,756,941,793.73
AFD	41,765,088,229.36
Royal Netherland Embassy	11,356,761,338.82
TOTAL	105,455,266,115.83

3.1.2 Funds Utilization

Review of the Statement of Receipts and Payments noted that, during the year under review WSDP received Shs. 226,913.350,139 from the Government of Tanzania and Development Partners. However, the programme had an opening balance of Shs 68,332,741,760 that made total annual funds available to be Shs. 295,246,091,899 while total expenditure for components was Shs.222,663,935,219 resulted to a closing balance of Shs.72,582,156,680 as in Table 5 below:-

Table 5: Receipt and Expenditure

S/N		Amount (Shs.)	Amount (Shs.)
	Amount of Funds Available		295,246,091,899
	Expenditure Components		
1.	Water Resources Management	16,362,601,989	
2.	Rural Water and Sanitation Services	67,736,593,768	
3.	Urban Water and Sanitation Services	124,257,680,186	
4.	Water Sector Institutional Strengthening and Capacity Building	14,307,059,275	222,663,935,219
Unspent Balance as at 30th June, 2011			72,582,156,680

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Further, it was noted that during the financial year 2010/2011,132 Councils had a total funds available amounting to Shs.68,219,190,117.74 to implement WSDP activities in the Councils. However, as at 30th June, 2011 the Councils closed accounts with an unspent amount of Shs.39,240,623,989.47 equal to 58% of the amount available. The huge closing balance was caused by various Councils failing to implement projects as planned. **(Refer Annexure I 'a').**

3.2 Tanzania Social Action Fund (TASAF)

3.2.1 Project Financing

The TASAF II project life span is four (4) years starting from the year 2005/2006 and is financed by the World Bank through the International Development Association (IDA) and the Government of the United Republic of Tanzania (GoT). The DFA was signed between the GoT and IDA on 19th January, 2005. The total TASAF II IDA funding is USD 150.0 million comprising of USD 129.0 million credit and USD 21.0 million grant. A total sum of Shs.59,629,279,680.95 equivalent to USD 36,308,827.65 was received from various sources during the year under review and with the opening balance of USD 19,443,709.85, it made total funds available to be USD 55,752,537.50 equivalent to Shs.83,100,501,195.26 as shown in Table 6 below:

Table 6: Source and Utilization of Funds for TASAF

Receipts from	Amount (USD)	Amount (Shs.)
Opening balance 1/7/2010	19,443,709.85	23,471,221,514.31
IDA	32,057,969.96	52,648,178,990.91
Government Contribution	0	0
Others	4,250,857.69	6,981,100,690.04
Total receipts for the year	**55,752,537.50**	**83,100,501,195.26**
Total expenditure	45,790,217.52	68,251,581,997.77
Closing balance 1/7/2011	**9,962,319.98**	**14,848,919,201.49**

3.2.2 Project Financing in LGAs

Total funds released by TASAF to LGAs during the year were Shs.53,215,501,746.80. However, total funds received by Councils as per report were Shs.53,408,397,527.74 disclosing a difference of Shs. 192,895,780.94. Included in the amount of funds released by TASAF to LGAs is Shs.10,857,849,773.97 equivalent to USD 6,540,873.36, being 10% retention of National Village Fund (NVF) released by TASAF to finance completion unimplemented sub projects.

3.2.3 Funds Released to LGAs

Total funds available in the LGAs during the year amounted to Shs.59,009,262,364.73 which included an opening balance of Shs.5,600,864,837 being unspent monies during implementation of TASAF activities in the previous financial year. Unspent balance during the current year is Shs.6,474,930,717 arising from total expenditure of Shs.52,534,332,047 as shown in Table 7 below **(Refer Annexure Ib).**

Table 7: TASAF Local Government Authority (LGA) Financing

Description	Amount (Shs.)
Opening balance	5,600,864,836.99
Funds received during the year	53,408,397,527.74
Total funds available	59,009,262,364.73
Total Expenditure	52,534,332,047.00
Closing Balance	6,474,930,317.73

In addition, a sum of Shs.39,908,977,822.83 equivalent to USD 24,041,552.90 was released being part of the additional financing in TASAF I & II from USD 30 million and USD 35 million respectively for the purpose of addressing food insecurity in selected LGAs which experienced severe food insecurity due to persistent drought and to

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supplement efforts of completing outstanding sub projects and making them functional.

Further, Mtwara and Lindi regions received USD 1,475,104.91 equivalent to Shs.2,448,674,150 from OPEC II to finance various projects.

3.3 Agriculture Sector Development Programme (ASDP)

3.3.1 Introduction

The programme presents an integration of the ASDP National and Local components into one consolidated set of interventions to be financed through the ASDP Basket Fund. This program supersedes the ASSP and DADP.

The Government of Tanzania has adopted an Agricultural Sector Development Strategy (ASDS) which sets the framework for achieving the sector's objectives and targets.

An Agricultural Sector Development Programme (ASDP) Framework and Process Document, developed jointly by the five Agricultural Sector Lead Ministries (ASLMs), provides the overall framework and processes for implementing the ASDS. Development activities at national level are to be based on the strategic plans of the line ministries while activities at district level are to be implemented by Local Government Authorities (LGAs), based on District Agricultural Development Plans (DADPs). The DADPs are part of the broader District Agriculture Development Plans (DADPs).

3.3.2 ASDP Basket Fund Holding Account Maintained at the Treasury

The Agricultural Sector Development Programme Basket Fund (ASDP) is financed by contributions and loans from Development Partners through the Embassies of Ireland and Japan, the European Union, International Development Association and African Development Bank.

During the year under review, the Programme received a total of USD 68,254,228.34 from the Development Partners and there was an opening balance of USD 15,864,618.06 from the previous year, hence making total funds available for the year to be USD 84,252,162.11.

Analysis of contributions per development partners during the financial year ended 30th June, 2011 is as shown in Table 8 below:-

Table 8: Sources of Funds for ASDP

Development Partners	**Amount USD**	**Amount (USD)**
Balance as at July 1, 2010(ADB-Loan)		15,864,618.06
Unspent Balance from Projects		133,315.71
Receipts during the year		
Account No.9931206251:		
Embassy of Ireland	5,729,932.52	
Embassy of Japan	3,906,477.19	
European Union	-	
IDA – World Bank	40,347,929.00	
IFAD Loan	12,407,337.21	
		62,391,675.92
Sub total		**78,389,609.69**
Account No.9931206411:		
ADB loan		5,862,552.42
Total funds available		**84,252,162.11**

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Transfer of Funds

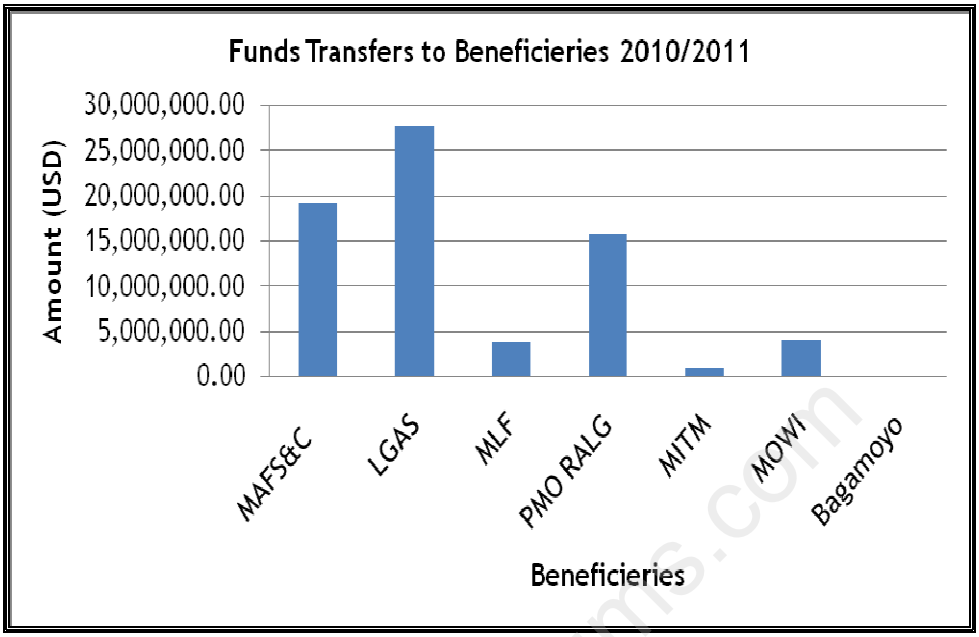
During the year, out of the total funds available of USD 84,252,162.11, a sum of USD 72,156,198.08 was transferred to beneficiary Ministries leaving a closing balance of USD 12,095,964.03 as at 30th June, 2011 as shown in Table 9 below:-

Table 9: Funds Transfers to Various Beneficiaries.

Beneficiaries	**Amount (USD)**
Ministry of AFS&C	19,245,777.47
Local Government Authorities	27,790,251.50
Ministry of Livestock and Fisheries	3,981,590.49
Prime Ministers Office – RALG	15,851,739.40
Ministry of Industries Trade and Marketing	974,599.38
Ministry of Water and Irrigation	4,149,112.97
Bagamoyo	163,126.87
Total transfer	**72,156,198.08**

Funds transferred to the Ministries listed above were mainstreamed in the Development Vote of the respective Ministries and audited accordingly.

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The presence of unspent balance with the Ministry may imply that there were backlog activities which were not effectively executed.

3.3.3 Agriculture Sector Development Programme (ASDP) Local Government Authorities Financing

The Agriculture Sector Development Programme in LGAs for the financial year 2010/2011 had total funds available of Shs.111,109,979,061 which included Shs. 27,047,803,036 being the balance brought forward from the previous year for ASDP activities. Detailed analysis for each Council is explained in **(Refer Annexure Ic).**

As at 30th June, 2011, there was an unspent balance of Shs.24,114,226,349 indicating that the Councils managed to spend Shs.86,986,752,712 equivalent to 78.30% of the total funds available as shown in Table 10 below:-

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Table 10 Source of Funds for ASDP

Details	Amount (Shs.)
Opening balance	27,047,803,036.00
Amount received	84,053,176,024.00
Funds available during the year	111,100,979,061.00
Amount spent	86,986,752,712.00
Balance as at 30th June,2011	24,114,226,349.00

3.4. Health Basket Fund Programme Financing

3.4.1 Introduction

Donors to the Health Basket deposit funds into a holding account at the Bank of Tanzania and thereafter channel their financing to the Ministry of Health and Social Welfare (MoH&SW), PMO RALG and LGAs on a quarterly basis through the Exchequer Account. The funding follows the normal GoT system whereby donors' financial commitments are included as part of the annual budget of the respective entity.

Accordingly, Health Basket Funds are not maintained in a separate account but commingled in Development Account for Ministries and Account Number 6 in the Councils, which is also used for health funds from other sources.

3.4.2 Programme Financing

During the year under review the Health Basket Fund was financed by contributions from Development Partners through the Embassies of Norway, Royal Danish, German, Netherlands, Switzerland, the UNDP, the IDA (World Bank) and UNICEF. The Fund had a total amount of USD 92,611,042.25 including opening balance of USD 1,228,427.06 and previous years unspent commitments of USD 3,227,962.11 for implementation of the approved activities in the health sector during the year as shown in Table 11 below:-

Table 11 Source of Funds for HBF

	Amount (USD)
Opening Balance	**1,228,427.06**
Development Partners	
United Nations Child Fund (UNICEF)	1,500,000.00
UNDP	1,450,000.00
Irish	8,856,360.00
DANIDA Health Project Support IV	11,189,059.15
Swiss Embassy	3,051,290.00
Netherlands	20,879,911.01
KFW	10,387,683.00
IDA	15,000,000.00
CIDA	9,506,654.66
Norway	6,333,695.26
Sub-Total	**88,154,653.08**
Unspent Balance from implementers	**3,227,962.11**
Grand Total	**92,611,042.25**

3.4.3 Transfer of Funds to Beneficiaries Amounting to - USD 88,804,678.54

During the year under review, a sum of USD 88,804,678.54 equivalent to Shs.130,967,778,864 was transferred to various beneficiaries leaving a closing balance of USD 3,806,363.71 equivalent to Shs. 4,696,050,298.74 as at 30th June 2011 as shown in Table 12 below:-

Table 12: Transfers of Funds to Beneficiaries

	Amount	Amount	Amount
	USD$	**USD$**	**SHS.**
Balance as at 1st July, 2010		**1,228,427.06**	1,677,637,038.87
Receipts			
Unspent Balance from Ministry of Health	3,227,962.11		

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			4,704,131,735.50
UNICEF	1,500,000.00		2,049,180,000.00
UNDP	1,450,000.00		2,069,427,880.00
Irish	8,856,360.00		13,007,913,366.67
Royal Danish	11,189,059.15		16,400,504,737.77
Switzerland	3,051,290.00		4,432,767,650.08
Netherlands	20,879,911.01		30,333,332,479.60
German	10,387,683.00		15,161,681,361.11
IDA - World Bank	15,000,000.00		22,032,507,000.00
CIDA	9,506,654.66		13,971,987,393.73
Norway	6,333,695.26		9,737,575,101.41
Total Funds Received		**91,382,615.19**	**133,901,008,625.89**
Total Funds Available		**92,611,042.25**	**135,578,645,664.76**
Transfers			
Ministry of Health & Social Welfare	38,708,613.24		57,321,530,800
Local Government Authorities	49,630,004.51		72,959,838,064
PMO – RALG	466,060.79		686,500,000
Total Transfers		**88,804,678.54**	**130,967,778,864**
Balance as at 30th June, 2011		**3,806,363.71**	**4,696,050,299**

3.4.4 Ministry of Health and Social Welfare

Financial Performance

During the year under review, the Ministry budgeted to spend Shs.58,668,214,800 from the Health Basket Fund. Amount released was Shs.57,321,530,800 which is equivalent to 98% of the budgeted amount hence Shs. 1,346,684,000 was not released.

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However, the Ministry spent a total of Shs.53,780,976,593 which is equivalent to 92 % of the approved amount and 96% of the received amount. The Ministry closed with a balance of Shs.3,540,554,207 as at 30th June, 2011 of which Shs.3,240,076,891 was committed for the on going activities and Shs.300,477,316 was confirmed to have been transferred to the Holding Account at BoT as detailed in Table 13 below:-

Table 13: Source of Funds for HBF MoHSW

Details	Amount (Shs.)
Received during the year	57,321,530,800
Expenditure	53,780,976,593
Unspent balance	**3,540,554,207**
Commitments for on going activities	3,240,076,891
Transferred to the Holding Account	300,477,316

3.4.5 PMO-RALG

During the year under review, the PMO RALG had a total amount of Shs.794,953,856 including opening balance of Shs.108,453,856 from the previous year for implementation of the approved activities under the Health Basket Fund, out of which Shs. 794,823,757 or 99.9% of the available amount was spent leaving a balance of Shs.130, 099 as reflected in Table 14 below:

Table 14: Sources of Funds PMO-RALG

Details	Amount (Shs.)
Opening Balance	108,453,856
Funds Received during the year	686,500,000
Total Available Amount	794,953,856
Expenditure	794,823,757
Closing Balance as at 30th June, 2011	130,099

3.4.6 Local Government Authorities

During the year under review, the LGAs' financial performance was as reflected in Table 15 below:-

Table 15: Sources of Funds for HBF – LGAs

Details	Amount (Shs.)
Opening balance at 1/7/2010	8,468,993,718.15
Add: Funds Received during the year	70,980,120,974.70
Total funds available during the year	79,449,114,692.85
Less: Total expenditure	69,150,502,927.94
Balance carried down 30/6/2011	10,298,611,764.91

Even though under the Health Basket Fund Holding Account in para 3.4.1 above is reported that total amount of Shs. 72,959,838,064 was released to LGAs, but only Shs. 70,980,120,974.70 as reported in the **(Refer Annexure Id)** was captured during audit of LGAs in the year 2010/2011.

3.5 Financial Performances of Global Fund and Other Projects

3.5.1 Global Fund

i) Global Fund Accounts Maintained at the Treasury

During the financial year under review, the Ministry of Finance received a total of USD 78,049,037 from Global Fund, out of this amount USD 70,620,283.01 was credited to Dollar Account number 9931206811 Global Fund Round 8 maintained at Bank of Tanzania and the balance of USD 7,428,753.99 was credited to Development Revenue Account Number 13.99 according to instructions from the Ministry of Health and Social Welfare.

The Ministry of Finance also received a total of Shs.34,738,330,180.41, out of this amount Shs.33,357,873,608.76 was disbursed to the Ministry of Health and Social Welfare and Shs.1,380,456,571.36 to Tanzania Commission for AIDS. Details are as shown in Table 16 below:-

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Table 16: Receipts and Disbursement of Global Fund

Date	Amount (Shs.)	Date	Disburse-ment	Amount (Shs.)
16/11/010	5,296,382,982.31	30.11.010	MOHSW	5,296,382,982.31
14.12.010	3,447,933,537.10	30.12.010	TACAIDS	1,380,456,571.36
		31.12.010	MOHSW	2,067,476,965.74
10.1.2011	2,044,183,523.79	26.1.011	MOHSW	2,054,539,079.47
11.3.011	868,809,480.97	18.3.011	MOHSW	858,453,925.00
18.4.011	23,081,020,656.24	29.4.011	MOHSW	23,081,020,656.24
Total	**34,738,330,180.41**			**34,738,330,180.41**

Date	Amount (USD)	Date	Amount (USD)	Balance (USD)
16/10/2010	6,146,364.00	16/11/2010	2,531,163.00	3,615,201.00
14/12/2010	13,439,250.00	14/12/2010	11,039,695.00	2,399,555.00
11/01/2011	42,797,909.00	11/01/2011	41,383,911.01	1,413,997.99
20/06/2011	15,665,514.00	20/06/2011	15,665,514.00	-
Total	**78,049,037.00**		**70,620,283.01**	**7,428,753.99**

(ii) Ministry of Health and Social Welfare

During the year under review the Ministry of Health and Social Welfare budgeted to spend Shs.336, 003,524,007 from the Global Fund. However the actual release was Shs.162, 103,713,919 which is equivalent to 48% of the budgeted amount. The Ministry transferred the amount released to Sub Recipients for implementation of approved Global Fund activities.

(iii) Global Fund Medical Stores Department (MSD)

During the year under review, the Medical Stores Department had an amounting of Shs.137,050,202,905 out

of which Shs.54,654,806,001 was the opening balance from previous years and Shs.82,395,396,904.22 was received during the year for implementing various approved Global Fund activities.

However, actual expenditure incurred during the year amounted to Shs.132,262,030,192.07 equivalent to 97% of the available funds leaving unspent balance of Shs.4,788,172,713 as at 30th June, 2011 as shown in Table 17 below:

Table 17: Receipts and Expenditure of MSD

Details	Amount (Shs.)	Amount (Shs.)
Receipts:		
Opening Balance	54,654,806,001	
Amount Received During the Year	82,395,396,904.22	
Funds Available		137,050,202,905
Expenditure:		
Pharmaceuticals-ART	104,961,756,408.95	
Pharmaceuticals-ALU	7,098,060,061.07	
Pharmaceuticals-ARVs	10,050,341,539.22	
Transfer to other Implementers	9,962,670,048.11	
MSD Strengthening	189,202,134.72	132,262,030,192.07
Closing Balance		**4,788,172,713**

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Shs. 9,962,670,048.11 was transferred to the following implementers as per Table 18 below:

Table 18: MSD Funds Transferred to other implementers.

S/No.	Name of Implementation partner (recipient)	Amount Disbursed (Shs)
1	National AIDS Control Program (NACP)	7,072,106,103.36
2	National Institute of Medical Research(NIMR)	1,670,520,064.34
3	Diagnostic Units	87,915,489.44
4	Monitoring and Evaluation (M&E) Section	384,450,851.14
5	Project Management Unit (PMU)	290,632,420.01
6	Tanzania Food and Nutrition Centre (TFNC)	457,045,119.82
	Total	**9,962,670,048.11**

(iv) Malaria Control Programme

Malaria Control Programme reported financial performance for Global Fund Round Seven and Eight as shown below:-

(a) Malaria Global Fund Round Eight TNZ-809-G-11-M

During the year under review, National Malaria Control Programme budgeted to spend Shs.155,661,876,350 from Global Fund. Actual release was Shs. 140,302,413,300 which is equivalent to 90% of the budgeted amount for the year under review.

The Programme spent a total of Shs.108,210,703,350 which is equivalent to 77% of the released amount thus closing with a balance of Shs.32,091,709,950.

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(b) Malaria Global Fund Round Seven TNZ-708-G-10-MS

During the year under review, National Malaria Control Programme had a total amount of Shs. 1,924,261,477.82 for implementing various Programme activities. Out of the available amount Shs. 1,802,513,135.82 was received from Global Fund during the year under review and Shs. 121,748,343 as a carried over amount from previous year.

Actual expenditure incurred during the year was Shs.1,861,085,500.04 recording a closing balance of Shs. 63,175,978 as at the year end.

(v) National AIDS Control Program (NACP)

During the year under review, the National AIDS Control Program had total amount of Shs.9,702,523,736 out of which Shs.1,544,886,939 was the opening balance from previous years, other incomes (stale cheques) Shs.1,085,530,694 and Shs.7,072,106,103 was received during the year for implementing various approved Global Fund activities.

However, actual expenditure incurred during the year amounted to Shs. 5,335,159,126 equivalent to 55% of the available funds leaving unspent balance of Shs.4,367,364,611 as at 30th June, 2011 as shown in Table 19 below:

Table 19: NACPs Receipt and Expenditure

Details	Amount (Shs.)
Opening balance	1,544,886,939
Receipts during the year	
Round 8 year 1	7,072,106,103
Other incomes (stale cheques)	1,085,530,694
Total	**9,702,523,736**
Expenditure	5,335,159,126
Unspent Balance	4,367,364,611

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(vi) The National TB and Leprosy Programme

The National TB and Leprosy Programme received funds of various Rounds of Global Fund as shown below:-

(a) The National Tb and Leprosy Programme - Global Fund Round Three

During the year under review the National TB and Leprosy Programme had a total amount of Shs. 131,698,163 which was unspent balance from previous year.

Actual expenditure incurred during the year was Shs. 11,688,000 recording a closing balance of Shs. 120,010,163 as at the year end as shown in Table 20 below:-

Table 20: Global Fund Round Three Receipts and Expenditure

Particulars	Amount (Shs.)
Balance brought forward	131,698,163
Funds received during the year	Nil
Funds available	131.698,163
Expenditure during the year	(11,688,000)
Balance as at 30th June, 2011	**120,010,163**

(b) The National Tb and Leprosy Programme - Global Fund Round Six

During the year under review the National TB and Leprosy Programme had a total amount of Shs. 5,804,044,324 out of which Shs. 5,484,150,162 was unspent balance from previous year, interest earned Shs.45,402,853,unitilized imprest Shs.5,177,900 and unpresented Cheques Shs.269,313,409.

Actual expenditure incurred during the year was Shs.2,299,632,181 recording a closing balance of Shs.3,504,412,143 as at the year end as shown in Table 21 below:-

Table 21: Global Fund Round Six Receipts and Expenditure

Particulars	Amount(Shs.)
Balance brought forward	5,484,150,162
Funds received during the year	Nil
Unutilized imprest	5,177,900
Unpresented cheque	269,313,409
Interest earned	45,402,853
Fund Available	**5,804,044,324**
Expenditure	2,299,632,181
Balance as at 30th June, 2011	**3,504,412,143**

(vii) Diagnostic Service Section

During the year under review, the Diagnostic Service Section had an amount of Shs. 4,294,110,15 out of which Shs. 4,206,194,726 was the opening balance from previous years and Shs. 87,915,489 was received during the year for implementing various approved Global Fund activities.

However, actual expenditure incurred during the year amounted to Shs. 1,354,285,823 equivalent to 32% of the available funds leaving unspent balance of Shs. 2,939,824,392 as at 30th June, 2011 as shown in Table 22 below:

Table 22: Diagonstic Service Section Receipts and Expenditure

Details	Amount (Shs).
Opening Balance	4,206,194,726
Received during the year	87,915,489
Total fund available	**4,264,110,215**
Expenditure	1,354,285,823
Unspent balance	**2,939,824,392**

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(viii) Tanzania Commission for AIDS (TACAIDS)

During the year under review, the Tanzania Commission for AIDS had a total of Shs.3,966,969,010 available for implementation of Global Funds activities. However, as at 30th June, 2011 there was unspent balance of Shs. 932,643,027 indicating that the TACAIDS spent Shs.3,034,325,983 or 76 % of the funds available as shown in Table 23 below:

Table 23: TACAIDS Receipts and Expenditure

Details	Amount Shs.
Opening balance at 1/7/2010	2,586,512,439.38
Add: Fund Received during the year	1,380,456,571.00
Total funds available during the year	3,966,969,010.38
Less: Total expenditure for 2010/11	3,034,325,982.93
Balance carried down 30/6/11	932,643,027.45

(ix) Tanzania Food and Drugs Authority (TFDA)

Allocation of Global Fund to TFDA for different rounds was as follow:

(a) HIV/AIDS Global Fund Round Four Y3 (TNZ-405-G06-H:MOF)

Global Fund Round Four Year 3 for HIV/AIDS had an amount of Shs.99,931,067 which was carried forward from previous year. The actual expenditure incurred during the year was Shs.99,931,067 or 100% of the funds available .

(b) HIV/AIDS Global Fund Round Four Y4 (TNZ-405-G06-H: MOF)

Global Fund Round Four Year 4 for HIV/AIDS had an amount of Shs.202,699,415 which was carried forward from previous year. The actual expenditure incurred during the year was Shs.202,699,415 or 100% of the funds available.

(c) HIV/AIDS Global Fund Round Four Y5 (TNZ-405-G06-H:MOF)

During the year under review, TFDA had a total amount of Shs.198,005,584 for HIV/AIDS received from Global Fund Round Four Year 5. Actual expenditure incurred during the year was Shs.165,756,811 or 84% of the available funds and the Authority closed with a balance of Shs. 32,248,776 as at 30th June, 2011.

(d) Malaria Global Fund Round Four (TNZ -405-G06-H: MOF)

TFDA - Global Fund Round Four for Malaria had an amount of Shs.16,280,000 which was carried forward from previous year. The actual expenditure incurred during the year was Shs. 16,280,000 or 100% of the funds available.

(e) Malaria Global Fund Round Seven (TNZ -708-G10-M)

During the year under review, TFDA had an amount of Shs.465,000 for malaria activities which were carried forward from previous years. Fund received from Global Fund Round Seven during the year was Shs. 2,709,795,669.56.Actual expenditure incurred during the year was Shs.2,602,799,445 which is equivalent to 96% of the total funds available. The Authority closed with a balance of Shs. 107,461,244.56 as at 30th June, 2011 as shown in Table 25 below

Table 24: Malaria Global Fund Round Seven Receipts and Expenditure

Details	Amount Shs.
Opening balance at 1/7/2010	465,000.00
Add: Fund Received during the year	2,709,795,669.56
Total funds available during the year	2,710,260,669.56
Less: Total expenditure for 2010/11	2,602,799,445.00
Balance carried down 30/6/11	**107,461,244.56**

(f) TB and Leprosy Global Fund Round 6 Year 1 (TNZ - 607-G09-T)

TFDA – Global Fund Round Six year one for TB and Leprosy had an amount of Shs.25, 232,237 which was carried forward from the previous year. Actual expenditure incurred during the year was Shs. 25,232,237 or 100% of the funds available.

(g) TB and Leprosy Global Fund Round 6 Year 2 (TNZ - 607-09-T)

TFDA had an amount of Shs.31,660,273 for TB and Leprosy Global Fund Round Six year two activities which were carried forward from previous years .Actual expenditure incurred during the year was Shs.31,660,273 which is equivalent to 100% of the total funds available.

(h) Global Fund Round Nine Health System Strengthening (HSS) (TNZ-911-G14-S)

TFDA had a total amount of Shs. 1,338,791,099.69 for HSS received from Global Fund Round Nine. However actual expenditure during the year was Shs.147,645,881 and the Authority closed with a balance of Shs.1,191,145,218.69 as at 30th June, 2011.

(x) PMO RALG

There was no allocation of Global Fund during the year under review, however closing balance as at the year end (2009/2010) which constitutes the opening balance amounting to Shs.1,580,141,219.06. Total expenditure amounted to Shs.1,433,509,422.23 leaving unspent balance of Shs.146,631,797.43 as at 30th June, 2011.

(xi) The Benjamini Mkapa HIV/AIDS Foundation – Round NINE

Total funds received during the year amounted to Shs.11,808,550,065 out of which Shs.1,180,855,006 was transferred to Ministry of Health and Social Welfare leaving

an amount of Shs. 10,640,297,799 including an interest of Shs.12,602,740. Total expenditure during the year was reported as Shs. 943,296,335 leaving a balance of Shs. 9,697,001,464.

(xii) National Institute of Medical Research (NIMR)

Allocation of Global Fund to NIMR for rounds Four and Eight was as follows:-

(a) Global Fund Round Four

Funds allocated to NIMR for Round Four during the year under review was Shs.1,757,848,642 and the reported total expenditure was Shs. 1,757,879,826 disclosing over expenditure of Shs.31,184.

(b) Global Fund Round Eight

Funds allocated to NIMR for Round Eight during the year under review was Shs. 1,670,520,064 and the reported total expenditure was Shs. 210,700,864 disclosing unspent balance of Shs.1,459,819,200.

3.5.1 Other Projects

During audit, financial performance for other projects which adds to 49 were evaluated. Key aspects considered were opening balances, amounts received, expenditure during the year and amounts remained as unspent balances at the year end. See detailed analysis in **Annexure I 'e'.**

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CHAPTER FOUR

PRESENTATION AND ANALYSIS OF AUDIT RESULTS

4.0 Introduction

This chapter analyses the grounds which gave rise to issuance of a particular type of opinion to a Donor Funded Project. The analysis is aimed at amplifying the basic criteria used in forming the opinions as discussed in the preceding chapter.

A total of four (4) major Donor Funded Projects were audited in the financial year 2010/2011. Fifty four (54) other Donor Funded Projects were also audited making a total of fifty eight (58) Donor Funded Projects.

4.1 Major Donor Funded Projects

4.1.1 Tanzania Social Action Fund (TASAF)

4.1.1.1Introduction

The Tanzania Social Action Fund Project Phase II was established on 19th January, 2005 when the agreement between the Government of the United Republic of Tanzania and the World Bank through the International Development Association (IDA) and the Development Financing Agreement was signed.

The Second Tanzania Social Action Fund Project (TASAF II) which forms part of the National Poverty Eradication Strategy was established to empower Communities to access opportunities that contribute to improved livelihood linked to the Millennium Development Goals (MDG) an indicator targets in the Tanzania Poverty Reduction Strategy (TPRS).

According to the terms of reference in the TASAF Operational Manual, the objective of conducting the audit

is to enable the Controller and Auditor General to express an independent opinion on the TASAF project financial statements for the year under review.

4.1.1.2 Operational Objectives

The Second Tanzania Social Action Fund Project (TASAF II) was established to empower Communities to access opportunities that contribute to improved livelihood linked to Millennium Development Goal (MDG) indicator targets in the Tanzania Poverty Reduction strategy (PRS). The TASAF II also aims at:-

(i) Promoting formation of voluntary saving groups.

(ii) Providing support services to communities that will contribute to increased availability and use of basic Social and environment service in line with Specified MDGs targets.

(iii) Providing employment opportunities to able-bodied individuals in food insecure households, so as to increase their cash income, skills and opportunities of working in VFC financed public work programmes.

(iv) Providing assistance to households with vulnerable individuals which include ophans, disabled, elderly, and those infected or affected by HIV/AIDS, among others to enable them manage sustainable economic activities.

4.1.1.3 Project Management

(i) National Level

The TASAF II Project at the National level is managed by the autonomous TASAF Management Unit (TMU) headed by the Executive Director under the President's Office. TMU Coordinates and executes the daily activities of TASAF II.

The Executive Director of TASAF reports to the National Steering Committee (NSC) on all the financial and administrative matters connected with the execution of TASAF II programmes.

(ii) District Level

At the District level, the District Executive Directors (DED)/ Municipal Directors (MD) as the head of the District Councils/Municipals for the Local Government team, provide the needed support to TASAF II management team led by the Village Fund Coordinators (VFC). The VFCs are appointed by the District or Local Council from among qualified existing Council/Municipal Staff in accordance with the terms of references provided by the TMU. The VFC coordinate the activities of TASAF II in the District Council including sensitization and facilitation of the communities on matters pertaining to the implementation/execution of approved community subprojects. VFC is accountable to the TMU on behalf of the Council Directors.

According to the terms of reference in the TASAF Operational Manual, the objective of conducting the audit is to enable the Controller and Auditor General to express an independent opinion on the TASAF project financial statements for the year under review.

The under listed Councils (Table 25) were audited in the financial year 2010/2011 and the type of audit opinion issued and reasons for giving rise to the issuance of such opinion;

(a) Table 25: Councils issued with Unqualified Opinion are 95 as listed below:-

1	Arusha MC	33	Kilwa DC	65	Sumbawanga MC
2	Kisarawe DC	34	Lindi MC	66	Mbinga DC
3	Mafia DC	35	Nachingwea DC	67	Songea DC

4	Bagamoyo DC	36	Kiteto DC	68	Songea MC
5	Mkuranga DC	37	Hanang DC	69	Kahama DC
6	Kibaha TC	38	Simanjiro DC	70	Bariadi DC
7	Temeke MC	39	Babati TC	71	Kishapu DC
8	Kinondoni Mc	40	Musoma MC	72	Meatu DC
9	Mpwapwa DC	41	Bunda DC	73	Shinyanga MC
10	Chamwino DC	42	Tarime DC	74	Bukombe Dc
11	Dodoma MC	43	Serengeti DC	75	Maswa DC
12	Kondoa DC	44	Musoma DC	76	Iramba DC
13	Kongwa DC	45	Mbozi DC	77	Manyoni DC
14	Ludewa DC	46	Mbeya DC	78	Singida MC
15	Njombe DC	47	Kyela DC	79	Singida DC
16	Iringa MC	48	Mbarali DC	80	Urambo DC
17	Iringa DC	49	Chunya DC	81	Igunga DC
18	Makete DC	50	Ileje DC	82	Tabora MC
19	Muleba DC	51	Mbeya CC	83	Nzega DC
20	Karagwe DC	52	Mvomero DC	84	Handeni DC
21	Missenvi DC	53	Morogoro DC	85	Mkinga
22	Ngara DC	54	Morogoro MC	86	Tanga CC
23	Biharamulo DC	55	Ulanga DC	87	Pangani DC
24	Bukoba MC	56	Mtwara MC	88	Korogwe DC
25	Kibondo DC	57	Mtwara DC	89	Muheza DC
26	Moshi MC	58	Tandahimba DC	90	Lushoto DC
27	Rombo DC	59	Nanyumbu DC	91	Nkasi DC
28	Hai DC	60	Newala DC	92	Ruangwa DC
29	Same DC	61	Ukerewe DC	93	Arusha DC
30	Moshi DC	62	Geita DC	94	Mufindi DC
31	Mwanga DC	63	Misungwi DC	95	Ilala MC
32	Siha DC	64	Sumbawanga DC		

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(b) Table 26: Councils issued with unqualified opinion with emphasis of matters:

1	**Kilombero DC**
	• Previous year matters worth Shs. 32,727,273 were not attended by the management. • Projects which were not completed were worth Shs. 98,874,642 a. Delay in Completion of Administration block and construction of Staff Quarter at Mofu Secondary School Shs.21, 974,700 b. The Council released a sum of Shs.22,500,000 to Ikule village for the completion of Ikule Dispensary but the dispensary building was not completed. c. The Council through TASAF released a sum of Shs.20, 652,750 to Mpofu village for the construction of Mpofu bridge. However, the bridge had not been completed due to insufficient funds allocated for the bridge construction.
2	**Bukoba DC**
	• Previous year matters worth Shs. 139,005,221.06 were not attended by the management. • Projects which were not completed were worth Shs. 104,726,208 • Uncompetitive procurement of fuel was worth Shs.5,970,000.00
3	**Kigoma/Ujiji MC**
	• Missing acknowledgement receipts were worth Shs.305,344,264 • Purchase of stores not delivered were worth Shs.650,000 • Projects not completed were worth Shs.125,756,424
4	**Kilindi DC**

	There are anomalies amounting to Shs. 23,545,462 in completing projects such as dormitories at Saunyi Primary School; construction of Classrooms at Kilindi Secondary School not completed is worth Shs.11,445,140 and discrepancies in finishing of classrooms at Manyinga Primary School at Tunguli Shs.12,100,322.
5	**Mbulu DC**
	• Unresolved previous year's audit findings valued at Shs.30,022,954 • Delay in completion of construction of two teacher's houses at Moringa Primary school worth Shs. 38,972,456.82 • Delay in Completion of Construction of two teachers houses at Silaloda Primary School worth Shs 23,068,181.82 • Delay in completion of Construction of Hostel at Gidhim Secondary school worth Shs.23,068,182.
6	**Liwale DC**
	• 12 Projects worth Shs. 421,869,250, most of them outstanding for a long time were planned to be executed during the year. However, physical verification found them at different stages of completion. • Payment amounting to Shs. 13,420,625 was not adequately supported contrary to Order no 5 (c) of LAFM 1997.
7	**Rufiji DC**
	• Transfer of Funds to Low Level for implementation of various development activities were not acknowledged by Receipts and Activity Reports. These were worth Shs. 121,445,509.32 • The Council had transferred a sum of Shs. 34,526,333.76 to Nyamwage village for construction

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	of a market as at 2009/10. In 2010/2011 TASAF injected another sum amounting to Shs. 25,727,273.23 to the project. As at the date of our visit, 14/9/2011, with Council's Officials, the project had not been completed. The same was true with regard to the making of blocks for construction of tables and of toilets.
8.	**Mwanza CC**
	• Construction of laboratory at Luchelele secondary school worth Shs.29,974,912 was not completed within the scheduled time. • Construction of 3 classrooms at Shigunga primary school worth Shs.27,963,540 has not been completed.
9.	**Rungwe DC**
	Subprojects worth Shs. 52,716,500 were not implemented in compliance with TASAF Development plan budget due to late disbursement of funds. These are construction of OPD at Lusanje village, Construction of 3-Classrooms at Isuba P/School and Construction of Igalamu Dispensary.
10	**Tabora DC**
	Projects worth Shs. 163,457,845 were found with anomalies and not completed at the time of audit as shown here under: • Construction of Dormitory at Loya secondary school worth Shs. 20,370,900 • Nursery and planting of trees at Goweko worth Shs.13,048,750 • Construction of Mgahawa at Goweko village worth Shs. 11,295,515 • Completion of Dormitory at Ibiri Secondary School worth Shs. 20,541,900 • Construction of 8.0 km road at Kawekapina connecting Igalula-Ntulu worth Shs.32,001,420 • Construction of teacher's house and two

	classrooms at Ipululu primary School worth Shs.13,529,250. • Completion of Dormitory at Ishihimulwa Secondary School worth Shs.20,809,900 • Rehabilitation of irrigation water dam at Igalula Barazani worth Shs.43,155,725
11	**Ulanga DC**
	Some projects started during the year worth Shs. 229,563,992.52 have not been completed as per analysis: • Projects worth Shs. 204,563,992.52 were found at different stages of completion. • Activities amounting to Shs.25,000,000 which had been budgeted for the completion of Tanga Secondary School had not yet been started.
12	**Chato DC**
	• Goods and services worth Shs. 8,315,000 procured (stationeries, diesels and conducting services for computers) were not in the Councils' annual procurement plan. • A sum of Shs.170,522,976.53 was transferred from the National Village Fund to various wards for implementation of Community Sub projects and physical verification on the projects revealed that Sub projects were either in progress or had not been implemented.
13	**Kasulu DC**
	• Expenditures amounting to Shs.15,451,337 were paid to Community Management Committee (CMC), Village Council (VC) and to account No. 26

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	(Operation Account) during the Financial year 2010/11 but no acknowledgement receipts were attached. • The procurement of spare parts for car services amounting to Shs. 6,779,500 were made but no proper record on receipt of stores and issues of stores were made in the store ledgers, contrary to Order No. 207 & 209 of LAFM and para.12.1 (a) of LAAM. • Expenditure amounting to Shs.12,200,000 was incurred for procurement of fuel; however, audit scrutiny made on the procured fuel through stores ledger, receipt vouchers and issue vouchers revealed that a huge volume of fuel procured was not utilized while the Council continued to procure more fuel.
14	**Kigoma DC**
	• Funds transferred totaling to Shs. 9,355,255 were paid to Ilalanguru Village being 90% of Community Management Committee (CMC) fund and 1.5% of Village Council (VC) fund through account No. 26 for construction of teachers' house. • A detail of the disbursement of the funds to the subproject accounts shows that the same was disbursed on 30th December, 2010 i.e. 3.5 months later.
15	**Kilolo DC**
	Approved projects worth Shs.299,021,481 for the year were not completed.
16	**Kwimba DC**
	• Kwimba District Council promised to contribute Shs.20,000,000 to TASAF activities in order to facilitate implementations of various subprojects within the District. However, only Shs.7,500,000 was contributed and confirmed.

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	• Payment of field allowances not supported by field and supervision reports amounted to Shs.13,705,000.00
17	**Lindi DC**
	There are partially implemented TASAF activities worth Shs. 85,947,540 and these included. • Construction of Namupa secondary school • Construction of the primary school at Majengo • Construction of 2 classroom at Luwale primary school • Construction of the 2 classroom at Kitomanga school
18	**Meru DC**
	• There were outstanding matters for the previous year of Shs. 171,414,873 • There was improperly Vouched Expenditure of Shs. 66,000,204 • Fund sent to village but not reflected in books was Shs. 25,000,000
19	**Misungwi DC**
	• Previous years' matters outstanding at the time of audit were worth Shs. 27,224,098 • In completed construction of a toilet facility with four latrines had not been completed at Masawe Primary School this was worth Shs. 5,000,000.
20	**Monduli DC**
	• Improperly vouched expenditure worth Shs. 51,445,405 • Ineligible transfer of funds for supervision of TASAF Projects worth Shs.1,627,755 • The amount given for defects on road Rehabilitated at Tukusi village was worth Shs.13,636,000 and there were also Unimplemented activities worth Shs. 40,486,000.

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21	**Sikonge DC**
	• Development projects worth Shs.21,913,300 were not funded to the Council although were budgeted and approved. • Projects valued Shs.25,000,000 were not fully completed • Transfer payments not supported with acknowledgement receipts worth Shs. 15,760,661
22	**Mpanda DC**
	• Unresolved previous year's audit findings was valued at were worth Shs.196,634,251 • Projects not completed Shs. 27,479,527
23	**Mpanda TC**
	• Delay in Completion of work in Secondary Schools worth Shs. 145,973,860 • In completed and substandard work for construction of four classrooms at Shanwe Secondary School worth Shs. 40,000,000
24	**Namtumbo DC**
	(i) Construction of Utwango Dispensary worth Shs.22,727,272.73 has not been completed. The project was scheduled to start on 25/07/2011 and was expected to be completed on 23/09/2011 but as at the date of audit the following were observed:- • The incinerator and toilets were not yet completed • Simtank had been purchased but was not yet fixed. • Cupboard and tables were not yet made.
25	**Sengerema DC**
	• Council contribution not paid to TASAF fund was worth Shs. 5,000,000 • Project activities worth Shs. 43,364,500 have not been completed

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26	**Shinyanga DC**
	Activities worth Shs.89,137,554, which were planned to be implemented during the financial year 2010/2011 were not implemented.
27	**Longido DC**
	• Previous year's audit matters not resolved were worth Shs.27,853,987. • There are defects observed in some of the implem subprojects to the tune of Shs.81,371,372.
28	**Karatu DC**
	• Previous year's audit matters not resolved were worth Shs.123,468,892 • The Council paid Shs.11,204,967.33 without proper documents • There are defects on the implementation of TASAF sub-projects amounting to Shs.81,974,211.73
29	**KIBAHA DC**
	• Delay in completion of Sub-projects worth Shs.25,467,909 • Irregular procurement amounting to Shs. 16,360,500 • Unimplemented projects worth Shs.22,564,240
30	**MOSHI DC**
	• The Council planned to implement 6 activities amounting to Shs.330,966,326.37 through TASAF. However, out of the 6 activities, 4 activities were fully implemented, 1 activity was partially implemented amounting Shs.3,127,791 and 1 activity amounting to Shs.9,169,772.87 had not been implemented at all. • Activities to the tune of Shs.17,770,081 which were to be implemented during the period under audit were postponed, thus denied the communities to receive the earmarked services. • Non compliance with TASAF procedures on Food secure sub project worth Shs.22,535,143.

	• A sum of Shs.8,227,400 was transferred from National Village Fund Account to Operational Account to facilitate payments of training allowances contrary to TASAF guidelines and regulations.

(c) On the other hand the listed Councils in Table 27 below has been issued with qualified opinion.

Table 27: Councils Issued with Qualified Opinion

1.	**Babati DC**
	• Payment amounting to Shs.187,150,814.57 were made without prior Examination contrary to Order No. 10 of LAFM or as required by Public Finance Regulation No.91(6) of 2001, Revised 2004. • Payments with a total of Shs.44,035,461.86 lacked supporting documents contrary to Order No. 5(C) of the Local Authority Financial Memorandum 1997.
2.	**Ngorongoro DC**
	• Funds transferred to CMC accounts were not acknowle Shs. 21,927,775 • Unsupported expenditure worth Shs. 9,090,000 • Loss of cash at Ngoile Secondary – Olbalbal amounting to Shs. 12,000,000 • Previous years' audit matters not resolved worth Shs. 147,652,398.27 • In completed Projects worth Shs. 92,130,905.
3.	**Kilosa DC**
	Misstatement of closing balance of Shs. 168,867,566.10
4	**Masasi DC**
	• Understatement of financial statements by Shs.21,477,531.79 • Previous years matter worth Shs.75,161,992.24 were not resolved.

(d) Table 28: Councils issued with Adverse Opinion

1	Tunduru DC
	• The submitted financial statements of TASAF were not consolidated to include funds in respect of TASAF-Operation account. Actual financial performances in respect of TASAF activities could not be determined hence audit scope has been limited. • The amount of Shs.6,906,200 was observed to be improperly vouched transfer while supporting documents were not attached to the payment vouchers contrary to Order No. 5 (c) of the Local Authority Financial Memorandum of 1977. • The acknowledgement receipt to support the amount totaling Shs. 36,191,846.32 paid to various institutions/wards was not produced for audit verification.

(e) Table 29: Councils not Allocated Funds

1.	Rorya TC
2.	Njombe TC
3.	Masasi TC
4.	Dar es Salaam CC

4.1.2 Agricultural Sector Development Progamme

4.1.2.1 Introduction

The Government of Tanzania has adopted an Agricultural Sector Development Strategy (ASDS) which sets the framework for achieving the sector's objectives and targets. An Agricultural Sector Development Programme (ASDP) Framework and Process Document which was developed jointly by the five Agricultural Sector Lead Ministries (ASLMs) provides the overall framework and processes for implementing the ASDS. Development activities at the district level are implemented by the Local

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Government Authorities (LGAs), based on District Agricultural Development Plans (DADPs). The DADPs are part of the broader District Development Plans (DDPs).

In line with the ASDP, the Government and Development Partners are working together in formulating a consolidated set of interventions in support of the ASDP. The interest to support the ASDP basket has been expressed in principle by the following development partners: Danish International Development Agency (DANIDA), Japan International Cooperation Agency (JICA), the European Union (EU), Irish Aid (IA), the International Fund for Agricultural Development (IFAD) and the International Development Association (IDA).

A total of 132 Councils were audited except two Councils namely ,Dar es salaam city and Masasi Town Council which had no allocation of fund in the financial year ended on 30th June 2011.The audit outcomes are narrated below:-

(a) Unqualified opinion without Emphasis of matters

A total of 28 Councils out of the 132 Councils audited this year managed to be issued with Unqualified Opinion without emphasis of matters as shown in Table 30 below:

Table 30: Council Issued with Unqualified opinion without Emphasis of matters

S/N	Council	S/N	Council
1	Ilala MC	15	Chunya DC
2	Arusha MC	16	Mbeya CC
3	Ngorongoro DC	17	Muleba DC
4	Kisarawe DC	18	Ngara DC
5	Kibaha TC	19	Biharamulo DC
6	Mtwara DC	20	Bunda DC
7	Tandahimba DC	21	Geita DC
8	Newala DC	22	Manyoni DC

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9	Nanyumbu DC	23	Kongwa DC
10	Njombe TC	24	Simanjiro DC
11	Iringa MC	25	Pangani DC
12	Mbinga DC	26	Muheza DC
13	Mbeya DC	27	Hai DC
14	Kyela DC	28	Same DC

A detailed analysis of audit opinions by Councils is elaborated in
Annexure II.

(b) Councils issued with qualified Opinion with Emphasis of Matters

Out of the 132 Councils audited, 75 (57%) were issued with Unqualified Opinions with emphasis of matters as shown in Table 31 below:

Table 31: Councils issued with qualified Opinion with Emphasis of Matters

1	**BABATI TC**
	During the financial year ended on 30th June, 2011 the Council received Shs. 134,093,327 (equivalent to 80.23% of annual approved estimate) against the approved annual estimate of Shs. 167,125,944 leading to a short release of Shs.33,032,617 representing 19.77% of approved estimate. A short release of fund Shs 33,032,617 inevitably has resulted into failure to implement the planned activities for the year.
2	**BAGAMOYO DC**
	• The statement of financial position and cash flow as at 30th June, 2011 disclosed cash and cash equivalent of Shs. 211,324,620 that differed with Shs. 852,133,768 as per re-computation based on data from the financial statements resulting into overstatement of Shs. 139,423,537.00. Financial statements are susceptible to errors/misstatements

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	for Shs. 139,423,537.00 which are yet to be cleared. • A review of annual plan /budget for the year under review and a performance review found out that the activities of the Agriculture Sector Development Programme were significantly affected by non implementation of activities amounting to Shs. 669,230,000 and slow pace of project implementation for activities amounting to Shs. 156,000,000 relating to fund transferred to Matipwili, Fukayosi and Magomeni Villages for implementation of various projects.
3	**BUKOBA MC**
	• The statement of financial position as at 30th June, 2011 reflected a total sum of Shs.87,052,308 for property, plant and equipment. However, no supporting schedule in respect of the amount has been submitted to enable audit to verify correctness and accuracy of the figure. • Council's expenditure contains unsupported payments amounting to Shs. 4,590,000 contrary to Order no 5 (c) of the LAFM 1997. • Scrutiny of the payment vouchers and related records, revealed that payments of Shs.2,674,600 was made from DADPS A/C to suppliers other than amount approved in the tender list for the year 2010/2011 contrary to Regulation No. 19 (1) & (2) of the Local Government Authorities Tender Boards (Establishment and Proceedings) Regulations, 2007.
4	**BAHI DC**
	• Order No. 5 (c) of LAFM 1997 requires that the Treasurer to maintain a sound accounting system and ensure safekeeping of all supporting records. During the audit, it was noted that, payment vouchers amounting to Shs. 31,304,749.34 were made without proper supporting documents. • Order No. 46 of the LAFM of 1997 stipulates that expenditure properly chargeable to the account of a

	year shall, if possible be met within that year by raising a creditor, if necessary, and under no circumstances will payment of a charge be deferred for the purpose of avoiding an over expenditure. • During the year 2010/2011, we noted that stores items worth Shs.23,874,600 were ordered and paid for. However, these item were not recorded in their respective ledgers contrary to Order No.207 of the Local Authority Financial Memorandum (1997).
5	**IRAMBA DC**
	• During the year under review, the Council received 10,000 subvention vouchers of fertilizer and seeds. The system of subvention vouchers were guided by the Circular of 2009/2010 with Ref No. AE 13/500/01 from the Ministry of Agriculture, Food and Cooperatives. However, our assessment on the whole system of Subvention vouchers noted the following weaknesses: • The Council did not advertise the acquisition of Competitive Agents responsible for distribution of seeds and fertilizers to the farmers. • There was no binding contract between the Council and Agents for the work of distributing the Subvention Vouchers to the farmers • The members of the Village Subvention Vouchers Committee, Village Executive Officer (VEO) as well as District Agricultural and Livestock Officers were not trained on how they can effectively discharge their functions as per guideline. • There was no weekly supervision report prepared by the District Subvention Voucher Committee as per Circular of 2009/2010 from MAFS. • There is no supporting evidence that the Agents were trained on how to distribute the subvention vouchers before commencement of the season. • The agents did not conduct seminars to the farmers on how to use the seeds and fertilizers. • District meeting with other subvention vouchers

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	stakeholders were not conducted contrary to part C of Circular of 2009/2010 from MAFS. • The Council procured one power tiller valued of Shs.6,650,000. As at the date of audit (December 2011), the power tiller was still lying idle the at Council's premises due to technical fault which was not identified at the time of receipt. • The Agriculture and livestock department have 24 insufficient staff to meet the standard requirement. According to the scheme of service of 2010/2011 given by the District Human Resource Officer (DHRO) there is a deficit of twenty four (24) staff.
6	**KIBONDO DC**
	• ASDP Fund amounting to Shs.12,425,000 was loaned to Kibondo Community Groups to purchase 12 power tillers @ Shs. 1,342,500. The community groups have not yet paid back the amount to ASDP account. • Examination of DADPS imprests register revealed that, the Council issued imprests amounting to Shs.2,000,000 to officers for official duties. However, up to the end of the financial year 2010/2011 the imprests were still outstanding contrary to order 134 to the LAFM 1997. • The remaining unspent balance of Shs.1,154,877,576.05 being 52 per cent of fund available at the year end implies that some of the planned activities/projects were not implemented as expected, thus denying timely delivery of expected services to the community.
7	**KIGOMA MC**
	• Scrutiny made on various procurement records for the year under review revealed that the management purchased goods and services amounting to Shs.5,127,500 from unapproved list of suppliers of goods and services as required by Reg.80 (1) and (2) of the Public procurement Regulations

	2005 • Expenditures amounting to Shs.920,000 on various activities were not classified by their respective expenditure codes in the cash book. It could therefore, not establish whether the expenditure was correctly classified or reported in the financial statements.
8	**CHAMWINO DC**
	• In the financial year 2010/2011 Chamwino District Council under ASDP contracted works and services worth Shs.117,388,824 to Suppliers/Contractors and charged 18% VAT of Shs.18,128,072 on goods/services exempted from VAT under loan agreement. Sect. 9.2.2 of MOU, gives exemption to all eligible expenditures for goods, works and services financed by ASD The District Council Management should ensure that the VAT of Shs 18,128,072 paid is recovered. • During the year under review the Council closed the account with Unretired imprest of Shs 19,672,500.The retirement particulars are yet to be submitted for audit purpose. • Expenditure amounting to Shs.5,400,000 was charged to wrong expenditure item. In the absence of proper classification of items of expenditure, audit could not ascertain the correctness and propriety of the expenditure incurred. • The Council has unspent amount of Shs.161,354,000 implying that projects were either partly or completely not Implemented.
9	**KINONDONI MC**
	• Un construction of irrigation Dam at Madale Shs.31,573,690.00. During the year, under review the Council made payment of Shs.7,928,000 without proper supporting document contrary to Reg.95 (40 of PFR 2001 revised 2004.

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	• Payments amounting to Shs.14,344,938.00 were made to various payees in respect of imprest for various expenses. Retirement particulars were not made available when requested for audit examination. • Payment amounting to Shs.17,391,460 were made to Madale Youth Settlement in respect of Rehabilitation of the Dam. Audit team visited the site on November 2011, and found that the project had not been implemented.
10	**KWIMBA DC**
	Poor workmanship on rehabilitation and partitioning of Ngudu Agriculture and Livestock office worth Shs.9,411,000. The walls of the building have developed large cracks.
11	**IGUNGA DC**
	Funds amounting to Shs.31,120,000 were not acknowledged by villages' governments. The Council has yet to confirmed accountability of the fund.
12	**LIWALE DC**
	• There was unspent balance of Shs. 486,300,202.19 • Works shown on BOQ worth Shs.200,094,880 were not executed. • Scrutiny of the contract documents revealed that Shs 5,538,100 being liquidated damages were not imposed to the contractors for the delayed completion of the contract works contrary to Section 119 (1) (a-b) of the Public Procurement Regulation of 2005.
13	**MAFIA DC**
	• Payments amounting to Shs.2,093,250 were made to various suppliers for procurement of building materials and tables at Kirongwe cattle Dip, at Kiegenani which were neither included in the

	procurement plan nor in the budget for the year. • Payments amounting to Shs.1,395,500 were made to various suppliers to purchase goods and services without inviting competitive quotations contrary to Regulation 68(4) of the Public Procurement (Goods, works, Non-Consultant Services and disposal of Public Assets by tender) Regulations, 2005. • Payments amounting to Shs.1,032,936 relating to procurement of works, goods and services were made to Non-approved suppliers contrary to the PPA 2004 section 35 (b) and (c) and no quotations were made from three different sources as required by Regulation 59 and 68(4) of the Public Procurement Regulations, 2005.
14	**LINDI MC**
	• Payment amounting to Shs.11,534,717.00 were not adequately supported by relevant documents contrary to the order no. 5(C) of LAFM of 1997 and REG. 95(4) of Public Finance Regulation 2001 (Revised 2004) • According to the Order No. 134, safari or Special Imprest must be retired within two Weeks after the Officer has returned from the Journey or completed an activity for which the Imprest was issued. Contrary to that, we found Imprest amounting to Shs. 2,500,000 which had been outstanding for a long time without being retired.
15	**MPANDA TC**
	• Payments totaling Shs.4,396,500 were not supported by relevant documents contrary to Order No 5(c) of the Local Authority Financial Memorandum (1997) stipulate. • Payments amounting to Shs.3,990,500 was paid to employees of the Council for purchase of Plumbing materials for water installation at Misukumilo

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	auction market instead of being paid direct to suppliers contrary to Order No. 250 of Local Authority Financial Memorandum (1997).
16	**MPANDA DC**
	• Payment vouchers and other related documents disclosed expenditure of Shs.975,000 made without supporting documents to justify the nature of the trip including invitation letter. • The Council paid training allowances of Shs.1,020,000 twice to an officer who had been sponsored by European Union. At the same time the officer was paid using ASDP funds. Refunds have not been made. • Expenditure amounting to Shs.2,565,000 were incurred by DED Mpanda for Nanenane and supervision of Agricultural projects. However, there were no acknowledgement receipts or signed pay sheets from payees. • Cash in transit amounting to Shs.2,897,000 is still lodged in the bank account. • The imprest amounting to Shs.2,000,000 was not posted in the Imprest Register and the retirement particulars were not made available for audit verification contrary to Order No.134 LAFM of 1997.
17	**MBULU DC**
	The Council has not yet prepared the strategy and action plan for implementing Kilimo Kwanza activities as directed in the framework of the ten pillars.
18	**MASWA DC**
	• Payment vouchers together with their supporting documents worth Shs. 5,989,100 were missing. • The nine (9) motor cycles worth Shs. 34,145,910 were charged under expenditure code No. 27503

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	which is the code for fuel and lubricants contrary to Order No. 4, 27, 29 and 32 of the Local Authority Financial Memorandum, 1997. Till the end of this audit no adjustment on cash book was made. Misstatement is possible in the items of expenditure for supplies and consumables as well as noncurrent or capital expenditure. • Review of ASDP implementation reports for the year 2010/2011 and project visit conducted by the audit team revealed project activities worth Shs.178, 592, 000 were not timely implemented. There was delay in disbursement of funds to the respective Village accounts.
19	**MBARALI DC**
	• Missing payment vouchers worth Shs.1,710,600 • Incompleted projects worth Shs.267,029,000. • Statement of Capital Expenditure and its financing understated by Shs.2,249,999.
20	**MOSHI MC**
	Unimplemented activity amounting to Shs.7,103,766.
21	**MWANZA CITY COUNCIL**
	• The Council has not yet implemented previous year's auditor's recommendations Shs.184,887,828 • Delay in submission of the Financial Statements for audit purpose • Payments were not supported with supporting documents and implementation reports the sum on question was Shs.6,220,000 • Construction of FSA Buhongwa Saccos worth Shs.20,000,000 and one slaughter slab at Igombe amounting to Shs. 5,000,000 were not completed. • Unretired Imprest amounting to Shs.2,450,000. • Delayed Procurement of Six Power Tiller Tractors and one Motorcycle worth Shs. 69,909,680.
22	**MOSHI DC**

	• Activities worth Shs.1,452,500 had no budget provisions from the ASDP funds which is contrary to Order No 49 of LAFM that requires expending funds only to the specific purpose for which funds were intended. • There was a misstatement aggregating to Shs.3,300,000 in Supplies and consumables . • The Council paid a total amount of Shs. 1,283,000 in respect of various transactions which were classified into wrong expenditure codes. • Unretired imprest worth Shs. 600,000
23	**MONDULI DC**
	• The Council has not yet prepared the strategy and action plan for implementing Kilimo Kwanza activities as directed in the framework of the ten pillars. • Unspent balance of grants- Shs.12,574,717 • Unutilised farmers resource centers worth Shs.78,854,336 • Contrary to Order No. 46 of LAFM (1997). Shs. 7,500,000 was paid as tuition fees and research expenses for one officer though he was not included in the training budget for the financial year 2010/2011.
24	**MERU DC**
	Payment vouchers totalling Shs.18,480,491.97 were paid apparently without proper supporting documents.
25	**MUFINDI DC**
	• Unspent balance amounting to Shs.993,696,250.16 • Unbudgeted expenditure worth Shs.9,000,000 • The statement of expenditure to support activities worth Shs.641,634,000 from village groups was not produced for audit verification.

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26	**MEATU DC**
	• There were unutilized funds amounting to Shs. 47,032,229 • Payments totaling to Shs.11,143,400 were not supported by relevant documents contrary to Order No 5(c) of LAFM 1997. • No evidence was provided to prove that Shs.1, 712,950 was refunded to DASIP account. • Unrefunded loan of Shs. 3,800,000 issued to community groups for purchasing power tiller. • The cattle dip rehabilitated for Shs. 9,000,000 was not in use. • Procured 6(six) milling machines worth Shs.18,000,000 were not delivered.
27	**NZEGA DC**
	• Procured power tiller for Wella Village costing Shs. 8,115,800 was not issued to the respective Farm Group. • Uncertainty on distribution of 17,000 subsidized vouchers for cotton seeds and fertilizer. • The Council paid Shs. 5,441,000 to various suppliers not registered under GPSA framework for acquiring different goods and services.
28	**ROMBO DC**
	• Activity reports worth Shs10, 070,000 were not produced. • Payments amounting to Shs.30,086,700.00 for procurement of works, goods and services were made to non-bidders contrary to the PPA 2004 Sect 35 (b) and (c).
29	**RUANGWA DC**
	• Projects worth Shs. 79,479,000 were not completed. • Construction of Resource center at Narungombe ward worth

	Shs. 7,598,000 was not completed. • Construction worth Shs.16,922,000 of the agriculture resource centre have not yet been completed. • Payment amounting to Shs.5,630,000.00 were made without proper supporting documentation contrary to Order No. 5 (c) LAFM 1997,
30	**HANDENI DC**
	Payment made without budget provision worth Shs. 19,200,000. Rehabilitation of DALDO's Office has not yet commenced since July, 2010. **Incomplete contracts** The Council has not yet realized benefits from the use of charcoal dams and livestock auction in the following contracts:- • Michungwani charcoal dam (Lambo) worth Shs.40, 000,000 was not sustainable. • Rehabilitation of charcoal Domat Kwamkono village worth Shs.15,377,500. The charcoal dam has never been in use since 2008/2009 • Construction of Livestock Auction at Mkata worth Shs.78,996,189. The contractor failed to execute contractual obligation hence terminated for abandoning the site since 20th March, 2011
31	**MKURANGA DC**
	• Vehicle was repaired by private garage repair works instead of TEMESA contrary to Sect. 59(4) of the PPA of 2004 and Order No.342 of LAFM of 1997. • No fuel ledger and records were maintained contrary to Order No.329 of LAFM. • Planned activities worth Shs.34,723,200 which were to be implemented during the period under review were not yet completed. • A total of Shs.33,785,480 was paid out for procurement of stationery and boreholes for

	drilling works without being approved by the Council's Tender Board. • The Council paid a sum of US 6,240 equivalent to Shs.10, 747,952 to settle outstanding internet expenses covering the period from June, 2009 to June, 2010. (US 480.00 per month). No approval of the Council Tender Board or/and authorization from Finance committee was obtained for such service contrary to procurement Regulations No. 63 (1) of 2005 and The Local Government Authorities Tender Boards (Establishment and Proceedings) Regulations, 2007
32	**DODOMA MC**
	• Statements of comparison of budget and actual amount by nature disclosed instances of short release of funds amounting to Shs. 335,535,736. • Payments amounting Shs.39,608,000 were paid without being approved by the Council Tender Board contrary to Regulation 18(d) of the Council.
33	**IRINGA DC**
	No action was taken by management to recover reported loss of Shs. 2,208,000
34	**ILEJE DC**
	• The Council paid amount of Shs.6,315,000 as imprests for procurement of fuel contrary to Sect. 128 of LAFM 1997 and Sect. 44 of PPA of 2004 which require such procurement to be done by the PMU. • Management spent a total Shs.6,835,000 for paying night out allowances for travelling to difference places without relevant supporting documents from the respective payees'.

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35	**KAHAMA DC**
	• Payment of Shs. 3,460,000 had been made for procurement of hulling machine and milling machine. The machines have not been installed. • The Council paid M/s Agriculture Seed Agency a total of Shs.7,150,000 in respect of supplying certified seeds. There was no utilization account of the certified seeds contrary to Order No.223 of Local Authority Financial Memorandum 1997. • A Payment of Shs.950,000.00 lacked supporting documents contrary to Order No 5 (c) of LAFM, 1997. • Implementation report show that, projects activities valued at Shs.95,788,000 had not yet started and status for projects valued at Shs.161,365,982 were below 20% of the target .
36	**KIBAHA DC**
	The expenditure for the year included unsupported payments worth Shs. 2,210,000 contrary to Order No. 5 (c) of the LAFM 1997.
37	**KIGOMA DC**
	Out of Shs. 414,784,000 only Shs.321,900,000 was confirmed to have been transferred to investment activities. Shs.92,884,000 had not yet been disbursed to respective beneficiaries at lower level.
38	**KILOLO DC**
	• Powertillers worth Shs.12,000,000 were not procured. • The Council through DADPS transfered Shs.4,119,100 to Mbigiri village for procurement of approved quality onions seeds. However, up to the time of this audit the quality seeds of onions were not procured.

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39	**KILWA DC**
	Non reconciliation of unspent balance of Shs.157,364,911.74 with backlog activities worth Shs.22,499,983 reflected in physical performance report.
40	**LUDEWA DC**
	• Unspent balance of Shs.890,304,41 Indicate that some ASDP planned activities were not implemented. • The Council set aside Shs.166,074,800 for the procurement of 4 tractors. However, up to November, 2011 the tractors had not yet been delivered.
41	**KISHAPU DC**
	The expenditure for the year included unsupported payments worth Shs. 1,170,000 contrary to Order No. 5 (c) of the Local Authority Financial Memorandum of 1997.
42	**KASULU DC**
	• Inter account transfer of Shs.13,500,000 were not recovered up to the end of the year. • The Council incurred expenditure amounting to Shs.14,267,400 on activities which were not in the approved budget. • The Council incurred expenditure of Shs.4,775,000 without adequate supporting documents contrary to Orders No. 368-369 of the Local Authority Financial Memorandum (1997). • Payments adding to Shs 30,000,000 were not correctly classified in their proper items of expenditure. • The Council made payments amounting to Shs.54,889,000 without indicating the respective expenditure codes. Therefore, the financial statements were misstated due to wrong classification and allocation.

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	• Unutilized funds transferred to villages – Shs.141,937,000
43	**KOROGWE DC**
	Imprests amounting to Shs. 2,241,000 were not recorded on the Imprest register.
44	**KOROGWE TC**
	The construction of Ngombezi Farmers resource centre worth Shs.36,198,934 was delayed for more than 9 months up to 20/9/2011 despite the related project funds being timely credited to the implementing committee's bank account thus denying the benefits of the centre to the community.
45	**LUSHOTO DC**
	• Wrong classification of expenditure codes w Shs.20,474,560 • Unimplemented project worth Shs. 16,000,000
46	**MAKETE DC**
	• In completed construction of two irrigation schemes – at Luwumbu and Mfumbi due to late release of fund – Shs. 230,000,000 • Rehabilitation of 2 farmer's training centre at Mfumbi & Iwawa costing Shs. 8,650,911 and promotion of dairy cattle production worth Shs. 11,250,000 have not been implemented. • There was unspent cash balances of Shs.157,790,046 for backlog activities in the year.
47	**MASASI DC**
	• Ndanda irrigation scheme worth Shs.300,000,000 **not** completed at the time of writing this report. • Unretired imprest amounted to Shs. 2,440,000
48	**MISENYI DC**
	Some projects which were supposed to have been

	implemented under the ASDP Programme for the year ended 30th June, 2011 were not yet done, and some were constructed with poor workmanship.
49	**MPWAPWA DC**
	• The Council had outstanding Imprest amounting to Shs.4,551,500 contrary to the requirement of financial regulations. • The Council purchased power tiller for Shs.9, 149,000. However, the payment was not supported by acknowledgement receipt from the supplier.
50	**MUSOMA MC**
	• There was a short release of funds from Treasury hence, ASDP activities valued at Shs.8,269,000 were not completed during the financial year ended 30 June, 2011. • Procurement of services and goods worth Shs. 16,706,100 were done without calling for competitive quotations contrary to Order 253 of LAFM 1997 which prohibits biased procurements.
51	**NACHINGWEA DC**
	• Activities amounting to Shs.608, 988,800 were not completed. • Procurement amounting to Shs. 3,140,000 for goods and services which were not in the procurement plan as required by section 45 of the public procurement Act of 2004.
52	**NJOMBE DC**
	• We noted misstatements of Shs. 253,686,413 when comparing amount recorded on supplies and consumable in the previous year financial performance as Shs.1,154,778,138 and that of Shs.901,091,725 shown in note No. 18 to the financial statement making a difference of Shs. 253,686,413. • There were unutilized funds amounting to Shs.54,507,812 equivalent to 7% of the total funds

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	during the year which implies that planned activities of the same magnitude were either partially implemented or not implemented at all.
53	**NKASI DC**
	• The Council had unspent balance of Shs. 940,698,939 equivalent to 45% of the total funds for ASDP activities which implies delays in delivery of the expected benefits to the community. • Stores worth Shs.408,770 were not recorded in stores ledger. • There were delays in completion of staff house and warehouse worth Shs.35,386,400 and Shs.94,500,000 respectively.
54	**RORYA DC**
	Unrecovered salary advance of Shs.530,000 paid to new employees.
55	**SERENGETI DC**
	• Incomplete activities worth Shs. 515,015,000 During the year, the Ministry of Finance did not disburse Shs. 448,958,000 to the Council.
56	**SHINYANGA MC**
	• The previous years' auditors recommendations valued Shs. 313,245,450 were not implemented. • There was unutilized funds amounting to Shs. 24,364,192 • Payments totaling Shs. 3,510,000 were not supported by documents contrary to Order No. 5 (c) of the LAFM (1997). • Physical verification on planned project carried out at Mwamalili Irrigation Scheme revealed that parts of irrigation canal collapsed, hence water was diverted to the unintended areas for irrigation.

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57	**SIHA DC**
	• The Council released Shs. 29,090,000 to Makiwaru Village for the construction of fence at Ngaritati Charcoal dam. However during the site visit on 4th November, 2011, we observed that construction was completed as planned but surprisingly, the fence had been destructed by the villagers, hence no benefit was received by the intended community. • The Council planned to implement 25 activities worth Shs.328,284,000 through ASDP Fund. However 11 activities were implemented amounting to Shs.211,863,054.00, leaving 7 activities partially implemented and 7 other activities were not implemented at all.
58	**SINGIDA DC**
	• The Agriculture and livestock department has 45 staff who are not enough to meet the standard requirement. According to the scheme of service of 2011/2012 given by the District Human Resource Officer (DHRO) shows a deficit of forty five staff (45) of different expertise and this hinders the achievement of Kilimo kwanza policy.
59	**SINGIDA MC**
	The Council undertook a borehole construction project worth Shs.20,640,000 which tested unproductive after completion thus rendering the value paid as nugatory to the Council.
60	**SONGEA MC**
	• Procurement made from unapproved suppliers worth Shs. 1,550,000 • Improperly authorized expenditure of Shs. 2,078,300 • Expenditure charged on wrong GFS codes worth Shs.6, 063,750

61	**TABORA DC**
	• The Council is facing a problem of under satisfying of compared to the requirements. The establishment personnel shows that Tabora District Council has a requirement of 270 staff in Agriculture department while only 29 are available which is equivalent to 11%. • Projects worth Shs.78,934,395 were completed but not put into use as intended.
62	**SENGEREMA DC**
	• No comparative financial statements (2009/2010) were presented in financial statements for the year ended 30th, June, 2011. • The Council authorized and effected payment to the tune of Shs.56,023,500 which were not in the approved budget. • Transfer of fund amounting to Shs.9,314,000 for construction of toilet building was not utilized.
63	**SHINYANGA DC**
	• Expenditure amounting to Shs. 4,780,000 has been charged to a wrong accounting GFS codes. • Activities worth Shs.97,584,167 which were planned for the financial year 2010/2011 were not implemented, • There was no specific quarterly internal audit reports issued on activities undertaken through Agricultural Sector Development Programme (ASDP) within the District. • There was no formal evidence to confirm whether the authority was obtained for not to incorporate the grants of recurrent nature in respect of unspent balances for the previous year amounting to Shs.56,398,617 to form part of the original budget.
64	**SIKONGE DC**
	• Activities of Shs.31,969,498,were performed bellow 50% • The Council has inadequate number of staff in the

	Agriculture Sector. • The completed irrigation scheme worth Shs. 117,854,234 was not in use for the reason that the irrigation is within the National reserve area.
65	**SUMBAWANGA DC**
	• Unsecured Loans from DADPs account, adding to Shs. 335,375,000 were advanced to the District Executive Director and other SACCOS/Groups to carry out development activities. The amount has not yet been repaid DADPs account. • As part of the Council's internal control, a separate internal audit report in respect to development projects was not issued in the year.
66	**SUMBAWANGA MC**
	Katumba Ward Agriculture Resource Centre worth Shs. 19,586,000 was not completed.
67	**TARIME DC**
	Incomplete activities worth Shs. 55,171,590
68	**TANGA CC**
	Expenditure amounting to Shs. 18,306,601.17 was not supported by its relevant supporting documents contrary to Order No.5 (c) of the LAFM (1997).
69	**UKEREWE DC**
	• There was unspent balance of Shs. 104,563,096.30
70	**TEMEKE MC**
	• Unused Poultry slaughter slab at Zakhem worth Shs. 10,000,000 • Sub-standard work on the construction of fish pond at Rufu- Chamazi worth Shs. 5,300,000 • Unused power tillers at Kisarawe II worth Shs. 5,700,000

71	**URAMBO DC**
	• Non budgeted expenditure amounting to Shs. 98,000,000 • Payments made without being Pre-audited amounted to Shs. 4,445,000 • Power tiller worth Shs. 4,679,500 has not been delivered to the targeted group.
72	**MBOZI DC**
	• The ASDP Fund audited report has not been tabled to the Councilors and publicized publicly. • A total of Shs. 3,692,000 was paid as VAT charges on 13 power tillers for agricultural equipment which are exempted from VAT contrary to Sec 10(13) of VAT Act of 1997. • Incomplete projects worth Shs. 251,657,840
73	**MISUNGWI DC**
	• Expenditure amounting to Shs.16,912,000 being allowances paid to various staff for implementation of agricultural activities for which no activity reports were prepared to justify the expenditure incurred. • Transfers of Shs.46,400,000 to Participatory Farmers Groups through villages Account were not confirmed to have been received by the intended beneficiaries • A sum of Shs.4,000,000 was paid to the supplier of rice seeds (LIZARD-UKIRIGURU), however we could not justify the accountability of the same due to the absence of the distribution lists.
74	**MTWARA MC**
	The Council procured five (5) power tillers for the purpose of distributing them to the community groups. However, as at the time of audit, only one power tiller was already issued to WAKIMINA Group. The remaining 4 power tillers were at Municipal Council yard being kept idle.

(c) Councils issued with qualified Opinion

29 Council's (22%) out of 132 Councils audited in the year in question were issued with Qualified Opinions as shown in Table 32 below:

Table 32: Councils issued with qualified Opinion

1	**CHATO DC**
	• Advance payment amounting to Shs. 2,600,000 has been not yet repaid to ASDP funds. • Expenditure amounting to Shs.5,425,000 made by the Council from ASDP account was charged to wrong (GFS) codes. • Payments amounting to Shs.113,439,730 were made by the Council in respect of two ASDP activities which were not budgeted for in the financial year 2010/2011. • Transferred funds amounting to Shs.48,600,000 to low levels for implementation of various ASDP development activities were not supported by activity reports.
2	**ARUSHA DC**
	• Included in the expenditure is Shs.47,823,800 insufficiently supported by proper documents contrary to Order No. 5 (c) of LAFM 1997. This is audit scope limitation. • Order 207 of the LAFM (1997) requires the record of receipts, issues and physical balances of each item of stores to be recorded in a separate page of the store ledger. However, contrary to the above order, it was noted during the year under review goods worth Shs.1,710,000 were ordered and paid for but were not recorded in stores ledgers.
3	**BABATI DC**
	• Non disclosure of non-current assets in the Statement

	of financial position although the Council owns non current assets which were procured by using DADPS fund. Such assets include motor vehicles, motor cycles, computers and godowns. • Ineligible expenditure from ASDP Account worth Shs.12, 396,500.00. • A total amount of Shs. 248,000,000 was transferred to different wards for development activities at lower level. There were no acknowledgement receipts issued to acknowledge the receipts of the amounts in question contrary to Order No.5 (c) of the LAFM (1997.
4	**BUKOMBE DC**
	• The Council's audited closing balance as at 30th June, 2010 was Shs.401,880,257 whilst the opening balance as at 01st July, 2010 disclosed in the statement of receipts and payments submitted along with financial statements was Shs. 74,898,915. Thus registering an un-explained differences of Shs. 326,981,342. That means total fund available during the year reported in the statement of receipts and payments was understated by the same amount. • Payments totaling to Shs.9,051,000 were not supported by relevant documents.
5	**KONDOA DC**
	• There is misstatements aggregating to Shs 529,533,707 in the working capital (the statements of cash flows) • The expenditure for the year included unsupported payments worth Shs.107,175,000 contrary to Order No.5I of LAFM (1997) • Several expenditure items and transfers amounting to Shs.44, 377,000 were charged to wrong expenditure GFS code. Financial Statements may be misstated due to wrong codification. • The opening balance and closing balance of

	accumulated depreciation are different and rates of depreciation used are incorrect. • Receivables and Prepayments understated by Shs. 42,919,621 Understatement of receivables and prepayments may cause understatement of current asset • Accumulated depreciation is overstated by Shs.5,603,782 • Net cash from operating activities is overstated by Shs. 529,533,707.46
6	**TABORA MC**
	• Payments of Shs.16,957,200 were made without supporting documents. • Transfer payments to villages and wards to the tune of Shs.31,563,500 were not acknowledged. • Deferred payments of Shs.4,069,500 were effected during the year without authority. • Transfer of Shs. 20,000,000 were not confirmed to have been credited into INALA VILLAGE ACCOUNT. • Cattle dip worth Shs.22,324,100 have not been constructed at INALA village.
7	**MAGU DC**
	• Payments amounting to Shs.8,564,000 were missing from their relevant batches. We could not establish the occurrence, completeness and validity of the payments made, hence limiting the scope of audit. • The Council erroneously transferred Shs.53, 682,000 from Development Account No.3121200002 to Account No.3121100015 which is being maintained by Council School Inspection instead of the proper Account No. 3121000015 of the District Agricultural Development Plan's (DADP's). The money has not yet been paid back to DADPs Account. • There was unnecessary delay for effecting procurement of the Project Vehicle as a result the targeted objective of improving the working

	Environment of extension staff by 50% was not achieved. A sum of Shs.110, 000,000 was budgeted for this activity. • Participatory farmers' group fund amounting to Shs, 18,800,000 has been not transferred to respective groups since 16/02/2011, when the Council received the fund from DASIP-PCU Mwanza, However, up to the time of Audit 15/08/2011 the amount pointed above was yet to be transferred to respective groups. • Expenditure amounting to Shs.16, 030,950 was made from DADP'S fund for meeting expenditure which was not budgeted without getting prior approval from the proper authority.
8	**LINDI DC**
	Statement of financial position denotes an understatement of opening balance that has resulted into an over drawn amount of Shs.172,773,998.82 due to existence of mixed up items of expenditure in ASDP funds.
9	**LONGIDO DC**
	• Some of expenditure incurred amounting to Shs 4,770,000 was not sufficiently supported contrary to Order No. 5 (c) of LAFM 1997. • Payments amounting to Shs.14,193,750 were not recorded in cash book contrary to Regulation No. 79(1) which requires every Accounting Officer to ensure that his accounts are properly maintained and are correct at all times. • The Council had previous outstanding matters amounting to Shs. 60,084,762.00. This may lead to the recurrence of anomalies observed by the auditors in subsequent financial years. • Shs.1,536,000 were made for the purpose which were not intended contrary to Order No. 49 of LAFM. • Order 207 of the LAFM (1997) requires the record of receipts, issues and physical balances of each item of

	stores to be recorded in a separate page of the store ledger. However, contrary to the above order, we noted that goods worth Shs.2,874,000 were ordered and paid for but not recorded in stores ledgers.
10	**MUSOMA DC**
	• Missing supporting documents for the payments made amounting to Shs. 265,806,000. • Unused agricultural input vouchers worth Shs. 110, 624,000 were not returned to RAS Mara. • ASDP activities worth Shs. 167,757,000 remained incomplete during the financial year ended 30 June, 2011.
11	**MVOMERO DC**
	• Payments amounting to Shs. 55,169,871.6 were not supported by relevant documents contrary to Section 45 subsection 5 of the Local Government Finance Act No. 9 of 1982 (revised 2000). • Activities amounting to Shs. 77,515,000 were not evidenced to be implemented while funds were allocated to the respective activities and ASDP account was closed with favorable balance. • Payment of Shs. 2,000,000 to DED Mvomero in favor of loan to groups of people with HIV subject to be refunded in ASDP funds. However, there is no evidence that those funds were refunded and there is no information provided related to the refund of the money. • Accountability particulars such as issue vouchers and motor vehicles log books were not produced to confirm the final utilization and accountability of the diesel 1000 litres worth Shs.2,100,000. • Payments amounting to Shs.5,969,640 were made to DED Mvomero for the procurement of various goods and services. The payments were noted to have been made by cash instead of using normal procurement procedures as a result the following procurement

	regulations were not complied: • Regulation 23(a) of Local Government Authorities, Tender Boards (Establishment and Proceeding) Regulations 2007 requires PMU to manage all procurement activities of the Council except adjudication and the award of contract; to the contrary, these procurements were not routed and or managed by PMU. • Regulation 71(d) of Public Procurement Regulations of 2005 and Order 250 of LAFM 1997 requires that all goods, materials or services supplied to or works executed for the Council shall be ordered or confirmed in writing by an official Local Purchase Order. To the contrary the Local Purchase Order was not raised whereby approval of which confirm the availability of fund. • Regulation 76(2) of PPR of 2005 and Order 253 of LAFM 1997 requires that written quotations shall be obtained wherever it is practicable to do so. To the contrary quotations were not raised instead payment made in form of cash. • Contrary to Order No. 223 of the Local Authority Financial Memorandum (LAFM) 1997, the Council paid an amount of Shs. 23,249,397 for the purchase of goods/services to achieve different intended purposes in the District which were not evidenced in audit to have been accounted for due to the fact that there were no ledgers quoted in the Local Purchase Orders nor the Payment vouchers.
12	**MOROGORO DC**
	• A scrutiny of Note 23 Cash and cash equivalent and notes 17, 18, 19 and 20 of the Financial statements revealed that the closing balance as at 30th June, 2011 was under stated by Shs 868,109,210. • Statement of Cash flow disclosed surplus of Shs. 1,315,950,825 instead of Nil as the remaining amount of recurrent grant had been deferred under current

	liabilities. • The Council did not prepared schedules to support additions of noncurrent asset acquired during the financial year 2010/2011. • The Council did not prepare the Statements of Capital expenditure and it's financing to show the amount of capital expenditure received.
13	**MKINGA DC**
	• Development grants received under financing activities disclosed Shs. 427,318,372 while in the capital expenditure and its financing disclosed Shs. 417,756,984.56 resulting into a difference of Shs. 9,561,387.44 • Misstatement of Shs. 392,442,837.36 in capital expenditure and its financing due to errors in reporting as Shs. 316,753,915.49 while the correct figure is Shs. 709,196,752.85 • Deferred income (Recurrent Grants) in the statement of financial position is overstated by Shs.1,715,700.
14	**MWANGA DC**
	• In the year under review, the Council's management reported a total expenditure of Shs.152,933,125 in the statement of receipts and payments. However it has been revealed that the Council had spent Shs. 163,782,435 for ASDP fund activities resulting in unreconciled difference of Shs. 10,849,310 • Failure to implement previous years' auditors recommendations valued at Shs.104,472,920. The attitude of not responding to the auditor's observations and recommendation may lead to the recurrence of anomalies observed by the auditors in subsequent financial reporting years. • Destruction of the renovated Kokoto Charco Dam-Kirya Village valued at Shs.16,117,000 by village community.

15	MOROGORO MC
	• Morogoro Municipal Council did not prepare financial statement according to the requirement of IPSAS's. Some of the figures disclosed in the financial statements do not have explanatory notes thus it was difficulty to verify the validity and accuracy or to establish how the figures were derived at. • Section 43 (5) of the Local Government Finance Act No.9 of 1982(Revised on 2000) States that "Where the Local Government Authority approves the annual budget or supplementary budget as a whole, the budget as approved shall be binding on the Local government authority, which shall confine its disbursement within the items and amounts contained in the applicable estimates as approved". To the contrary expenditure amounting to Shs.11,854,793 has been charged to a wrong GFS account codes. • Order No. 5(5) of LAFM (1997) requires that, all payments should be properly supported by relevant documents. However, during audit we noted that the Council through ASDP account made payment of Shs.7,227,851.65 to various payee without adequate supporting documents such as acknowledgement receipts • The Municipal Council planned to implement various development activities under ASDP basket fund However, to the end of financial year 2010/2011, activities worth Shs. 31,519,000 were not implemented • A sum of Shs.1,800,000 was advanced to other accounts from DADPs Account. As of the date of this report there is no evidence produced to justify the refund to DADPS account. • The power tiller worth Shs. 4,500,000 was bought directly from M/s Tractor Ltd upon submission of pro forma invoice No.0210-10 of 4/8/2011 contrary to regulation 80(2) of the PPR of 2005 which requires

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	the procuring entity to invite suppliers, contractors, service providers or asset buyers to submit priced offers for the supply of the goods, undertaking the works, provision of services required or buying assets to be disposed off.
16	**ULANGA DC**
	• A total amount of Shs.1,067,884,000, being grants received for capital expenditure, was not reflected in the Cash flow statements under cash flow from financing activities. • Delayed transfer of Development account Funds to ASDP Account amounting to Shs.1,555,663,000. • Expenditure debited to wrong account code was worth Shs.3,035,000. Quotation was made to un approved supplier amount to Shs.1, 625,000.
17	**HANANG DC**
	• Hanang District Council operates one consolidated bank account -development account- whereby funds from different sources for ASDP activities including the Health basket fund, WSDP and Development are maintained. The closing balance as per cash book at the year end could not be ascertained thus hindering the Council's ability to produce the actual balance for ASDP Account. I could, therefore, not determine whether the reported balance was accurately captured and included in the financial statements. • Payments amounting to Shs.23,604,500 lacked supporting documents contrary to Order No. 5(c) of the Local Authority Financial Memorandum 1997. • Diesel worth Shs. 10,406,400 was issued to different Councils' motor vehicles as per ledger folios quoted but the same was not recorded in vehicles log sheets contrary to Reg No.276 (2) of the Public Finance Regulation of 2001 and Order No.329 of LAFM of 1997.

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18	**KARAGWE DC**
	• The Council did not prepare financial statements which are compliant with the adopted reporting framework (i.e IPSASs and MoU of ASDP). • Cash and cash equivalents for DASIP (Shs. 78,464 as reflected under Note 24 to the general report) which are part of ASDP programme were not included in the statement of financial position as well as in cash flow statements as at 30th June, 2011 instead, the Council reflected only Shs. 133,081,349 in respect of DADP account. • Shs. 30,000,000 which was transferred to Deposit Account seems to have been used for purposes other than the intended one due to the fact that Misc. Deposit Account as at 30th June, 2011 closed with a balance of Shs. 1,306,965.20 indicating that the funds set aside for purchase of motor vehicle had already been spent.
19	**KARATU DC**
	Payment amounting to Shs. 129,667,068 was not adequately supported by relevant documents contrary to Order No. 5(C) of LAFM of 1997 and REG. 95(4) of Public finance Regulation 2001 (Revised 2004). • Delay completion of the targeted projects for funds disbursed Shs.700,000,000 • Delay in completion of construction of Resources Centre (WRC) worth Shs.47,731,540 • Power tillers and their accessories purchased and paid for were neither registered nor coded. 20,148, 000 • Projects performed below standards and were not completed. These were worth Shs.6,000,000
20	**KILOSA DC**
	• There was misstatement of opening balance in cash and cash equivalent amount to Shs. 101,766,624

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	• Applied capital grant not disclosed in the statement of financial position Shs.7,972,105.56 • A total amount of Shs.50,000,000 was transferred from DADPS A/c No.2181200034 to General Fund A/c No.2181200001 as loan. The amount has not yet been repaid back to DADP's account. • The stationery items ordered and paid for worth Shs. 6,810,606 were partly or not supplied to the Council.
21	**KITETO DC**
	• Shs.124,485,037 was transferred to village for facilitating implementation of the projects. However, it was uncertain whether the money was received to the respective villages as acknowledgement receipts were not produced for audit verification. • Payment vouchers worth Shs. 37,169,000 were not made available for audit contrary to Orders No. 368 and 369 of LAFM therefore authenticity of the expenditure could not be ascertained. • Payment worth Shs.33,353,000 were made without being supported with proper supporting documents contrary to Order No. 5(c) of LAFM (1997). In the absence of proper supporting documents the authenticity of the expenditure to stand as proper charge to the Council could not be ascertained. • A sum of Shs.1,622,400 was overpaid to a contractor and has not been recovered yet. • Stores worth Shs.1,000,000 were ordered and paid for but it was not confirmed to have been received by the Council as they were not taken on ledger charge.
22	**RUFIJI DC**
	• The expenditure for the year included unsupported payments worth Shs. 30,180,420 in terms of inadequately supported payments – Shs.14,121,000 and missing payment vouchers Shs.16,059,420 contrary to Reg. 95(4) of the Public Finance

	Regulations of 2001 (revised 2004). Therefore, it was not possible for the audit to ascertain its propriety as a proper charge against public funds. • Notes on final financial statements (Note no 18) for deferred income shows that Shs. 389,621,869 as opening balance for the year while actual amount would have been Shs. 482,961,535. This led to improve to underreported the amount of Shs. 93,339,666 which must also affect the carrying amount at the year end by the same amount.
23	**RUNGWE DC**
	• Section 40 of the Local Government Finances Act 1982, requires every Local Government Authority to prepare its financial statements for each financial year, as at the end of the financial period. This will give a true and fair view of the states of affairs at that period. Notes to financial statements have not been prepared. These notes are part of the financial statements. • Audit scrutiny of the medium term expenditure and the quarterly reports, revealed that an amount of Shs. 7,981,500 were spent over the approved budget. The approved budget for the nanenane activities were made through code no 22105,221404 and 410903 amounting Shs. 8,913,000 while the actual amount spent was 16,894,500 leading to variation of Shs. 7,981,500. • VAT amounting to Shs. 5,171,040 was included in some exempted products and activities contrary to sec 10(13) of VAT Act of 1997 on Agriculture Implements. • Goods purchased and paid for but not accounted for in the Stores Ledger amounted to Shs. 14,869,400 contrary to Order No.207 of the Local Authority Financial Memorandum (1997).
24	**SONGEA DC**
	• Payment vouchers worth Shs. 6,088,267 recorded in the cash book were not produced for audit scrutiny

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	contrary to section 45 (5) of the Local Government Finances Act of 1982. Also, payments totalling to Shs. 147,437,000 were not supported by relevant information/documents. • An audit test made on imprest system for the year revealed the following shortfalls related to their issuance and retirement: • No specific approved limit of imprest whether safari or special imprest as per requirement of Order No.132 of Local Authority Financial Memorandum, 1997 (LAFM) • Imprests were not recorded in the imprest Register for proper control and follow up. • Imprest application forms did not indicate the applicant's outstanding balance at the time of lodging the application and there were no the comments by the Imprest ledger Holder show whether the applicant has any outstanding imprest or not. • Retirement particulars for imprest worth Shs. 9,127,000 were not produced for audit which implies that there were still outstanding and no measure had been taken to recoup the paid sum as per Order No.134 of LAFM.
25	**TUNDURU DC**
	• In the year under review the Council disclosed the cash and cash equivalent balance as Shs.42, 295,134 instead of Shs.268,987,696 leading to a difference of Shs.226, 692,562. The errors have not been corrected. Consequently, financial statements are susceptible to misstatements. • Review of Council's expenditure on allowances revealed that a sum of Shs.32,680,000 was paid to officers for being out of the working station. However, the payment was made to the same officers for more than once on the same dates because of this, all the payments became

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	questionable (nullified) because we couldn't identify which payment is Genuine. • Review of the Councils records revealed that a sum of Shs.1,995,000 was used to purchase the 1,050ltrs of fuel (Diesel), but the same was not received by the requisitioning department. • During the year under review, the Council purchased different items, but when the items were issued to the user department the receiving officer did not signed the issue vouchers to acknowledge receipt of the items. • Local government authority tender boards of 2007 (GN. 177) first schedule sets the maximum procurement values of the accounting officer to be Shs. 3,000,000 per contract, contrary to this regulations the accounting officer entered into contract for purchasing different items which exceeded the procurement limit.
26	**NAMTUMBO DC**
	• The closing balance as per last year's audited financial statement (2009/2010) which was supposed to be reported as opening balance for the year 2010/2011 was Shs.15, 637,310 and not nil balance as reported in statement of receipts and payments. This leads to the difference of Shs.15, 637,310 being unreported. • It was further noted that the closing balance of cash as at 30th June 2011 as per cash book and bank reconciliation statement was Shs.16, 344,396 as reported in the statement of financial position; however the statement of receipts and payments disclosed Shs.5, 984,396 as closing balance for the year then ended leading to a difference of Shs.10, 360,000 unreported in the statement of receipts and payments. • The Council 's statement of receipts and payments disclosed a total amount spent during the year of Shs.1,318,120,560 whilst, the quarterly progress

	reports of April-June 2011 reflects that the Council cumulative actual expenditure amounting to Shs.1,298,420,000 in the year under review resulting into un reconciled difference of Shs.19,700,560 was not disclosed in the ASDP progress implementation report. • The Council's statement of receipts and payments disclosed a total amount received during the year of Shs.1,324,104,956 whilst, the quarterly progress reports of April-June 2011 reflects that the Council cumulative actual receipts amounting to Shs.1,298,420,000 in the year under review resulting into un reconciled difference of Shs.25,684,956 was not disclosed in the ASDP progress implementation report. • Payments aggregating to Shs. 13,000,000.00 were not supported by relevant documents • The Council made inter account transfer amounting to Shs.3,025,000 from DADG funds to Works Department • The Council paid Shs.7,275,390 for various activities including supervision and monitoring of projects. A review of the supporting documents and related records revealed the following shortcomings: ▪ Some claims for allowances had overlapping dates of execution of the activities. ▪ Allowances paid in respect of monitoring of projects were not supported by names of the projects visited and corresponding dates. • Expenditure amounting to Shs.6,548,000 were not supported by payment vouchers produced for audit.
27	**BARIADI DC**
	• Payments amounting to Shs. 44,900,000 have not been supported with relevant documents contrary to Order No. 5 (c) of the Local Authority Financial Memorandum (1997). • Failure to implement previous years' auditors

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	recommendations valued at Shs.421,668,003. This attitude may lead to the recurrence of anomalies observed by the auditors in subsequent financial reporting years. • Procurement of 2 Ea Honda Motor Cycles Model CGL 125N worth Shs. 6,996,000 was made without calling for competitive quotations contrary to Order 253 of LAFM 1997. • There was unutilized funds amounting to Shs. 853,914,101 • Payments amounting to Shs 6,183,000 have been paid to employee /staff as special imprest to procure goods and services instead of paying direct to suppliers contrary to Order No.250 of the LAFM (1997) • Diesel fuel was spent over and above the approved budget by Shs.2, 586,000 (i.e. 11,922,000- 9,336,000) without obtaining an approval for a supplementary budget.
28	**BUKOBA DC**
	• Statement of capital expenditure and its financing (Note 22 of the financial statement for DADPS) reported a total capital expenditure of Shs.78,407,037.00. Our audit scrutiny revealed that only Shs.38,064,286.20 was paid during the year hence resulting to overstatement of Shs.19,972,750.00. Under the circumstances, the Statement of Capital expenditure and its financing may not represent the actual balance of unapplied fund as at 30th June, 2011. • Note 10 of the financial statements contained Shs.4,821,293.00 being a total Employment Allowances paid during the year under review from DADPS account. Further audit scrutiny from the payment vouchers and DADPS cash books together with the bank statements revealed that total allowances of Shs.25,325,000.00 was paid from

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	DADPS during the year under review resulting into understatement of Shs.20,507,218.50. • Cash and cash equivalents for DASIP (Shs. 29,325,995 as reflected under note 24 to the general report) which are part of ASDP programme were not included in the statement of financial position as well as in cash flow statements as at 30th June, 2011 instead, the Council reflected only Shs.5,472,451 in respect of DADP account. Under the circumstances, cash and cash equivalents as well as cash flow statements have been understated by Shs. 29,325,995.
29	**KILOMBERO DC**
	• The closing balance as at 30th June, 2011 was under stated by Shs.23,896,650. • Note 29 for Property, Plants and Equipment and note 57 for Statement of Capital expenditure and its financing showed that the amount of cash out flow for the acquisition of Property, Plants and Equipment was Shs.719,485,138. However the Cash flow statements reflect Shs.1,019,197,373.04 as acquisition of Property, Plants and Equipment which lead to a difference of Shs.299,712,235 being overstated. • Note 57 Statement of Capital expenditure and its financing show that the amount of actual revenue received for capital expenditure was Shs.154,542,042. However, the Cash flow statements reflect Shs.454,254,276.66 as development grants received which lead to a difference of Shs.299,712,234 being overstated. • The statement of Capital Expenditure and its financing under Note 57 revealed the Council spent Shs.719,485,138 on capital nature during the year, but the detailed list or schedule showing the non-current assets acquired was not submitted along with

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	financial statements. • 24 Power tillers valued at Shs 129,600,000 were procured and delivered, however the inspection committee noted that they did not meet the specifications as agreed on the contract. • A total sum of Shs.359,746,611.00 was released to various villages for implementation of Agriculture development activities. However the sum released was not utilized.

(d) Disclaimer of opinion

During the year under review, I came across one Council which restricted my audit scope to the extent of issuing a disclaimer of opinion. This was in respect of Kilindi District Council. The Council failed to prepare and submit financial statements for the year.

4.1.2 HEALTH BASKET FUND

4.1.3.1 Introduction

The Government of Tanzania has developed a framework to reform the health sector in order to improve the impact of health service delivery. In order to promote, coordinated, planning and implementation of services within the health sector, the Ministry of Health and Prime Minister's Office Regional Administration and Local Government PMO-RALG in collaboration with Development Partners are engaged in a number of initiatives to upgrade health facilities and equipment through the Basket Fund arrangement.

As part of the Health Sector Reform Programme and in order to promote coordinated planning and implementation of services within the health sector, the Government of Tanzania adopted a Sector-Wide approach to the provision of internally and externally obtained health sector resources. Under this approach the Government and a group of its Development Partners, namely Royal Netherlands Embassy, DANIDA, Irish Aid, SDC, GTZ, KFW,

UNFPA and the World Bank entered into a Sector- Wide Approach (SWAP) mechanism (including a Central Basket) for joint financing of selected areas of the MOH annual Plan of Activities (POA). In April 1999 the Government and the donors signed Joint Donor and Government of Tanzania Side – Agreement in which they confirmed their commitment to implement, in gradual and incremental way, the principles of sector wider approaches in order to achieve sustainable improvements in the health and well being of the people.

The objective of the joint donor funding assistance is to support Tanzania's development efforts in the health sector.

The donors supplement increased the annual heath budget from 1.25 US$ to 1.80 US$ per capital as Health Basket Grant.

A total of 132 Councils were audited except two Councils namely ,Dar es salaam city and Masasi Town Council which had no allocation of fund in the financial year ended on 30th June, 2011.The audit outcome are narrated below:-

(a) 83 Councils were issued with Unqualified Opinion

The following is a list of Councils issued with Unqualified Opinion without emphasis of matter.

Table 33: Council issued with Unqualified Opinion

No.	Council	No.	Council	No.	Council
1	Mbozi DC	29	Ludewa DC	55	Kishapu DC
2	Magu DC	30	Njombe TC	56	Tabora MC
3	Igunga DC	31	Tabora DC	57	Iringa MC
4	Rombo DC	32	Monduli DC	58	Bunda DC
5	Kibondo DC	33	Arusha MC	59	Sumbawanga DC
6	Mvomero DC	34	Temeke MC	60	Mtwara MC

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7	Chamwino DC	35	Ilala MC	61	Masasi DC
8	Mwanga DC	36	Kasulu DC	62	Mkuranga DC
9	Karatu DC	37	Moshi DC	63	Mafia DC
10	Ruangwa DC	38	Arusha DC	64	Karagwe DC
11	Kilindi DC	39	Ulanga DC	65	Kigoma DC
12	Pangani DC	40	Kilombero DC	66	Korogwe DC
13	Lushoto DC	41	Simanjiro DC	67	Muheza Dc
14	Mbarali	42	Mbulu DC	68	Rufiji DC
15	Lindi DC	42	Mbulu DC	69	Same DC
16	Handeni DC	43	Tandahimba Dc	70	Mbinga DC
17	Sikongo	44	Nanyumbu DC	71	Kyela DC
18	Biharamulo DC	45	Dodoma MC	72	Chunya DC
19	Muleba DC	46	Mtwara DC	73	Ukerewe DC
20	Bukoba DC	47	Bariadi DC	74	Urambo DC
21	Ngara DC	48	Moshi MC	75	Kinondoni MC
22	Misenyi DC	49	Lindi MC	76	Mkinga DC
23	Songea MC	50	Tunduru DC	77	Kibaha TC
24	Nkasi DC	51	Babati TC	78	Kongwa DC
25	Korogwe TC	52	Kahama DC	79	Manyoni DC
26	Kisarawe DC	53	Kibaha DC	80	Mbeya DC
27	Mufindi DC	54	Kilolo DC	81	Singida MC
28	Makete DC			82	Tanga CC
				83	Bukoba MC

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21 Councils have been issued with Unqualified Opinion with Emphasis of Matters as shown in Table 34 below:

Table 34: Councils issued with Unqualified Opinion

1.	**Bagamoyo DC**
	Unspent fund amounting to Shs. 118,040,686.36
2.	**Siha DC**
	11 activities amounting to Shs. 35,688,100 were not implemented
3.	**Hai DC**
	Most of the planned activities were implemented except for activities amounting to Shs. 18,783,210
4.	**Iramba DC**
	• Shortage of 316 staff in the Health Department as there are only 265 out of the required number of 581 staff as per the Council's scheme of service. As a result the provision of health services to the people is not satisfactory • There is a shortage of staff within the Internal Audit Unit as the Unit has only one staff out of the required manpower level of five.
5.	**Nachingwea DC**
	• The Council planned to implement various activities through Health Basket Fund. However, projects worth Shs. 25,455,000 were not completed. • The Council procured generator equipment and cleaning material worth Shs.1, 770,000 and Shs.1, 597,500 respectively without proper supporting documents.
6.	**Rungwe DC**
	• The periodic assessment of the effectiveness of the systems of internal control over the Health Basket Fund operations was not performed due to the absence of Internal Audit Reports on operations of the Health

	Basket Fund. • Medical supplies purchased worth Shs.30,306,000 were not confirmed to be issued and distributed to the intended Dispensaries and Health Centers. • Performance evaluation and comparison between planned project activities and actual results found out that activities worth Shs.123,971,054 were not implemented.
7.	**Singida DC**
	• The Council has a shortage of 256 staff in the Health Sector according to the scheme of service of 2011/2012 provided by the District Medical Officer. • Delay in transfer of Health Basket Fund amounting to Shs. 410,328,000 from Development Account (Received on 28.12.2010 and transferred on 5/2/2011).
8.	**Rorya DC**
	Planned activities to the tune of Shs. 71,889,049 which were to be implemented during the period under review were postponed.
9.	**Sumbawanga MC**
	The periodic assessment of the effectiveness of the systems of internal control over the Health Basket Fund operations was not performed due to the absence of Internal Audit Reports on operations of the Health Basket Fund.
10.	**Serengeti DC**
	Planned activities to the tune of Shs. 47, 525,923 which were to be implemented during the period under review were postponed.
11	**Mpanda DC**
	• There is a serious laxity in implementing audit recommendations; as a result, matters raised in previous years amounting to Shs.269, 934,665 were still outstanding. • The periodic assessment of the effectiveness of the systems of internal control over the Health Basket Fund operations was not performed due to the absence of

	Internal Audit Reports on operations of the Health Basket Fund.
12	**Liwale DC**
	Planned activities to the tune of Shs. 61,750,000 which were to be implemented during the period under review were postponed.
13.	**Meru DC**
	Procurement of medical supplies from private supplier without MSD approval worth Shs 33,734,250 contrary to part 3.5 (h) in chapter (3) of the Comprehensive Council Health Plan Guideline, 2007.
14.	**Musoma DC**
	Planned Health Basket Fund activities worth Shs. 158,837,460 were not completed.
15.	**Maswa DC**
	• Construction of one of the two staff houses worth Shs.45,954,050 for Senani Dispensary was completed but not put into use • The periodic assessment of the effectiveness of the systems of internal control over the Health Basket Fund operations was not performed due to the absence of Internal Audit Reports on operations of the Health Basket Fund.
16.	**Meatu DC**
	The periodic assessment of the effectiveness of the systems of internal control over the Health Basket Fund operations was not performed due to the absence of Internal Audit Reports on operations of the Health Basket Fund.
17.	**Iringa DC**
	Planned activities to the tune of Shs. 160, 887,459 which were to be implemented during the period under review were postponed.
18.	**Mbeya CC**
	Planned activities to the tune of Shs. 53,621,000which were to be implemented during the period under review were postponed.

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19.	Shinyanga DC
	• Planned activities to the tune of Shs. 12, 705,088 were not implemented. • The periodic assessment of the effectiveness of the systems of internal control over the Health Basket Fund operations was not performed due to the absence of Internal Audit Reports on operations of the Health Basket Fund.
20.	**Kilwa DC**
	• Planned activities to the tune of Shs. 221,611,736 which were to be implemented during the period under review were postponed. • Procurement of medical supplies from private supplier without MSD approval worth Shs 25,592,800 contrary to part 3.5 (h) in chapter (3) of the Comprehensive Council Health Plan Guideline, 2007.
21.	**Tarime DC**
	Most of the planned activities were completed with the exception of the activities worth Shs. 23,380,000. These were not completed.

(c) 26 Councils have been issued with Qualified Opinion as shown in Table 35 below:

Table 35: Councils issued with Qualified Opinion

1.	Bahi
	• Payments amounting to Shs.36,680,675 were not adequately supported by documents contrary to Order No.5 (c) of the Local Authority Financial Memorandum (1997). • The Council made procurement of goods and services worth Shs.29,836,675 without obtaining at least three quotations from the list of approved suppliers contrary to. Reg. No.68 (4-5) of the Public Procurement Regulations of 2005. • The Council incurred expenditure amounting to Shs. 57,186,186 without being authorized by responsible officer contrary to LAFM.

2.	**Hanang DC**
	• Payments amounting to Shs.20,816,450 lacked supporting documents contrary to Order No. 5(c) of the Local Authority Financial Memorandum 1997. • Payment vouchers aggregating to Shs.3,938,600 were missing from the respective batches contrary to Order No. 5(c) of LAFM of 1997.
3.	**Kiteto DC**
	• The Council made expenditure amounting to Shs. 43,743,873 without adequate supporting documents contrary to Order No. 5(c) of the LAFM, 1997. • A sum of Shs.16,041,480 was paid in respect of maintenance and repair charges rendered to different motor vehicles of the Council without being inspected by technical personnel after repair. This is contrary to Reg. 59(3) of the Public Procurement (Good, Works, Non-Consultant services and Disposal of Public Assets by Tender) Regulations 2005.
4.	**Songea DC**
	• Stores worth Shs. 19,268,600 were purchased by the Council and paid for but were not recorded in the stores ledger, contrary to Order No.207 of the Local Authority Financial Memorandum (1997) • Missing utilization particulars for fuel worth Shs. 14, 800,000 issued in bulk to DMO contrary to order no. 207 of the Local Authority Financial Memorandum. • The Council made expenditure amounting to Shs. 3,773,100 without adequate supporting documents contrary to Order No. 5(c) of the LAFM, 1997. • Procurement of gas cylinders worth Shs. 13,600,000 without Council's Tender Board approval contrary to

	First Schedule "Authorized Procurement Limits for Accounting Officers and Head of Departments in Local Government Authorities" made under Reg. 28 of Local Government Tender Board (Establishment and Proceedings); Regulations, 2007.
5.	**Nzega DC**
	• Expenditure amounting to Shs. 16,649,000 was incurred without pre-audited and sufficient supporting documents. • The Council procured stationeries amounting to Shs 2,953,000 from a supplier who was not listed under the GPSA framework and not approved by Council tender board. • The Council purchased specialized goods including computers, printers and fax machines worth Shs. 3,580,000 without technical specifications and there is no confirmation that the Inspection and Acceptance Committee inspected the goods upon delivery. • Expenditure amounting to Shs.17,968,500 was charged to wrong expenditure codes contrary to Sect 43 (5) of the Local Government Finances Act, 1982 (Revised on 2000) • Various hospital supplies worth Shs.6,605,000 ordered from Medical Stores Department and paid for were not confirmed to have been delivered.
6.	**Sengerema DC**
	• Procurement of hospital equipment worth Shs.59,350,000 from unapproved suppliers and without approval of out of stock from MSD. • Payments amounting to Shs.35,956,500 were effected as training costs without supporting documents.

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7	**Chato DC**
	• A total amount of Shs. 31,067,000 was charged in wrong expenditure code contrary to section 2.5(b) of Local Authority Accounting Manual. • A total amount of Shs. 8,413,090 was paid to officials without accounting for in the Imprest Register contrary to Section 4.18 of Local Authority Accounting Manual. • Shs.21,860,000 was paid to M/s New Motor Mart Refrigeration Ltd of DSM in respect of purchases of a Mortuary Refrigerator (4 bodies capacity) without contract agreement between the Council and the Supplier contrary to Section 7 of PPR,2005.
8.	**Babati DC**
	• Payments amounting to Shs. 2,302,700 lacked supporting documents contrary to Order No. 5(c) of the Local Authority Financial Memorandum 1997. • Payment amounting to Shs. 65,460,208 was made without prior examination contrary to Order No. 10 of LAFM or as required by Public Finance Regulation No.91(6) of 2001, Revised 2004. • Expenditure amounting to Shs. 17,318,700 was made without being approved by Accounting Officer contrary to Order No.4 (d) of the LAFM (1997). • A sum of Shs. 4,134,480 was paid in respect of maintenance and repair charges rendered to the Council motor vehicle without being inspected by technical personnel after repair, contrary to Reg. 59(3) of the Public Procurement (Good, Works, Non-Consultant services and Disposal of Public Assets by Tender) Regulations 2005
9	**Kilosa DC**
	• The financial statements prepared by the Council have figures which were not adequately supported by explanatory notes • Payments amounting to Shs.6,194,000 were effected

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	without supporting documents. • Non disclosure of payable amounting to Shs 37,100,000 in respect of medical equipment supplied by M/S Gizo Investment Co. Ltd.
10	**Musoma MC**
	• Stores worth Shs.11,830,030 were purchased through special imprests contrary to Order No. 128 of LAFM, 1997 and Reg. 68 of PPR, 2005. • Missing relevant supporting document for payments aggregating to Shs. 9,915,000 is contrary to Order No. 5(c) of LAFM of 1997 and Reg. 95(4) of the Public finance regulations, 2001 (revised 2004). • Missing journal vouchers to confirm the retirement of special imprests amounting to Shs. 6,210,725 contrary to Order No. 134 of LAFM, 1997. • Diversion of fund Shs.3,000,000 for the construction of fence at Nyasho Health Centre without authorization and approval from the Finance Committee. • Expenditure totaling to Shs.2,970,000 was not in the action plan and approved budget.
11	**Shinyanga MC**
	• Stores not taken on ledger charge worth Shs. 8,238,850 • Payment made on the strength of proforma invoices Shs. 2,088,300 • Payments amounting to Shs. 11,383,782 lacked necessary supporting documents contrary to Order No. 5 (c) of the LAFM (1997).
12	**Bukombe DC**
	• Payments amounting to Shs. 990,000 have been paid to various suppliers in respect of purchasing Medical supplies and equipment. These were not confirmed to have been delivered by the suppliers. • Payments amounting to Shs.3,175,000 were charged to the wrong accounting codes. This is contrary to Order No. 27, 29 and 32 of the Local Authority Financial Memorandum 1997

	• Payments amounting to Shs.3,981,960 were not supported with relevant documents contrary to Order No. 5 (c) of the Local Authority Financial Memorandum of 1997. • The statement of receipts, payments and performance assessment criteria report submitted along with financial statements reflected disagreements of total amount received by Shs. 18,374,655 and total expenditure incurred by Shs. 13,242,143
13	**Morogoro DC**
	• Expenditure amounting to Shs. 11,153,500 was charged to wrong account code contrary to Section 43 (5) of the Local Government Finance Act No.9 of 1982(Revised on 2000) • The amount of cash and cash equivalent of Shs.13,435,031 in the financial statements was not supported by a note. • Goods delivered by M/s J. R Trader's who supplies wooden furniture worth Shs.19,990,000 were not inspected by goods inspection and acceptance committee upon delivery of the goods contrary to Reg.126 and 127 of G.N No. 97 of the Public Procurement Regulations, 2005. • Expenditure amounting to Shs 13,597,000 was not supported contrary to Order No.5(c) and 8(d) of the Local Government Financial Memorandum- LAFM 1997).
14	**Njombe DC**
	Statement of financial performance Note No.11 disclosed fund received during the amounting to Shs.930,903,850 while the actual receipts during the year was Shs.626,144,900, hence, fund received was overstated by Shs.302, 200,837
15	**Mpanda TC**
	• The Council did not submit a complete set of financial statements • Payment amounting to Shs 4,000,000 was not

	supported contrary to Order No. 51 of the LAFM 1997. • Retirement particulars for Shs. 23,431,900 were not submitted contrary to order No.134 Local Authority Financial Memorandum of 1997. • Medicine worth Shs. 3,449,000 procured from MSD was not delivered. • Goods purchased worth Shs. 3,618,500 were not recorded in the stores ledger Contrary to order no 223 of the Local Authority Financial Memorandum (1997).
16	**Kwimba DC**
	• The Council paid Shs. 50,790,100 for activities not related to Health Basket Fund • Goods purchased worth Shs. 11,479,400 were not recorded in the stores ledger Contrary to Order No. 223 of the Local Authority Financial Memorandum (1997)
17	**Mwanza CC**
	• Payments amounting to Shs. 89,608,850 were not supported with relevant documents contrary to Order No. 5 (c) of the Local Authority Financial Memorandum of 1997 • Procurement of drugs and hospital supplies from private suppliers was done without Medical Store Department's approval Shs.74, 999,140
18	**Ngorongoro DC**
	• Cash paid to Health staff to procure various services Shs. 22,759,980 instead of being paid direct to suppliers • Mismanagement of fund transferred to Wasso hospital Shs. 44, 983,570 • Payment made on fuel purchase exceeded budget Shs. 1, 754,000 • Payments amounting to Shs. 9, 887,000 were not supported with relevant documents contrary to Order No. 5 (c) of the Local Authority Financial Memorandum of 1997.

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19	**Geita DC**
	• Procurement of Drugs and Hospital Equipment worth Shs. 34,977,500 from Private Supplier was done without Medical Stores Departments Approval contrary to Operational guidelines and regulation 57 of the Public Procurement Regulations, 2005 • A total amount of Shs 13,760,000 was charged in wrong expenditure code contrary to section 2.5(b) of Local Authority Accounting Manual. • Final utilization of fuel worth Shs. 96,844,120 was not produced.
20	**Kondoa DC**
	Payments totaling Shs. 87,476,480 were paid without proper supporting documents contrary to Order No. 5 (c) of LAFM 1997.
21	**Kigoma Mc**
	• Unspent government grants worth Shs.54,537,693 • The Council paid Shs. 775,000 without relevant supporting documents contrary to Order No. 5(c) of the Local Authority Financial Memorandum of 1997 • Unbudgeted expenditure worth Shs 4,792,227.
22	**Mpwapwa DC**
	The Council incurred expenditure in respect of maintenance expenses which exceeded the amount allocated as per the Action Plan of HBF by Shs.71, 881,971.
23	**Misungwi DC**
	• Payments amounting to Shs. 12,401,952 were not related to approved activities under the Basket Health contrary to Council Comprehensive Health Plan (CCHP). • Unretired imprest worth Shs. 53,225,000 contrary to Order 134 of the Local Authority Financial Memorundum,1997.
24	**Longido DC**
	• Unapproved expenditure amounting to Shs. 4,668,500 • The Council paid Shs 4,770,000 without attaching relevant supporting documents contrary to Order No.

	5(c) of the Local Authority Financial Memorandum of 1997 • Stores worth Shs. 2,874,000 were not accounted for.
25	**Newala DC**
	• Payment vouchers totaling to Shs.15,678,000 were not produced for audit purposes when called for which is Contrary to order no 5(c) of the Local Authority Financial Memorandum (1997) • Expenditure amounting to Shs. 15,076,000 were charged to wrong accounting codes contrary to Order No. 27, 29 and 32 of the Local Authority Financial Memorandum 1997 • The Council paid Shs.5,072,500 over and above the approved annual budget for procurement of furniture for five new dispensaries • Final utilization of 1500 lts of kerosene worth Shs. 2,400,000 was not provided for audit verification
26	**Morogoro MC**
	• The Council did not prepare explanatory notes to the financial statement according to the requirement of IPSAS's. • Expenditures amounting to Shs. 8,071,000 was charged to wrong account code contrary to Section 43 (5) of the Local Government Finance Act No. 9 of 1982(Revised on 2000) • The Council procured Medical & Hospital Equipment worth Shs. 6,123,200 from private suppliers without approval from MSD contrary to Section 51 of PPA No.21, 2004 and regulation 57 of PPR, 2005. • Expenditure amounting to Shs.3,636,500 was not supported with relevant documents contrary to Order No. 5(c) and 8(d) of the Local Government Financial Memorandum- LAFM 1997 • Missing payment vouchers amounting to Shs. 4,692,450 contrary to Reg. 86 (1) of PFR, 2001 and Section 45 (5) of The Local Government Finances Act, 1982 (Revised 2000).

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(d) One Council has been issued with an Adverse Opinion

1	Namtumbo DC
	• The Council did not prepare financial statements which are compliant with the financial reporting framework such that, the following financial statements were not prepared contrary to the requirements of the MoU and the IPSASs accrual basis of accounting namely o Statement of financial position o Statement of financial performance o Statement of cash flows o Notes to the financial statements • Overstatement of opening balance by Shs. 29,233,033 • Payment vouchers amounting to Shs. 13, 149,000 were missing from their respective batches contrary to Order No. 5 (c) of Local Authority Financial Memorandum (1997)

(e) One Council has been issued with a Disclaimer Opinion

2.	Ileje DC
	The Council did not prepare and submit financial statements for audit purposes contrary to the requirements of the IPSAS No.1 and Section 40 of the Local Government Finances Act of 1982.

4.1.4 Water Sector Development Programme

4.1.4.1 Introduction

The Water Sector Development Programme was designed to address shortfalls in urban and rural water supply infrastructure, to improve water resource management primarily through strengthening the country's nine Basin Water Offices (BWOs) and to strengthen the sector institutions and their capacities.

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In 2002, the Government of the United Republic of Tanzania formulated the National Water Policy with the main aim of providing a comprehensive framework for sustainable development and management of the Nation's water resources, in which an effective legal and institutional framework for its implementation will be put in place. The National Water Sector Development Strategy (NWSDS) sets forth how the Ministry responsible for Water will implement the National Water Policy to achieve the NSGRP (MKUKUTA) targets. This will in turn guide the formulation of the Ministry's harmonised National Water Sector Development Plan and the Water Sector Development Programme as inputs into the Medium Term Expenditure Framework Financial Planning Process.

The Ministry of Water (MoW) prepared a Water Sector Development Program (WSDP), for the period 2006 – 2025, which is a consolidation of three sub-sector Programs, namely: Water Resources Management, Rural Water Supply and Sanitation and Urban Water Supply and Sewerage. The program also includes strengthening and building capacity of sector institution to effectively support implementation of the WSDP.

The under listed Councils were audited in the financial year 2010/2011 and the type of audit opinion issued and reasons for giving rise to the issuance of such opinion;

(a) Council issued Unqualified Opinion without emphasis of matters

34 Councils have been issued with Unqualified Opinion without emphasis of matters as shown in Table 36 below:

Table 36: Councils issued with Unqualified Opinion without emphasis of matters

1	Kisarawe DC	13	Nanyumbu DC	25	Makete DC
2	Geita DC	14	Pangani DC	26	Singida MC
3	Kigoma DC	15	Songea MC	27	Korogwe TC
4	Mtwara Mikindani MC	16	Ludewa DC	28	Iringa MC
5	Musoma MC	17	Manyoni DC	29	Hai DC
6	Njombe TC	18	Kigoma Ujiji MC	30	Iramba DC
7	Same DC	19	Mwanza CC	31	Chamwino DC
8	Babati TC	20	Singida DC	32	Moshi DC
9	Rombo DC	21	Monduli DC	33	Mbulu DC
10	Kibaha TC	22	Ulanga DC	34	Bunda DC
11	Mkinga DC	23	Sumbwanga DC		
12	Magu DC	24	Mbarali DC		

(b) Councils issued with Unqualified Opinion with Emphasis of Matters

66 Councils have been issued with Unqualified Opinion with emphasis of matters as shown in Table 37 below:

Table 37: Councils issued with Unqualified Opinion with emphasis of matters

1.	Babati DC
	• The coverage of Internal Audit Unit did not encompass review of the use of WSDP fund disbursed for implementation of various activities. • The Council had a balance of Shs. 921,294,721.50 which remained un- utilized for more than a year.

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2.	**Kibaha DC**
	Non preparation of the Internal Audit Report.
3.	**Kilolo DC**
	• There was Unspent balance at the year end Shs. 148,383,071 • Delay in implementing planned activities worth Shs. 30,000,000
4.	**Kishapu DC**
	• Non submission of Internal Audit report on Water Sector Development Programme (WSDP) • Unimplemented National Rural Water Supply and Sanitation Programme (NRWSSP) activities worth Shs. 214, 720,368 • Non Contribution of Council funds to support implementation of NRWSSP activities Shs. 35, 600,000
5.	**Korogwe DC**
	• Poor performance of the consultancy services worth USD 171,508 • Performance report not properly prepared
6.	**Lindi DC**
	• Contract works worth Shs.388, 864,822 were not advertised • Anomalies noted on WSDP implemented projects were worth Shs. 43,583,058
7.	**Mkuranga DC**
	• Non preparation of the Internal Audit Report Contrary to Sect. 8.2.2 of MoU. • Liquidated Damages worth Shs.28,016,845.59 have not been claimed.
8.	**Mpwapwa DC**
	• Non-Compliance with contract terms and conditions USD 173,735 (uncompleted project). • Liquidated damages not charged are worth Shs.18,181,110

9.	**Muheza DC**
	• Delays in projects implementation these are worth Shs.297,643,892.82 • Poor performance of service consultant USD 143,380
10.	**Musoma DC**
	Delay in projects implementation these are worth Shs.853,885,438
11.	**Ngorongoro DC**
	Non achievement of the following Council's objectives • To facilitate sanitation marketing and promote hygiene and hand wash facilities • Provision of Technical and Facilitation services for the Rural water supply and Sanitation to 10 villages • Construction of water supply infrastructure and borehole test drilling
12.	**Rorya DC**
	WSDP activities worth Shs. 972,972,651 were not completed
13.	**Liwale DC**
	• **A** physical verification noted Projects valued at Shs.61,934,052 have not been completed. • A contract between Liwale District Council and M/S Steven Road works for the construction of wire fence and Rehabilitation of watchman House at Kibutuka pumping station at a contract sum of Shs. 11,111,231 noted that only 41 concrete poles to have been fixed out of 50 concrete poles as per BOQ.
14.	**Mafia DC**
	• Non preparation of implementation Report for rolled over funds Shs.381,020,182.00 • Non separation of the Internal Audit Report

	• Non release of budgeted funds amounting to Shs.961,261,000
15.	**Mbinga DC**
	Payment totalling to Shs.2, 990,000 were not supported by relevant documents contrary to Order No. 5 (c) of the Local Authority Financial Memorandum (1997)
16.	**Tabora DC**
	• Plant, property and equipment was overstated by Shs.184,105,508. • Supplies and consumbles used were overstated by Shs.78,897,406
17.	**Handeni DC**
	• Irregular construction of earth dams in 17 villages of Handeni District Council amounted to Shs.286, 691,110.78. • Irregular Construction of demo pit latrines amounted to Shs.1, 472,000.
18.	**Kondoa DC**
	• Procurement made without quotations amounted to Shs.4,752,030 • Procurement made to non approved suppliers Shs.1,131,990
19.	**Masasi DC**
	Owing to lack of commitment and laxity of the management to make follow up and close supervision of two (2) boreholes infrastructure worth Shs.42,758,038 allocated at Sindano and Mnavira villages they are not discharging water despite the fact that feasibility study was conducted.
20	**Bagamoyo DC**

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	• The statement of financial position as at 30th June 2011 disclosed cash and cash equivalent of Shs. 211,324,620 that differs with Shs. 135,544,549 as per re-computation based on data from the financial statements resulting into overstatement of Shs. 75,780,071. • There was unspent fund amounting to Shs. 135,544,549
21	**Rufiji DC**
	• Non preparation of implementation Report for rolled over funds Shs. 362,197,594 • Non separation of the Internal Audit Report.
22	**Tarime DC**
	• Delayed consultancy service with a contract sum of USD 146,990. • The Council had unspent amount of Shs. 657,898,964 equivalent to 78% of total fund available.
23	**Ukerewe DC**
	• Ukerewe District Council paid COWI Consulting Engineer and Planner 50% of contract sum, the amount equivalent to USD 97,665 while the consultant has not discharged contractual obligation. • Expenditure amounting to Shs.19,849,500 was charged to wrong account codes • Shs.1,900,000 was transferred from WSDP account to Water account without adhering to financial rules over development projects fund.
24	**Mpanda DC**
	• Irregular payments to creditors Shs.1,125,783 • Demonstration toilet not completed Shs.5,480,145 • Borehole not yet constructed Shs.21, 386,000 at Sungamila village.
25	**Maswa DC**
	• The Council had unspent balance of Shs. 51,576,564 • Incomplete projects amounted to Shs. 35,653,640. • The WSDP audited report was not tabled to the

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	Councilors and publicized publicly. • No Separate audit programme and reports for the WSDP were issued by Internal Audit Unit.
26	**Tandahimba DC**
	• Nugatory expenditure on 3 dry drilled bore holes worth Shs.81, 062,100. • Dry bore holes were made at Mapili, Lukohe, Makukwe, Mmalunga, Miyuyu, Mnauye, and Mnima villages, all amounting to Shs 69,376,000. The expenditure is termed as nugatory because there are no benefits received.
27	**Mtwara DC**
	Unproductive drilled boreholes Shs.56,687,660.
28	**Meru DC**
	• Non Implementation of the previous years' auditor's recommendations Shs. 21,346,875. • Procured water equipment without Tender Board approval. This was worth Shs. 25,685,000. • Drilling and testing of 10 boreholes not yet been completed. They are worth Shs. 129,061,000. • Unutilized Water Sector Development Program Fund amounting to Shs. 52,864,386.48.
29	**Nzega DC**
	• Consumption of fuel Shs. 1,150,000 not accounted • Understated depreciation of Shs. 1,171,528.
30	**Tanga CC**
	Two project activities worth Shs.480,522,116 for Provision of Technical and facilitation services for rural water supply and sanitation and the construction of water sub projects to 10 villages were not implemented despite fund being released from previous year.
31	**Meatu DC**
	• There was unutilized funds amounting to Shs. 289,738,180

	• Payments amounting to Shs.3,590,000 was charged to wrong accounting codes contrary to Order No. 27, 29 and 32 of the Local Authority Financial Memorandum 1997. • The Council did not submit its annual procurement plan to the MOW for consolidation, contrary to section 9.3 of MoU
32	**Ilala MC**
	• Municipal council did not implement water projects worth • Shs. 175,424,523 • Payments amounting to Shs. 2,000,000 were evidenced to have been made without sufficient documents. • Imprest amounting to Shs. 5,418,500 were not retired. • Water pump worth Shs. 3,298,000 had not been installed at Kiboga – Msongola ward.
33	**Nkasi DC**
	• Delay in construction of bore holes at Korongwe Secondary school and Isunta Market Shs.36,990,000 • The Council did not submit a statement of comparison of Budget and Actual Amount for the year ended 30th June, 2011. • Recurrent Grants Shs.235,000,000 disclosed in the statement of financial performance for the year ended 30th June, 2011 has not been supported by analyzed notes to financial statements • The statement of cash flow does not have supporting Notes for cross reference. • Development Grant received was not disclosed in Cash Flow Statement for the year ended 30th June, 2011.
34	**Musoma DC**
	The Council planned to construct 10 pipe water supply in 10 villages worth Shs.853, 885,438. However, up to the time of audit conducted in November, 2011 the mentioned projects were not implemented.

35	**Ruangwa DC**
	Projects amounting to Shs.379,894,490 have not yet been completed.
36	**Bahi DC**
	• Stores were not taken into ledger charge Shs.1,770,700.00 • Liquidated damage were not charged Shs.11,089,065 • Outstanding Accounts Payables Shs.18,392,625
37	**Chato DC**
	There was unspent balance of Shs.294,933,612.
38	**Ileje DC**
	Activities worth Shs.152,059,097 were not implemented.
39	**Kilwa DC**
	Activities worth Shs.454,904,197.91 were not completed.
40	**Lushoto DC**
	• WSSDP activities worth Shs.376,944,177 were not implemented. • There was poor performance of consultancy for provision of technical and facilitation services for Rural Water Supply and Sanitation.
41	**Mwanga DC**
	Unspent balance amounted to Shs.384,680,364.91 which is equivalent to 52.20%
42	**Shinyanga DC**
	Budget for rollover fund amounting to Shs.469,184,886 was not obtained.
43	**Karatu DC**
	• Management had not acted promptly on the previous years' audit recommendations. • Expenditure amounting to Shs. 1,580,000 was not supported by adequate documents contrary to Order No 5 (c) of the LAFM 1997.

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	• The Accounting officer does not keep Vote Control Registers contrary to regulation 91 (1) of public finance regulations
44	**Kinondoni MC**
	• There was unspent balance of Shs.425,235,647. • Outstanding items in the bank reconciliation statements as receipts in cash book not in bank(deposit in transit) of Shs.89,711,121.
45	**Kwimba DC**
	• Unutilized funds for Water Sector Development Programmes were worth Shs.239,717,526 • Payments of VAT contrary to Memorandum of understanding were worth Shs.412,992 • Un implemented previous year's auditor's recommendations Shs. 262,764,819 • Overpayment to PNR services Ltd contrary to contract agreement was worth Shs. 16,859,000
46	**Iringa DC**
	• Rollover fund worth Shs.34, 144,170.49 was not utilized. • The planned activities with a total value of Shs. 1,502,883,273 were not implemented during the year 2009/2010 but rolled over to year 2011/2012 • Constructed shallow well at Ulete village were completed but not in use Shs.16,864,226.
47	**Rungwe DC**
	There was unspent balance of Shs. 255,395,693.83 or 71.5% of the total available fund.
48	**Temeke MC**
	• Non response to the issues raised in the Management Letter for the year ended 30th June, 2010 • Anomalies on the implementation of the contract for provision of technical and facilitation consultancy services for Rural Water Supply and Sanitation Sub Projects USD. 227,860 • Inadequate number of staff to implement the

	Programme • Non availability of Internal Audit Reports on the project for the year under review.
49	**Sikonge DC**
	• Water pumps costing Shs.1,800,000 were stolen at Chabutwa and Kawale after installed. • Activities of Shs. 85,775,000 were not fully implemented by the Council • There is inadequate number of staff in the water department • Drilled water well at Yekeyeke/Kiyombo for Shs. 9,475,000 was found dried.
50	**Serengeti DC**
	• WSDP activities worth Shs. 710,000,000 were not completed during the financial year ended 30 June, 2011 because the Treasury did not release all funds as per approved budget. • Eleven (11) boreholes worth Shs. 383,145,000 drilled, tested and capped are still not in use because they are still waiting for release of phase two funds for completion.
51	**Arusha MC**
	• Non follow up on the implementation of previous years' audit recommendations • Expenditure not allocated Shs.6,320,000 • Vote book not maintained
52	**Igunga DC**
	• WSDP projects of total cost Shs.340,000,000 were not performed during the year due to insufficient funds. • Delayed execution of WSDP projects of total cost Shs.334,210,492 and general performance was below 60%.
53	**Kongwa DC**
	• Completed projects not providing services worth Shs.191,699,449 • Payment of the exempted amount of 18% VAT to Suppliers/Contractor Shs.28,630,537

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54	**Simanjiro DC**
	• As at 30 June, 2011 a balance of Shs.149,466,603.50 was still unutilized and therefore the beneficiaries could not achieve the expected benefit • The coverage of Internal Audit Unit did not encompass review of the use of WSDP Fund disbursed for implementation of various activities.
55	**Siha DC**
	The Council planned to implement 5 activities valued Shs. 416,143,873 through Rural Water Supply and Sanitation However, out of the 5 activities, 4 activities were partially implemented amounting to Shs. 280,303,100, 1 activity was over and above the budget by Shs. 2,273,232 and 1 activity worth Shs. 2,050,000 was not budgeted
56	**Mufindi DC**
	• Unspent balance of Shs.138,605,480.64. • Delayed contract works for Provision of technical and facilitation consultancy for rural water supply and sanitation project services for a contract worth USD 167,120 • Allowances amounting to Shs.852,500.00 were paid to officials without adherence to Section 9.2.1 of the MOU.
57	**Njombe DC**
	• Payments totaling Shs. 6,319,000 were made to the District Executive Director, Njombe as night out allowances to various officers without being supported by respective application forms dully signed by authorizing officer. • Included in Note 18 of the statement of financial performance is travel and subsistence amounting to Shs.6,598,472 wrongly shown in the Supplies and Consumable
58	**Tunduru DC**
	• Payments amounting to Shs.1, 642,000 not supported by relevant supporting documents.

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	• Total imprests amounting to Shs. 1,825,000 not retired • Contract register not maintained contrary to Section 7.8 of the Sector Development Program, Procurement Manual.
59	**Mbeya DC**
	Project completed but not in use Shs. 43,095,420
60	**Kyela DC**
	• The Council had unspent balance of Shs.51,576,564 due to late release of WSDP funds from the Ministry of Finance. • Uncompleted projects amounted to Shs.35,653,640. • No Separate audit reports for the WSDP Issued by Internal Audit Unit.
61	**Chunya DC**
	Improper transfer of fund from WSDP Account to other accounts amounting to Shs. 109,600,000
62	**Sumbawanga MC**
	• Non performance of Inventory/ Stock taking for financial year 2010/2011. • Non disclosure of Gain/loss on foreign Currency translation
63	**Kasulu DC**
	• Unbudgeted expenditure Shs.26,034,309 • Improperly vouched expenditure Shs.1,066,543 • Unretired imprests Shs.2,120,000
64	**Bukoba MC**
	Un refunded loan Shs. 26,792,100
65	Newala DC
	• Contingent amount of Shs. 34,891,000 included in boreholes drilling contract. • Unproductive drilled bore holes worth Shs. 69,376,000

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66	Moshi MC
	• Unimplemented activities Shs. 242,851,955.68 • Shortage of Human Resources in the Council's District Water Engineer's Office - 23 staff.

(c) Councils Issued with Qualified Opinion

32 Councils have been issued with Qualified Opinion as shown in Table 38 below:

Table 38: Councils issued with Qualified Opinion

S/N	Dodoma MC
1	• There were no clear contract reference numbers and terms and conditions of contracts. • Statement of capital expenditure and its financing reflected depreciation of Property, Plant and Equipment of Shs.2,203,818. However, the reflected depreciation was not shown in the statement of financial performance.
2	**Hanang DC**
	• Previous year's issues which have pervasive effect in the current year's report amounting to Shs.550,256,460 were not dealt with • There was unexplained negative cash book balance of Shs.10,334,674 • Missing payment vouchers amounted to Shs.2,616,000
3	**Kahama DC**
	No formal evidence was produced to confirm whether the Council incorporate the grants in respect of unspent balances for previous year amounting to Shs.645,070,303 to form the original budget. This may result into over expenditure and subsequently inaccurate balances reported in the financial statements.

4	**Karagwe DC**
	• The Council prepared and submitted financial statements of WSDP without statement of capital expenditure and it's financing and notes to the financial statements • Statement of changes in net assets was not prepared
5	**Kilosa DC**
	• Notes to financial statemens were not prepared • Expenditure amounting to Shs. 910,000 was charged to wrong accounting GFS code. • Mono pump for Meshugi Village with a contract sum of Shs.14,280,764 was not supplied and installed • Statement of Changes in Net Assets reported a change in revaluation deficit of Shs.130,477,348 without notes to support the figure.
6	**Sengerema DC**
	• Un implemented previous years auditors recommendations • Delay in submission of the WSDP Financial Statements for audit purpose • Fruitless costs on unproductive five drilled boreholes for Rural Water Supply and Sanitation Programme were worth Shs.37,200,416.67
7	**Songea DC**
	• Shs.1, 911,144 was paid to M/S Chegamila Investment for vehicle repair and maintenance; but included in the invoices amount was Shs.291, 530 as Value Added Tax (VAT) contrary to Para 9.2.2 of Memorandum of Understanding between the GOT and the Development Partners issued on February, 2007 • Vote book is not maintained contrary to Order No.50 of LAFM, 1997. • Payments totalling Shs. 860,114.00 were not

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	supported by relevant information/documents contrary to Order No. 5 (c) of the Local Authority Financial Memorandum (1997)
8	**Misungwi DC**
	• These was understatement of grant amounting to Shs. 155,355,083. • Analysis showing value of non current assets of Shs. 621,002,216 was not provided.
9	**Kiteto DC**
	• Payment vouchers of a total cost of Shs.39,449,800 were not produced contrary to Order No. 368 and 369. • A contract on provision of technical and facilitation services for rural water supply and sanitation of sub-projects with a contract sum of Shs.342,850,000 was not completed but liquidated damage were not charged against the contractor. • Issues raised in previous year's report had remained unattended
10	**Kilombero DC**
	• Revaluation loss amounting to Shs.28, 755,199.50 was not adjusted in the Cash flow statement under cash flow from operating activities • There was understatement of cash and cash equivalent by Shs.110, 160,237
11	**Kibondo DC**
	• Funds loaned to other accounts have not been refunded Shs.9,830,000 • The revised financial statements lacked comparison of budget and actual amount and unexplained amount of Shs.90,261,000 in the statement of change?? • Shortage of staff required for the implementation of WSDP activities.

12	**Bukoba DC**
	The financial statements for the year under review reported nil balance for allowances paid, supplies and consumables used and maintenance expenses implying that during the year, no any payments were made in respect of those components. This was not true as RWSSP cashbook and payment vouchers revealed there were expenditures under Allowances, Supplies and consumables used and Maintenances expenses amounting to Shs.42,928,543.31.
13	**Mvomero DC**
	• Closing balance in the financial statements of Shs.138,752,122 while the actual closing balance was Shs 16,247,877 • Expenditure amounting to Shs. 410,000 was charged to wrong GSF Code.
14	**Kilindi DC**
	• Fraudulent disbursement of allowances amounted to Shs.22,800,000 • Non preparation of IPSAS's Compliant Financial Statements.
15	**Namtumbo DC**
	• There were no cash flows statement for WSDP activities • Comparative information (last year amounts) was not disclosed. • There were no notes/explanatory notes to the financial statements for the year then ended. • The statement of financial performance does not show the amount amortized during the year; though it shows amount spent during the period.
16	**Biharamulo DC**
	Shs.691,396,570.00 in respect of deferred capital grant was understated by Shs. 284,034,324. Therefore, the

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	statement of financial position as at 30th June,2011 has been understated by Shs.287,497,517 in respect of deferred capital grant, hence, Statement of financial position may not represent actual balance of net assets held by the Council as at 30th June,2011
16	Lindi MC
	• Un reported contribution from community Shs. 20,548,214 • Payment not supported by activity report Shs. 2,024,050 • Unvouched expenditure Shs. 2,725,000 • Unbudgeted expenditure Shs. 3,365,000 • Overspent amount on per diem domestic Shs. 5,223,400
17	Nachingwea DC
	• Unspent balance at the end of the year Shs. 348,488,347.46 • The council planned to implement various activities through RWSSP programme but activities worth Shs. 221,835,863 were not yet completed. • Shs. 12,894,910 was reported to have been spent to date without prior approval of the appropriate authority. • A sum of Shs. 8,488,347.46 was reported in the financial report as fund balance to the water sector project. However this balance appears to differ with council implementation report which in the contrary is reporting to have a fund balance of Shs. 221,835,863
18	Morogoro MC
	• The Morogoro Municipal Council prepared Financial Statements which are not compatible with the requirements of MoU and IPSAS • Expenditures amounting to Shs.1,751,000 were

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	charged to wrong account codes contrary to Section 43 (5) of the Local Government Finance Act No.9 of 1982 (Revised on 2000). • Review made in the submitted WSDP final accounts noted that schedules to support figures disclosed in the face of financial statements were not submitted along with the financial statements. • Statement of financial performance reported a receipt of Shs. 31,312,200 while note 16 reported as Shs. 30,400,142 • Incorrect treatment of Grants in the Statement o Financial performance Shs. 31, 312,200 • Statement of financial position disclose only Cash and cash equivalent, although the consolidated Trial balance on page 9 of attachment disclose a prior year deferred revenue grant of Shs. 362,475,144.71 which is not incorporated in the financial statements
19	Morogoro DC
	• Schedules to support additions of non current asset not prepared Shs. 51,978,094 • Incorrect treatment of Surplus in the Statement of Financial Performance Shs. 522,325,970 • Deferred Income capital Grant Note 35 not confirmed Shs. 470, 347,876
20	**Bariadi DC**
	• Non responding to implement previous years' auditors recommendations valued Shs. 490,420,227. • Absence of internal audit report on Water Sector Development Programme contrary to Section 8.2 of the Memorandum Understanding (MoU) between Government of Repu of Tanzania and Development partners • Non submission of Annual procurement Plan to

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	Ministry of Water contrary to section 9.3 of MoU. District Water Sector Team (DWST) meeting did not meet on monthly basis as per Section 2.3 (4) of District Operation Manual (DOM).
21	**Misenyi DC**
	Advance payment amounting to US$ 34,747 equivalent to shs.49,838,952 were paid witout bank guarantee to justify the payment as per agreement in the contract.
22	**Ngara DC**
	• The Council did not prepare the financial statements which are compatible with the requirements of MoU and IPSAs adopted by the Council. • Payment not supported by expenditure details Shs. 77,124,000 contrary to Order No. 5 (c) of the LAFM 1997 requires Council Treasurer to maintain a sound accounting system and safekeeping of all supporting documents.
23	**Tabora MC**
	• Plant, property and equipment was overstated by Shs.184,105,508 • Supplies and consumbles used was overstated by Shs. 78,897,406
24	**Shinyanga MC**
	• Non responding to implement previous years' auditors recommendations valued Shs. 501,825,168. • Stores not accounted for in ledger charge Shs. 2,446,000 contrary to Order No.207 of the Local Authority Financial Memorandum (LAFM) 1997 • Special imprests issued not retired Shs. 2,606,500 • Nine (9) drilled boreholes worth USD 210,200 have no water
25	**Bukombe DC**
	• Non installation of hand pumps in drilled boreholes at 13 villages Shs.190,297,300 • Un implemented previous year's audit

	recommendations Shs. 506,464,289. • Un reconciled cash and cash equivalent Shs 326,066,658 • **Absence of internal audit report on Water Sector Development Programme** • **Non submission of Annual Procurement Plan to Ministry of Water** contrary to section 9.3 of MoU.
26	Mbozi DC
	• Non preparation of statement of Capital expenditure and its financing • Unspent balance of Shs.288,569,453. • Financial statements submitted were not in compliance with IPSAS
27	Mbeya CC
	• There were un-retired Imprest worth Shs. 2,000,000. • Stores purchased but not accounted for in the stores ledger Shs.4,528,900 • Double payment of night out allowances Shs.1,140,000 • Cash and cash equivalent understated by Shs.7,890. • Grants received but not accounted for by Shs.8,707,912.
28	**Mpanda TC**
	• Unresolved previous year's audit findings valued at Shs 6,444,429 • Absence of periodic audit reports from the Internal Audit Unit on the WSDP funds.
29	Muleba DC
	• Non submission of detailed analysis of property, plant and equipment Shs. 140,399,404. • Non implementation of awarded contract Shs. 120,612,000
30	Urambo DC
	• Missing payment vouchers of Shs. 418,256,850 • Inadequate supporting documents Shs. 3,420,000

	• Expenditure charged on wrongly account code Shs. 5,820,000 • There is unsupported payables and receivables of Shs. 5,025,500 • Outstanding items in the Bank reconciliation Shs. 3,354,760
31	Longido DC
	• Non implementation of previous years' audit recommendations Shs. 104,262,625 • Issuing of fuel in bulk Shs. 9,000,000 • Procurement of goods and services prior raising Local Purchase Order Shs. 29,510,500 • Contract payments made without certificates for completion of works Shs. 306,497,800
32	**Arusha D C**
	• Irregular payments amounting to Shs.3,814,705 • Misstatement of final financial statement by Shs.60,246,110.86

4.2 GLOBAL FUND AND OTHER PROJECTS

4.2.1 Global Fund Audit

4.2.1.1 Implementing Organisations audited during the year were as follows:

- Ministry of Finance as Principal Recipient
- Ministry of Health and Social Welfare as Sub Recipient
- Medical Stores Department
- Tanzania Food and Drugs Authority
- Tanzania Commission for AIDS (TACAIDS)
- National Malaria Control Programme
- Nation AIDS Control Programme
- Diagnostic Services Section
- National Tb & Leprosy Programme
- National Institute for Medical Research (Round 8)
- The Benjamini Mkapa HIV/ AIDS Foundation

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4.2.1.2 Summary of audit opinions issued to implementing organisations and the reasons which gave rise to issuance of such opinion is as shown below:-

(a) Unqualified Opinion

The four implementing agents of Global Fund were issued with unqualified opinion without emphasis of matter.

- National Institute for Medical Research (Round 8)
- Ministry of Health and Social Welfare
- National Malaria Control Programme
- The Benjamini Mkapa HIV/ AIDS Foundation

(b) Unqualified Opinion with emphasis of matters

6 Implementing Organisations have been issued with Unqualified Opinion with Emphasis of Matters as shown in Table 39 below:

Table 39: Implementing Organizations issued with Unqualified Opinion with Emphasis of Matters

1	**Nation AIDS Control Programme**
	• Non utilazation of Shs. 4,367,364,611 due to late release of funds from Treasury • Delay in completion of contract works worth Shs. 718,588,343
2	**Medical Stores Department**
	• Non clearance of outstanding matters • Medical supplies not delivered worth Shs. 21,074,202,768
3	**Diagnostic Services Section**
	Non implementation of auditor recommendation for the financial years 2009/10 poses the risk of recurring in the future.

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4	**Tanzania Food and Drugs Authority**
	• Unauthorized transfer of Shs. 133,979,110 from TFDA Global Fund to the Ministry of Health and Social Welfare • There was a payment for VAT to Revenue Authorities amounting to Shs. 34,883,062 in respect of printing and photocopying Contrary to Global Fund Manual. • A total of Shs. 217,989,394 and USD 15,071 paid to various payees were wrongly charged to the accounting code.
5	**TACAIDS**
	• Long un-cleared items on the bank reconciliation statements Shs.18,563,293 • During the year of audit TACAIDS transferred Shs.182,950,000 to their representatives through various Sub Treasuries for office running expenses which could not be verified.
6	**National TB & Leprosy Programme**
	• The National TB and Leprosy financial statements showed outstanding liabilities of Shs.35,580,280 to Medical Stores Department for MDR Drugs delivered but not paid, however the audit scrutiny could not obtain supporting documents to confirm occurrence of the transactions. • The Programme paid Shs.130,973,441 to Simply Computers Ltd for supply of 50 dell computers and 50 printers and accessories that was to be distributed by Medical Store department to 50 Councils. However the delivery and goods received notes from the respective Regions and Councils and summary report of delivery was not available for verifications.

	• The review of financial statements showed a closing balance of Shs.120,010,163 as at 30th June,2011 for Global Fund Round three. These funds still remain with the Programme despite the official closing date of the Programme being 30th March, 2010.

4.2.2 Other Donor Funded Projects

4.2.2.1 Summary of audit opinions issued to other Donor Funded projects and the reasons which gave rise to issuance of such opinion is as shown below:-

(a) Projects issued with Unqualified Opinion without Emphasis of Matters

The following 30 other donor funded projects have been issued with Unqualified Opinion without Emphasis of Matter as shown in Table 40 below:

Table 40: Projects issued with Unqualified Opinion without Emphasis of Matters

1	The Legal Sector Reform Programme **(LSRP**)
2	Africa Stockpiles Programme. **(ASP)**
3	Central Transport Corridor Project - CR NO4455 TA **(CTCP**)
4	Ministry of Enegy and Minerals Solar-Project **(SIDA)**
5	Lower Kihansi Environment Management Project **(LKEMP)**

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6	Regional Communications Infrastructures Project -**(RCIP)**
7	Trust Fund -Marine and Coastal Environmental Management Project (**GEF)**
8	LakeTanganyika Integrated Regional Development Programme **(LTIRDP)**
9	IDA CREDIT 4003 – 1 TA Local Government Support Project. **LGSP-(PST DAR)**
10	IDA CREDIT 4003 - 1 TA Local Government Support Project. **LGSP-(LGSP-PMO-RALG)**
11	Health Sector Programme Support(PMO RALG)
12	Private Sector Competitiveness Project- Credit No. 4136 - Coordination Unit **(PSCP)**
13	TADEP-Tanzania Energy Development Access and Expansion Project (MEM) CR 4370 TA/TF091281
14	Health Sector Development Project under IDA Credit No.38410, 38411, 46770, grants No.H071-TA, trust fund No. 099966 and 099967- (HSDP)
15	Rural Financial Services Programme (**RFSP)**
16	Science and Technology Higher Education Project **(STHEP)**
17	Sustainable Management of Mineral Resource Project

	(SMMRP)
18	Rural Energy Agency (World Bank) (REA)
19	Songosongo Gas Development`and Power Generation project- IDA Nredit No. 3569 (SGDPGP)
20	Tanzania Minerals' Audit Agency (**TMAA**)
21	The East Africa Public Health Laboratory Networking Project IDA (credit No. 47310) **(EAPHLNP)**
22	Public Finance Management Reform Programme **(PFMRP**)
23	Legal sector Basket Financing Fund **(LSBF)**
24	Strengthening National Capacity to Adapt to the Adverse Impact of Climate Change Project.
25	Small Entrepreneurs Loan Facility (**SELFF**)
26	Public Sector Reform Programme **(PSRPII**)
27	Hiv/Aids Basket Financing (Holding Account) (H**BFF**)
28	Support to Maternal Mortality Reduction Projects(**SMMRP**)
29	Local Government Development Grants.(Holding Account) - **(LCDG)**
30	Poverty Reduction Budget Support (**PRBS)**

(b) Projects issued with Unqualified Opinion with Emphasis of Matters

The following 13 other donor funded projects have been issued with Unqualified Opinion with emphasis of matters and reasons thereof for such opinion;

Table 42: Projects issued with Unqualified Opinion with Emphasis of Matters

1	**SIDA/NORAD/MEM Biofuels Project.**
	• Unretired imprests Shs.7,781,760.00 • Outstanding loans Shs.30,065,141.40
2	**District Agricultural Sector Investment Project (DASIP)**
	• Kigoma District Council fails to remit an amount of Shs.77,600,000 to farmers Group as requested from PCU. • Bariadi District Council fails to remit an amount of Shs.106,000,000 to farmers Group as requested from PCU.
3	**The Rural Energy Agency (REA)**
	Levies and penalties on the commercial generation of electricity to the National grid amounting to Shs.387,476,632.59 collected by TANESCO were not remitted to the Rural Energy Agency Account up to the time of audit (September 2011) contrary to the REA Act No. 8 of 2005 and Para No. 3(1-2) of the Rural Energy (General) Regulations, 2011.
4	**Tanzania Strategies Cities Projects (TSCP)**
	• The financial Statements did not include the amount contributed by DANIDA during the year to implement Tanzania Strategic Cities Project activities. A sample made in four implementing LGA's shows that a sum of Shs.1,478,000,000 was disbursed by DANIDA direct

	to the implementing LGA's through the Ministry of Finance and Economic Affairs . This does not portray the actual amount utilized by the Project. • The Project did not spent a total amount of USD 19,826,639.00 equivalent to 87% of the amount received from IDA. This suggests that activities of the same degree were either not executed or partially executed.
5	**Tanzania Private Sector Foundation (TPSF)**
	PSCP Component 2- Enterprise Development implemented by the Tanzania Private Sector Foundation for the year 2010/2011 neither deducted nor paid income tax from its senior staff. The calculation of the Pay As You Earn (PAYE) taxes amounts to Shs. 214,577,844.08 which remain outstanding from senior employees of the Project.
6	Marine and Coastal Environment Management Project. (IDA Project 4106) **(MACEMP)**
	• A total of Shs. 4,841,685,129.68 were paid to various contractors without performance security of recovery of losses which are likely to be incurred in case of default. • Un approved interim certificates due for payment amounting to Shs. 220,749,667.20 are likely to cause financial penalties for failure to pay them timely. • Uncertainty arises due to the expenditure incurred under provisional sum Shs.1,737,849,301.
7.	**Dar Rapid Transit Agency (DART)**
	• As at 30th June, 2011 Tanzania Building Agency (TBA) had Shs.1,627,533,000 from DART Agency as resettlement funds not paid to project affected people. • The Dar es Salaam Community Bank (DCB) had Shs.210,794,016 not yet paid to property affected

	people. Most of the property affected people did not turn up to collect their cash due to land disputes or they did not agree with the valuated amount. This may hinder project implementation since people will not pave the way for DART projects. • There is a possibility for the Government to incur unproductive costs payable to the contractor China Civil Engineering Construction Corporation (CCECC) as a compensation for the loss suffered by the contractor due to the idle time of equipment and personnel, this is due to the Government stop-order given to the contractor in April 2011 to stop construction of depot at Jangwani area.
8	**Tanzania Sector Support Programme (TSSP2)**
	a) Non opening of Tanzania Bank Account for Government of Tanzania counterpart contribution. Pursuant to Project Appraisal Document,(Annex 7: Financial Management and Disbursement arrangement clause 23(ii), requires TANROADS to open and maintain a special bank account for receiving the GoT counterpart contribution for Tanzania Airports Authority and paying contractors or service providers, however at the time of audit (November 2011) there was no evidence that the account had been opened. **b) Payment made for office rent and charges USD 73,520.38 without provision in the financing agreement.** TANROADS made payments to AIRTEL TANZANIA LTD as office Rent and service charges for the month of April 2011 vide PV no.TSSP0077, invoice no.23700 and 27301.However there is no provision for that payment on financing agreement for TSSP between United republic of Tanzania and International Development Association.

	(C) Payment made for procurement of works without approval by the World Bank Shs.49,581,000 Contract No.TNRA/KIL/MTCE/002/2009-10/76 for Emergency maintenance works on Same-Himo JCT Road entered with M/S Itumbe Techno Economic Services Ltd at a contract price of Tshs.49,581,000 for a period of 120 days was not approved by the World Bank. Payment amounting to Tshs 46,958,975 was made to the Contractor by TANROADS Headquarter through PV No.TSSP 0029 and retention money amounting to Tshs.2,471,525 were paid at Kilimanjaro Regional Office vide cheque No.726999 **(d) Advance payment made before approval of the contract by the Attorney General's Chamber USD 7,495,658.50** Contract No.TRD/HQ/1064/2010/11 on rehabilitation of Arusha –Minjingu Road (98.0 Km) entered into with M/S SOGEA-SATOM at a Contract price of Shs.75,510,520,575.86 for 30 months, the agreement was signed on 12/5/2011 while the letter for submission of contract documents for ratification to Attorney General was written on 22/6/2011 and ratified on 22/7/2011 by the Attorney General contrary to Section 55(6) of the Procurement Act No.21 of 2004,
9	**Facility for Ethics, Accountability and Transparency (FEAT)**
	Weak in internal control system over payment resulted into transfers of U$$ 80,000 and Shs. 23,340,000 from the dollar account to the University of Dar es salaam Account without the approval of the relevant authority.

10	**Eastern Africa Agricultural (EAAPP)**
	• **Missing acknowledgement receipts Shs.183,496,105** An amount of Shs.183,496,105 paid to various organizations, was not supported with acknowledgement receipts. • **Training allowances made to none project staff Shs.11,895,000** The project planned to train six (6) staff who are involved in the project activities at different levels. During the audit it was noted that, payments amounting to Shs.11,895,000 were made as training expenses to seven (7) staff not directly involved in the project activities.
11	**Singida –Babati –Minjingu (SBM)**
	• During the review we noted that there is a pending compensation obligation amounting to Shs.4,564,475,702 payable on the already valued properties that was not disclosed in the financial statements as a liability. • During the audit we noted that due to delay in settlement of the Interim Payment Certificates on time, particularly the GoT portion, TANROADS was bound to pay a Contractor an interest charge amounting to Shs.1,913,339,501.97
12	**Private Sector Competetiveness Project Credit No 4136 (PSCP)**
	• Outstanding imprest not disclosed in the financial statements Shs. 18,535,000 • Deferred payments relating to financial year 2009/10 Shs. 68,874,340 and USD 28,847.52 • Payments amounting to USD 18,719 and Shs. 28,601,030 were categorized as unauthorized in the sense that they missed supporting documents.

13	**The Tanzania Global Development Learning Centre (TGDLC)**
	• The Centre's statements of Income and expenditure closed with a loss of Shs.210,776,602. • During the financial year 2010/2011 only 0.43% of Debtors and prepayments settled their debts amounting to Shs.2,315,629 out of the outstanding amount of Shs.538,191,973.73

(C) Project issued with Qualified Opinion

One other donor funded project was issued with Qualified Opinion

1	**Accelerated Food Security Project (ASFP)**
	• Non reconciliation of approved input vouchers to be redeemed between the Ministry and the National Microfinance Bank Shs.105,068,633,760 • Ineligible expenditure effected in the project fund Shs.35,034,942 • Returned farmers input vouchers not recorded in the store ledgers Shs.4,051,263,000 • The project through the Ministry of Agriculture, Food Security and Cooperatives paid Shs.30,262,910 (USD.22,220) for purchase of specialized equipment for Agricultural Seed Agency. However, up to the time of audit January, 2012 equipment had not been delivered.

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CHAPTER FIVE

REVIEW OF PROCUREMENT PROCESSES

5.0 Introduction

During the course of audit in the financial year 2010/2011, I observed anomalies in the procurements of goods and services made by Tanzania Social Action Fund (TASAF), Agricultural Sector Development Programme (ASDP), Water Sector Development Programme (WSDP), Health Basket Fund (HBF) and Other Projects. The anomalies observed centered on non compliance with the PPA of 2004 and its related Regulations of 2005 as narrated below:-

5.1. Agricultural Sector Development Programme (ASDP)

5.1.1 Non-compliance with PPA 2004 and Resolutions thereto

The audit findings focused on whether the procedures, processes and documentations for Councils' procurement comply with the provisions in the PPA 2004, Public Procurement Regulations (GN. No.97 and 98 of 2005, and GN. No. 177 of 2007) and procurement carried out to achieve the expected economy and efficiency.

The outcome of the audit indicates four (4) cases of non compliance with the procurement procedures associated with a total value amounting to Shs. 613, 215,238 as summarized in Table 43 below:-

Table 43: Non compliance with the procurement procedures

S/N	Description	No. of Council	Amount (Shs.)
1	Store items not taken on ledger charges	13	190,168,058.00
2	Unapproved procurement	6	343,316,945.00
3	Unapproved list of suppliers	9	44,187,260.00
4	Biased procurement	7	53,542,975.00
		Total	**613,215,238.00**

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The analysis on the non compliance with procurement per Council is provided in **Annexure III**

5.1.2 Goods paid for but not delivered - Shs. 232,533,800

Payments amounting to Shs. 232,533,800 were made in advance to various suppliers using ASDP fund during the year under review. However, the goods were not delivered. Five (5) Councils, and the amounts involved are described below:-

Table 44: Goods not delivered

Council	Amount (Shs.)
Iringa Dc	3,780,000.00
Urambo	4,679,000.00
Meatu	18,000,000.00
Makete	40,000,000.00
Ludewa	166,074,800.00
	232,533,800.00

5.2 Health Basket Fund (HBF)

5.2.1 Goods paid for but not delivered - Shs. 322,441,481

Goods worth Shs. 322,441,481 were ordered and paid for during the year but were not delivered contrary to the PPR No.122 .

The detailed analysis of these findings is reflected in the individual management letters issued to each Council. Summary is shown in Table 45 below:-

Table 45: Goods Paid for but not Delivered

S/N	Council	Amount (Shs.)
1	Nzega DC	6,605,000
2	Ilala MC	111,440,281
3	Moshi DC	1,716,800
4	Sikonge DC	3,729,400

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5	Mpanda TC	3,449,000
6	Mpanda DC	194,428,600
7	Sumbawanga MC	1,072,400
8	Iringa DC	1, 327,400
	Total	**322,441,481**

5.2.2 Procurement of Medical Supplies Without MSD approval- Shs. 293,431,640

Audit noted that, medical items worth Shs. 293,431,640 were procured by 11 councils as shown in Table 46 below, from private suppliers and without MSD approval contrary to Sect.4 of the Local Authorities Tender Boards (establishment and proceedings) Regulations, 2007.

Table 46: Procurement Without MSD Approval

S/N	Council	Amount (Shs.)
1	Meru DC	33,734,250
2	Sengerema DC	59,350,000
3	Mwanza CC	74,999,140
4	Mufindi DC	20,882,500
5	Ilala MC	11,514,000
6	Newala DC	5,072,500
7	Geita DC	34,977,500
8	Morogoro MC	6,123,200
9	Kilindi DC	18,187,750
10	Kilwa DC	25,592,800
11	Shinyanga DC	2,998,000
	Total	**293,431,640**

5.3 Tanzania Social Action Fund (TASAF)

5.3.1 Goods Paid for but not Delivered - Shs. 50,275,000

Audit test on procurement system and receiving of goods paid for revealed weaknesses such as uncompetitive procurement, purchases without planning since items

procured were not delivered, or were partly delivered or were not accounted for in full in stores ledgers. Detailed analysis of these findings is reflected in the individual management letters issued to each Council and summarized in Table 47 below:-

Table 47: Goods not Delivered

S/No	Council	Amount (Shs.)
1.	Kigoma MC	650,000
2.	Kasulu DC	18,979,500
3.	Kibaha TC	16,360,500
4.	Bukoba DC	5,970,000
5.	Chato DC	8,315,000
Total		**50,275,000**

5.4 Water Sector Development Programme

5.4.1 Non Implementation of Planned Activities

We noted that a number of planned activities were either not implemented or were partially implemented as at the year end as detailed in Table 48 below:-

Table 48: Activities not implemented

Activity code	Activity description	Component	Budget (Shs.)	Actual (Shs.)	Amount under Spent (Shs.)
3435	Water quality and ecosystem management	1.	5,165,917,000	4,178,426,100.00	987,490,900.00
6545	water resource mgt and development	1.	12,431,086,000	12,188,461,973.93	242,624,026.07
3223	borehole drilling and dam construction	2.	8,984,714,000	4,533,167,093.56	4,451,546,906.44
3280	rural water supply and sanitation project	2.	33,206,207,000	29,943,188,392.41	3,263,018,607.59
6276	management support to LGAs and MOW	2.	14,731,650,000	1,736,946,284.50	12,994,703,715.50

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3307	rehabilitation and expansion of urban water supply schemes under WSDP	3	26,576,388,000	19,249,020,398.75	7,327,367,601.25
3437	improvement of DSM water supply and sanitation program	3	10,613,682,000	10,506,845,267.12	106,836,732.88
3438	Kidunda dam project	3	3,000,000,000	-	3,000,000,000.00
3439	Mpera and kimbiji water project	3	5,084,000,000	1,033,186,885.82	4,050,813,114.18
6275	Management support to utilities	3	7,946,250,000	1,636,347,811.48	6,309,902,188.52
2325	Water sector coordination and performance monitoring	4	4,369,080,000	2,301,197,079.06	2,067,882,920.94
3308	Water sector institutional strengthening	4	2,240,500,000	1,437,848,295.65	802,651,704.35
3436	Sector capacity building	4	4,351,464,000	141,173,419.77	4,210,290,580.23
6284	Public service reform programme	4	516,150,000	975,000	515,175,000.00
6571	Environmental management act-implementation support project	4	315,000,000	146,986,000	168,014,000.00

5.4.2 Contract Variations

We noted contracts with excessive variations from original approved prices as per bills of quantities as detailed in Table 49 below:-

Table 49: Contracts with Excessive Variations

Tender Ref.	Description	Supplier	Original Amount - (Shs.)	Extension Work Amount- (Shs.)	(%) variance
ME-011/2008-2009/W/04 Lot 1	Rehabilitation of MoW Offices Ubungo	Syscon Builders	768,552,868	205,957,806	26.8
ME-011/2008-2009/W/04 Lot 2	Rehabilitation of MoW Offices Ubungo	Jovicer Construction and Supplies Ltd	208,604,940	35,398,947.84	16.97
CW-C22	Supervision of Gravity mains	COWI (T) Ltd	74,500,000	505,335,000	678.3

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	and Civil works from Bulenya dam to Igunga town and villages of Mbutu, Ibutamisuzi and Hindishi				
CW-C5	Reviewing Detailed Designs and Tender Document for Water Supply System in Dodoma Municipality	COWI (T) LTD	USD 160,268	USD 91,000	56.7
CW-C13	Supervision of Construction for Water Supply for Mtwara Municipality and Masasi and Nachingwea Township	M/s POYRY of German and DCL of Tanzania	USD 861,875	USD 543,991	63.1

5.4.2 Contracts not Completed Within Agreed Time Frame

We noted that most of the contracts were not executed as per contractual terms and conditions. These are detailed in Table 50 below:-

Table 50: Contracts not completed within agreed time

Tender No.	Description of tender	Awarded firm	Required delivery date	Actual delivery date	Delay-months
ME-011/2009/2010/G/03	Lot 1: supply of analytical reagent/chemicals	M/s Scan tanzania Ltd	30/4/2011	4/10/2011	5
	Lot 2: Supply of analytical acids and solutions for WDMI	M/s Eletechno	30/4/2011	29/6/2011	3
	Lot 3: Supply of	M/s Eletechno	30/4/2011	26/8/2011	4

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	Bacteriological chemicals/media buffer powder pillows and detergent				
ME-001/2008/2009/C/01	Development of Financial Management System for Water Resources Management	M/s Prime Consult International Limited	01/09/2011	Not completed	3
ME-011/2008/2009/C/03	Social assessment for integrated water resources management	Egis BCEOM international in association with service plan	31 July 2011	Not completed	5

5.4.3 Projects not Implemented/Postponed.

Table 51 below show funds for projects whose completion were postponed or not implemented by various Councils.

Table 51: Project not Implemented

Council	Delayed completion of projects	Projects not completed	Projects postponed/ not implemented
Rungwe DC	-	239,224,875	-
Mwanza CC	223,061,400	-	-
Kiteto DC	342,850,000	-	-
Kilosa DC	-	214, 720,368	-
Hai DC	-	-	1,164,406,181
Karagwe DC	**25,194,000**	224,995,000	-

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Lindi DC	-	435,083,058	**-**
Ngorongoro DC	-	385,421,192	-
Rorya DC	**972,972,651**	-	-
Mpanda D C	-	273,237,000	-
Tabora DC	-	**97,410,000**	-
Hamtumbo DC	-	113,860,000	-
Manyoni DC	-	-	1,833,538,214
Seregeti DC	-	**383,145,000**	710,000,000
Kongwa DC	-	-	376,047,846
Mpanda TC	-	-	678,307,688.00
Shinyanga MC	-	-	376,704,200
Total	**1,564,078,051**	**2,367,096,493**	**5,139,004,129**

5.5 Global Fund and Other Projects

5.5.1 Global Fund

(i) National TB & Leprosy Programme

Distribution of computers to Regions not supported Shs.130,973,441

The Programme paid Shs.130,973,441 to Simply Computers Ltd for supply of 50 dell computers and 50 printers and accessories that were to be distributed by Medical Store Department to 50 Councils. However the delivery and goods received notes from the respective Regions and Councils and summary report of delivery was not available for verification.

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(ii) Medical Stores Department

Medical supplies worth Shs. 21,074,202,768 not delivered were

(iii) Nation AIDS Control Programme

Delay in completion of contract works worth Shs. 718,588,343

5.5.2 Other Projects

(i) Accelerated Food Security Project (ASFP)

- Returned farmers input vouchers worth Shs.4,051,263,000 were not recorded in the store ledgers

- Payment made for undelivered goods worth Shs.30,262,910.26 (USD.22,220).

(ii) **MACEMP- Marine and Coastal Environment Management Project.(IDA Project 4106**).

- Payments amounting to Shs.95,431,039,843.50 were paid to various contractors without performance security of recovery of losses which are likely to be incurred in case of default.
- Un-approved interim certificates due for payment amounting to Shs.220,749,667.20

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CHAPTER SIX

WEAKNESSES IN FINANCIAL MANAGEMENT

6.0 Introduction

This chapter aims at providing information on the financial performance of Donor Funded Projects for the year under audit. This includes a review of Donor Funded Projects status in regard to outstanding matters from the previous audit recommendations which were submitted to individual accounting officers and current key audit findings.

The purpose of audit findings and recommendations issued in that regard, is to assist the auditees to rectify the issues addressed therein in order to improve the financial management and control of resources of the entities. Non responding to the auditors' findings and recommendations as is the case with the projects audited is a serious malpractice on the part of the Accounting Officers and management of the projects.

The consequences of not acting upon the previous years auditors' observations and recommendations leads to the recurrence of the anomalies observed by the auditors in subsequent financial reporting years. This can also reflect lack of seriousness and non commitment on the part of the Accounting Officers and management of the entities concerned. The list of outstanding matters from previous audit reports and other financial management weaknesses are as shown below for each of the audited projects.

6.1 AGRICULTURE SECTOR DEVELOPMENT PROGRAMME (ASDP)

6.1.1 Implementation of the previous year's audit recommendations

I acknowledge that various Councils made good progress in implementing outstanding matters arising from the

previous years' audits. However, in this year's audit 68 Councils had previous years' outstanding issues amounting to Shs. 15,157,333,147 as detailed in **Annexure IV.**

6.1.2 Ineligible Expenditure - Shs. 539,829,342

Twenty three (23) Councils incurred expenditure amounting to Shs. 539,829,342 which lacked relevant and sufficient information to establish their validity and therefore could not be treated as proper charge against the public funds.

A detailed analysis of these payments of is given in Table 52 below and as detailed in **annexure V:**

Table 52: Irregular Expenditure

Description	No. of Council	Amount in (Shs.)
Exempted VAT paid	5	34,639,368.00
Activities executed out of budget	13	474,390,868.00
Questionable expenditure	5	30,799,106.00
Total	**23**	**539,829,342.00**

6.1.3 Mismanagement of Agriculture Input Vouchers Shs. 2,456,979,700

As part of efforts to boost and sustain agriculture, the Government established the Farm Inputs Voucher System. The system is based on a subsidy mechanism whereby the Government contributes about half the cost of fertilizers and seeds in order to reduce the burden on peasants, most of whom cannot afford to buy the inputs at market prices.

While the system is commendable the audit uncovered four (4) cases whereby implementers mismanaged the

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agriculture input vouchers due to circumstances/instances shown in Table 53 below:-

Table 53: Mismanaged Vouchers

Description	No. of Council	Amount (Shs.)
Unconfirmed receipt of vouchers	2	9,151,700
Loss of agriculture input vouchers	1	2,708,000
Unpaid agriculture inputs	2	2,439,120,000
		2,450,979,700

6.1.4 Improperly Vouched Expenditure Shs.1,655,444,873

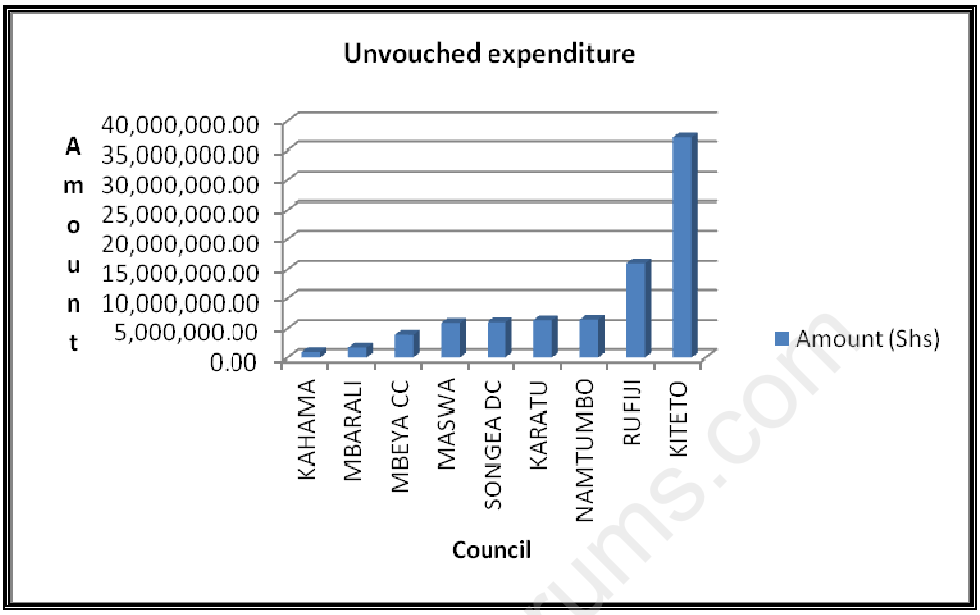
There were payments amounting to Shs. 1,655,444,873 made without proper supporting documents. Musoma District Council had the largest proportion (16 per cent) followed by Babati DC (15 per cent) and Ngorongoro (14 per cent). Details are **in Annexure VI**

6.1.5 Missing Payment Vouchers Shs.84,868,970

Payment vouchers worth Shs.84,868,970 recorded in the cash books were not produced for audit scrutiny. This is contrary to Section 45 (5) of the Local Government Finances Act of 1982. There were nine (9) instances noted whereby Kiteto District Council had large proportion of missing payments vouchers (44 per cent) followed by Rufiji District Council (18 per cent) and Namtumbo District Council (8 percent). The accuracy and authenticity of payments made could not be ascertained and confirmed as the absence of payment vouchers limited the scope of audit. **AnnexureVI** contains the details.

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Figure 1.



6.1.6 Imprest not Retired - Shs. 68,535,738

Imprests amounting to Shs.68,535,738 for sixteen (16) Councils(**refer annexure VII**) issued during the year were not retired after completion of the intended activities. In addition, some of the officers holding outstanding imprests were issued with fresh imprests. This is a departure from Order No. 134 of the Local Authorities Financial Memorandum (1997).

6.1.7 Payments Charged to Wrong Expenditure Codes - Shs. 171,688,748.21

Expenditure amounting to Shs. 171,688,748.21 was charged to wrong GFS code stated in the approved estimates, contrary to Order No. 49 of LAFM 1997 which states that "Every charge of expenditure and items of income shall be classified strictly in accordance with the details of the approved estimates and the voted funds shall be applied

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only to the purpose for which they were intended" Councils and amounts involved are detailed in **annexureVIII**

6.1.8 Inter Account Indebtedness - Shs. 457,020,950

Scrutiny of the payment vouchers for the year under review revealed that Shs.457,020,950 were transferred from ASDP account, to other development accounts and individual groups. Budgeted activities of ten (10) Councils were affected due to unpaid advances. Sumbawanga District Council had the larger share of 73 per cent, followed by Rungwe DC at 11 per cent and Rungwe DC at 5 per cent. More details are shown in Table 54 below:

Table 54: ASDP Inter Account Indebtedness

Council	Amount in (Shs.)
MOROGORO MC	1,800,000.00
SERENGETI DC	1,877,000.00
MVOMERO DC	2,000,000.00
MEATU DC	5,512,950.00
KASULU DC	11,350,000.00
KIBONDO DC	12,425,000.00
KONGWA DC	12,681,000.00
RUNGWE DC	24,000,000.00
KILOSA DC	50,000,000.00
SUMBAWANGA DC	335,375,000.00
TOTAL	**457,020,950.00**

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6.1.9 Equipment and Completed Projects not in use – Shs. 137,259,243

We observed during the audit that, five (5) Councils had procured agriculture equipment worth Shs.137,259,243 for the purpose of distributing them to the community groups. However, as at the time of audit, the equipment were observed at Councils' yard being kept idle. The reasons for

not distributing or using the equipment were not stated. Details are shown in Table 55 below:

Table 55: Completed Projects not in use

Councils	Amount (Shs.)	Percentage
MKINGA DC	4,300,000.00	3.13
NZEGA DC	8,115,800.00	5.91
KIBAHA DC	9,395,300.00	6.84
MTWARA MC	36,513,748.00	26.60
TABORA DC	78,934,395.00	57.51
Total	**137,259,243.00**	

6.1.10 Funds not Utilized - Shs.24,114,226,349

Audit results of various projects audited during the year revealed rollover funds amounting to Shs.24,114,226,349. The funds were released during the year but the responsible Councils could not to spend those funds due to various reasons such as delays in release, lack of capacity to absorb the funds released and long procurement procedures for contractors to carry out earmarked activities.

6.2. WATER SECTOR DEVELOPMENT PROGRAMME (WSDP)

6.2.1 Ineligible Payment of VAT - Shs.389,567,760

We noted that the Ministry of Water under WSDP procured goods and services from various suppliers of which the price charged included VAT amounting to Shs.360,937,223.87. However, Section 9.2.2 of the MoU exempted all expenditure for goods, works and services financed using WSDP resources from all taxes imposed direct or indirectly by the Government of the United Republic of Tanzania. Table 56 below show the noted cases where consisting in eligible VAT.

Table 56: Ineligible Expenditure

Date	Supplier	PV No.	Description of payment	Amount (Shs.)
27.01.2011	Netwas co. Ltd	49VC10002693	Payment made to Netwas for consultancy services on feasibility study & detailed design of earthfill embarkment dams and associated works for Mugeta village	10,476,630
21.12.2010	Kimbushi builders co Ltd	49VC10001941	Payment made to kimbushi builders co ltd for Matwiga Dam as per certificate no.2. the amount is after deduction of retention money TZS. 5,751,320	7,191,953.28
17.12.2010	Jasmine & co Ltd	49VC10001858	Payment made to Jasmine&co ltd for wegero Dam as per certificate no.3 after deduction of retention money of TZS. 10,912,640	12,767,788.80
17.06.2011	Great lakes constructio n co Ltd	49VC10004832	Payment made to great lakes construction co ltd for nyambori dam as per certificate no.5	10,652,551.92

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Date	Supplier	PV No.	Description of payment	Amount (Shs.)
24.06.2011	Nyakirang'anyi co Ltd	49VC10005178	payment to nyakirang'anyi co ltd for the construction of mwanjoro dam certificate no.3	35,957,239.56
11.04.2011	Nyakirang'anyi co Ltd	49VC10003989	payment to nyakirang'ani co ltd for construction of salama kati dam	17,734,431.42
23.06.2011	Netwas co. Ltd	49VC10005092	payment made to netwas TZ td for consultancy services for construction supervision of earthfull dams	22,493,191.09
24.06.2011	Great lakes constructio n co Ltd	49VC10005176	payment to great lakes co ltd for construction of musuguru dam	42,658,125.66
24.06.2011	Great lakes constructio n co Ltd	49VC10005167	payment to great lakes co ltd for construction of nyambori dam certificate no.7	50,813,080.74
24.06.2011	Netwas co. Ltd	49VC10005215	payment to netwas tz ltd for consultancy supervision of dams	30,677,326.11
17.12.2010	Western constrcutio n co Ltd	49VC10001854	payment to western construction co. ltd for bulenya dam.	33,067,187.59
08.04.2011	Nyakirang'anyi co ltd	49VC10003957	payment made to nyakirang'anyi	22,356,440.82

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Date	Supplier	PV No.	Description of payment	Amount (Shs.)
			for cost of construction of mwanjoro dam	
26.10.2010	Nyakirang'anyi co ltd	49VC10000711	payment to nyakirang'anyi construction ltd for the construction of kawa dam, bunda	18,000,000.00
23.06.2011	Tanzania Standard Newspaper	49VC10005115	payment made to Tanzania Standard Newspaper ltd for advertising budget speech for the year 2010/2011	2,630,085.48
23.06.2011	National printing co Ltd	49VC10005113	payment made to National printing co. ltd for the preparation of memorandum budget speech&response or parliament quaries to the MOW	1,816,020.00
16.06.2011	Syscon builders Ltd	49VC10004797	payment made to syscon builders ltd for certificate no.4,5&6 for rehabilitation& extension of office accommodation to the MoW tender no.ME-011/2007-08/W/04	41,645,171.40

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Date	Supplier	PV No.	Description of payment	Amount (Shs.)
	M/s BUCICO Company Limited and Madanganya Investment Co. Ltd	09/07 10/07, 02/09, 03/10, 01/01	Payment made to M/s BUCICO Company Limited) for contract no LGA/022/HQ/2009/2010/W/48 and M/s Madanganya Investment Co. Ltd Contract for contract no LGA/022/KDCTB/RT.2/2009/2010	**28,630,537**
TOTAL				**389,567,760**

6.2.2 Non reconciling prior year closing balance and current year opening balance - Shs. 8,432,826,581

We noted a difference of Shs. 8,432,826,581 between the reported outstanding advances as a closing balance at 30 June 2010 with the opening balance of the same outstanding advance as at 1st July, 2010.

Table 57: Non Reconciled Balance

Outstanding advance Closing balance as at June 2010 (Shs.)	Outstanding advance Opening balance as at July 2010 (Shs.)	Difference (Shs.)
63,759,314,644	72,192,141,225	8,432,826,581

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6.2.4 Status of Implementation of Previous Years' Auditor's Recommendations

Special audit was conducted on this project during the year 2009/2010, salient issues which surfaced during the special audit conducted were the following:-

1. Ineligible expenditure amounting to USD 536,890 (Shs.852,895,901) which was observed by the auditors including amount observed during in-depth Financial Management review have to be refunded by the MoW Management.

2. The Programme management is required to submit the analysis of unreported expenditure of Shs. 68,332,741,760 for audit.

3. Management should adjust the balances due to the difference of Shs. 6,184,559,550 between closing and opeing balance of the years 2008/09 and 2009/2010 respectively and review the financial statements and submit the same for audit review.

   However, the Ministry of Water management is still working on these issues.

6.3 HEALTH BASKET FUNDS (HBF)

6.3.1 Review of the Previous Years Matters

Audit review on the implementation of audit recommendations on the issues raised in the previous audit report revealed that most of the recommendations have been implemented except for matters with a total amount of Shs. 5,723,114,166. Details of these matters are shown in **annexure IX**

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6.3.2 Outstanding Imprest Shs. 69,189,000

The Health Basket funds Procedures and Accounting Manual Section 5.6.3(e) requires the imprest holder to retire the imprest in full as soon as the activity is completed. During the year under review I noted that some Council closed their Health Basket Fund financial statements with outstanding imprest amounting to Shs. 69,189,000 contrary to Local Authority Financial Memorandum of 1997 section 134. Councils with outstanding imprests are Karatu DC Shs 7,502,000, Temeke MC Shs. 61,157,000 and Chunya DC Shs 530,000.

6.3.3 Fund not Utilised - Shs.10,298,611,765

During the year under review the LGAs had a sum of Shs. 79,449,114,693 for financing Health Basket Fund activities within the Local Authorities. However, total expenditure during the year amounted to Shs. 69,150,502,928 leaving unspent balance as at the year end of Shs.10,298,611,765 equivalents to 13 % of the available funds. This situation indicates that the envisaged services were not provided to the community. A summary of Councils and amounts involved is shown in **Annexure Id.**

6.3.4 Payments Missing Supporting Documents and Authorization- Shs.1,707,665,824

Examination of payment vouchers and related supporting documents for the year under review disclosed payments totalling Shs. 1,707,665,824 which were not supported by payment vouchers and related documents, contrary to Order No. 5 (c) of the LAFM (1997). In such circumstances, the authenticity and regularity of the expenditure incurred could not be established. Details are found in **annexure X** to this report.

6.4 TANZANIA SOCIAL ACTION FUND (TASAF)

6.4.1 Review of the previous year's matters

Audit review on the implementation of audit recommendations on the issues raised in the previous audit report revealed that most of the recommendations have been implemented except for matters with a total amount of Shs. 971,165,939.57 as analysed in Table 58 below:-

Table 58: Non Implemented Recommendations

S/N	Council	Amount (Shs.)
1.	Kilombero DC	32,727,273
2.	Bukoba DC	139,005,221.06
3.	Mbulu DC	30,022,954
4.	Meru DC	171,414,873
5.	Misungwi DC	27,224,098
6.	Mpanda DC	196,634,251
7.	Longido DC	27,853,987
8.	Karatu DC	123,468,892
9.	Ngorongoro DC	147,652,398.27
10	Masasi DC	75,161,992.24
Total		**971,165,939.57**

6.4.2 TASAF Funds not Utilised Shs. 6,474,930,316.34

During the year under review the LGAs had a sum of Shs. 59,009,262,364.73 for financing TASAF activities within the Local Authorities. However, total expenditure during the year amounted to Shs. 52,534,332,047 leaving unspent balance as at the year end of Shs. 6,474,930,317.73 equivalent to 10% of the available funds. This situation indicates that the envisaged services were not provided to the community. Summary of Councils and amounts involved is shown in **Annexure Ib.**

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6.4.3 Improperly Payments Shs.944,851,202.50

Examination of payment vouchers and related supporting documents for the year under review disclosed payments totalling Shs. 944,851,202.50 without supporting documents contrary to Order No. 5 (c) of the LAFM (1997). In such circumstances, the authenticity and regularity of the expenditure incurred could not be established. Council with payments not adequately supported are summarized in Table 59 below:

Table 59 (a): Missing Payment Vouchers

S/N	Council	Amount (Shs.)
1.	Kigoma MC	305,344,264.00
2.	Rufiji DC	121,445,509.32
3.	Kasulu DC	15,451,337.00
4.	Kigoma DC	9,355,255.00
5.	Kwimba DC	13,705,000.00
6.	Sikonge DC	15,760,661.00
7.	Meru DC	25,000,000.00
8.	Babati DC	44,035,461.86
9.	Ngorongoro DC	21,927,775.00
10.	Tunduru DC	36,191,846.32
Total		**608,217,109.50**

Table 59 (b): Improperly Vouched Expenditure

S/N	Council	Amount (Shs.)
1.	Meru DC	66,000,206
3.	Mkuranga DC	4,836,500
4.	Monduli DC	51,445,405
5.	Ngorongoro DC	9,090,000
6.	Karatu DC	11,204,967.33
7.	Babati DC	187,150,814.57
8.	Tunduru DC	6,906,200.00
Total		**336,634,093.00**

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6.4.4 Delay in Completion and Defects on Sub-Projects - Shs. 3,035,766,732

According to TASAF Operational manual, Sub-projects are required to
be implemented within a period of 12 months after approval.

Our review noted that Sub-projects worth Shs. 3,035,766,732 have not been completed, despite the fact that an engineering exercise was conducted to all incomplete Sub projects with the aim of evaluating the status of the respective projects to enable facilitation of additional funds for completion.

In addition, defects have been noted in Sub projects which emanated from poor workmanship, lack of supervision and lack of technical expertise. Details of projects delayed/not completed are given in Table 60 below:-

Table 60: Delayed Completion of Sub Projects

Serial No.	District Council	Amount (Shs.)
1.	Kilombero DC	98,874,642
2.	Bukoba DC	104,726,208
3	Kigoma MC	125,756,424
4.	Kilindi DC	23,545,462
5.	Mbulu DC	64,820,273
6.	Liwale DC	421,869,250
7.	Rufiji DC	60,253,665.99
8.	Mwanza CC	57,938,452
9.	Rungwe DC	52,716,500
10.	Tabora DC	163,457,845
11.	Ulanga DC	229,563,992.52
12.	Chato DC	170,522,976.53
13.	Kigoma DC	138,908,586.25

14.	Kilolo DC	299,021,481
15.	Lindi DC	85,947,540
16.	Misungwi DC	5,000,000
17.	Monduli DC	54,122,000
18.	Sikonge DC	25,000,000
19.	Mpanda DC	27,479,527
20.	Mpanda TC	185,973,860
21.	Namtumbo DC	45,454,545.46
22.	Ruangwa DC	150,058,570
23.	Sengerema DC	52,108,740
24.	Shinyanga DC	89,137,554
25.	Longido DC	81,371,372
26.	Karatu DC	81,974,211.73
27.	Kibaha TC	48,032,149
28.	Ngorongoro DC	92,130,905
Total		**3,035,766,732.48**

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CHAPTER SEVEN

CONCLUSION AND RECOMMENDATIONS

7.1 Conclusion

The detailed audit findings in this General Report were communicated to the respective Accounting Officers for the necessary action. The Accounting Officers responsible for implementation of the Donor Funded Projects are required to prepare structured responses on the CAG's audit findings and recommendations and submit them to the Paymaster General. In this report, I have pointed out several weaknesses in internal control systems which resulted from the audit conducted. These matters call for immediate intervention from the Accounting Officers by establishing sound internal control systems that will prevent future recurrence of the same deficiencies. In order to effectively address the weaknesses pointed out in this report and as summarized below, and in compliance with Sect.12 of the PAA No.11 of 2008 , I have made several recommendations which, if implemented will enhance sound financial management of the Donor Funded Projects within the Government.

- Internal Audit Units in MDAs and LGAs are not adequately covering audit of financial statements and transactions of Donor Funded Projects particularly on accountability and performance evaluation in line with the MoU requirements.

- Preparation and submission of financial statements is a high risk area as the LGAs do not prepare the same as per requirement of the MoU. This report has disclosed that two LGAs have been issued with Disclaimer of Opinion due to non preparation and submission of financial statements.

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- Accounting Officers are not adequately managing or supervising the projects and in particular, addressing and implementing audit recommendations. There is a backlog of previous year's recommendation which remained unattended amounting to Shs.106,707,796,940 as at the report date.

- Release of funds from Development Partners and Treasury to Principal recipients – PMO – RALG has always been delayed and in some occasions releases are effected without instructions. This has contributed in delay or non implementation of earmarked projects and also resulting in huge amounts of unspent balances amounting to Shs. 221,997,432,753 and USD 51,356,184 as at 30th June, 2011.

- There were cases amounting to Shs.929,397,102 of which Accounting Officers had spent project funds for un intended purposes.

- There is a serious problem of non compliance with the requirements of MoUs which insists on adherence with the financial and procurement laws of Tanzania. During the year under review we observed anomalies amounting to Shs.1,375,404,672 and Shs.3,784,613,760 in respect with procurement and financial management respectively.

- The audit of four major donor funded projects namely, TASAF, WSDP, HBF and ASDP was a challenging task to my Office due to the fact that there has been inadequate staff and lack of adequate financial resources. In this regard, therefore, it is very likely that the audit of the above projects will be outsourced to private audit firms to do the audit on my behalf; however it will still remain my responsibility to issue the reports.

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7.2 Recommendations

- Internal audit units in the MDAs and LGAs should carry out audits of the donor funded projects and issue reports on quarterly basis on the status of performance of the projects.

- The Ministry of Finance should be strengthened and impose strict financial control on Accounting Officers and improve accounting of Government expenditures including Donor Funded projects. In addition the Ministry has to ensure that all Accounting Officers prepare financial statements and submit them for audit on time.

- Development Partners, the Ministry of Finance (Treasury) and PMO RALG should ensure timely release of funds earmarked for implementation of project activities to avoid delays which in most cases results to higher costs due to inflation.

- Accounting Officers responsible for the management of these Donor Funded Projects should put more efforts to ensure that recommendations pertaining to previous year's audit are attended to accordingly so as to eliminate the possibility of the recurring of the same issues in future.

- Accounting Officers should ensure that there is cost benefit and value for monies spent during implementation of the projects.

- Accounting Officers should ensure that procurement of goods and services are made from approved suppliers so as to comply with the requirement of Reg. No.68 (5) of the Public Procurement (Goods, works, non consultant services and disposal of public assets by tender Regulation of 2005 together with Order No.272 of Local

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Authority Financial Memorandum (LAFM) of 1997and MoUs in order to avoid unnecessary procurements.

- Development Partners are requested to consider budget provision for audit fees for all audits of the major four Donor Funded Projects due to inconsistencies experienced in the release of funds from Treasury for audit of the DFP, which I have decided that from the financial year 2011/12, the audits will be outsourced to private audit firms, even though it will solely be my responsibility to issue the audit reports.

- All stakeholders should be involved in the preparation of Donor Funded Projects' MoUs before the same are signed by the Government and the Development Partners to avoid complications in the implementation.

- From the audits conducted, according to our findings, projects and programmes that are locally owned by those who implement them have proved to be more likely to work and to be sustained. This observation is very valid and warrant that high priority be given to enhancing local ownership of development policy and programmes.TASAF is very good example of a project owned by local communities and is doing well relatively.

- PMO – RALG should effectively supervise the implementing LGAs and ensure that they implement the various projects in accordance with the agreed MOU. For example the preparation of financial statements and audit is a basic requirement.

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Annexure I 'a'

Financial Performance Water Sector Development Programme

	Analysis of fund received					
S/No.	Council	Opening (Shs.)	Received	Available (Shs.)	Expenditure (Shs.)	Balance (Shs.)
1.	Arusha MC	751,601,856.00	644,594,257.00	1,396,196,113.00	572,647,113.00	823,549,000.00
2.	Arusha DC	194,939,366.36	434,005,000.00	628,944,366.36	165,359,832.94	463,584,533.42
3.	Babati DC	991,338,425.50	-	991,338,425.50	66,043,704.00	925,294,721.50
4.	Bagamoyo DC	282,604,620.36	199,000,000.00	481,604,620.36	274,780,000.00	206,824,620.36
5.	Bahi DC	288,197,483.00	87,229,915.00	375,427,398.00	177,259,440.00	198,167,958.00
6.	Bariadi DC	490,420,228.00	24,576,875.00	514,997,103.00	16,503,528.00	498,493,575.00
7.	Biharamulo DC	518,269,887.96	-	518,269,887.96	230,772,371.09	287,497,516.87
8.	Bukoba DC	105,066,769.61	314,331,385.00	419,398,154.61	330,014,794.61	89,383,360.00
9.	Bukoba MC	287,846,646.00	-	287,846,646.00	76,402,875.00	211,443,771.00
10.	Bukombe DC	522,810,787.80	43,998,598.90	566,809,386.70	396,040,022.50	170,769,364.20
11.	BundaDC	217,146,837.00	267,496,019.04	484,642,856.04	265,176,388.32	219,466,467.72
12.	Chamwino DC	368,843,699.00	118,331,365.00	487,175,064.00	420,119,177.00	67,055,887.00
13.	Chato DC	51,424,282.05	280,000,000.00	331,424,282.05	38,130,670.05	293,293,612.00

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14.	Chunya DC	335,084,129.52	-	335,084,129.52	322,946,997.00	12,137,132.52
15.	Dodoma MC	168,048,074.00	288,107,966.00	456,156,040.00	456,156,040.00	-
16.	Geita DC	791,333.00	95,000,000.00	95,791,333.00	95,791,333.00	-
17.	Hanang' DC	326,869,173.00	66,843,416.00	393,712,589.00	404,047,263.00	(10,334,674.00)
18.	Handeni DC	193,548,953.00	304,100,000.00	497,648,953.00	260,419,670.00	237,229,283.00
19.	Hai DC	979,452,637.22	-	979,452,637.22	25,738,041.18	953,714,596.04
20.	Igunga DC	76,897,000.00	350,000,000.00	426,897,000.00	60,221,546.00	366,675,454.00
21.	Ilala MC	143,791,700.00	170,000,000.00	313,791,700.00	138,367,177.00	175,424,523.00
22.	Ileje DC	434,402,741.00	-	434,402,741.00	282,343,644.00	152,059,097.00
23.	Iringa DC	313,447,460.49	-	313,447,460.49	279,303,290.00	34,144,170.49
24.	Iringa MC	405,403,427.00	-	405,403,427.00	85,900,000.00	319,503,427.00
25.	Iramba DC	19,369,982.00	1,696,923,912.00	1,716,293,894.00	821,917,656.85	894,376,237.15
26.	Kahama DC	645,070,303.44	378,000.00	645,448,303.44	449,399,781.07	196,048,522.37
27.	Karagwe DC	449,041,472.00	-	449,041,472.00	162,723,019.00	286,318,453.00
28.	Karatu DC	578,347,854.00	-	578,347,854.00	424,208,800.00	154,139,054.00
29.	Kasulu DC	45,327,655.00	205,555,000.00	250,882,655.00	167,667,731.00	83,214,924.00
30.	Kibaha DC	136,262,610.65	469,814,501.00	606,077,111.65	393,682,898.59	212,394,213.06
31.	Kibaha TC	657,898,963.85	188,596,118.00	846,495,081.85	512,337,310.29	334,157,771.56

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32.	Kibondo DC	432,374,881.00	2,091,000.00	434,465,881.00	209,711,300.00	224,754,581.00
33.	Kigoma DC	415,399,130.00	370,681,000.00	786,080,130.00	141,263,835.30	644,816,294.70
34.	Kigoma/Ujiji MC	516,130,717.00	20,000,000.00	536,130,717.00	127,993,095.00	408,137,622.00
35.	Kilindi DC	128,361,707.34	611,298,228.20	739,659,935.54	543,429,970.00	196,229,965.54
36.	Kilolo DC	342,321,543.47	29,324,145.00	371,645,688.47	223,262,617.00	148,383,071.47
37.	Kilombero DC	353,683,127.00	480,798,954.00	834,482,081.00	459,769,105.00	374,712,976.00
38.	Kilosa DC	362,286,544.97	932,800,000.00	1,295,086,544.97	1,063,709,968.36	231,376,576.61
39.	Kilwa DC	594,386,090.00	2,263,000.00	596,649,090.00	141,744,892.00	454,904,198.00
40.	Kinondoni MC	358,649,149.00	101,682,331.00	460,331,480.00	31,025,833.00	429,305,647.00
41.	Kisarawe DC	428,428,123.00	-	428,428,123.00	113,533,167.11	314,894,955.89
42.	Kishapu DC	434,765,078.76	73,060,695.00	507,825,773.76	293,105,405.00	214,720,368.76
43.	Kiteto DC	2,400,540.00	60,058,000.00	62,458,540.00	62,241,951.00	216,589.00
44.	Kwimba DC	453,787,679.17	56,214,632.00	510,002,311.17	274,444,784.60	235,557,526.57
45.	Kongwa DC	659,813,185.00	-	659,813,185.00	423,205,846.00	236,607,339.00
46.	Kondoa DC	50,838,299.00	295,000,000.00	345,838,299.00	83,879,388.00	261,958,911.00
47.	Korogwe DC	263,964,309.90	208,000,000.00	471,964,309.90	142,706,161.27	329,258,148.63
48.	Korogwe TC	147,664,033.83	-	147,664,033.83	17,968,703.60	129,695,330.23
49.	KyelaDC	192,186,201.43	262,241,060.00	454,427,261.43	380,689,884.75	73,737,376.68

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50.	Lindi MC	126,644,632.50	265,000,000.00	391,644,632.50	148,724,141.78	242,920,490.72
51.	Lindi DC	425,488,884.09	63,063,328.00	488,552,212.09	71,135,174.00	417,417,038.09
52.	Liwale DC	528,247,954.04	236,427,121.00	764,675,075.04	429,851,302.77	334,823,772.27
53.	Longido DC	171,956,651.00	419,181,837.70	591,138,488.70	496,557,506.00	94,580,982.70
54.	Ludewa DC	321,210,628.00	-	321,210,628.00	27,474,066.00	293,736,562.00
55.	Lushoto DC	207,847,077.00	224,000,000.00	431,847,077.00	54,902,900.00	376,944,177.00
56.	Mafia DC	44,593,341.00	137,484,000.00	182,077,341.00	170,869,165.39	11,208,175.61
57.	Magu DC	105,885,707.00	548,874,696.00	654,760,403.00	434,756,587.00	220,003,816.00
58.	Makete DC	93,359,580.00	289,366,150.00	382,725,730.00	54,286,000.00	328,439,730.00
59.	Masasi DC	1,180,761.00	300,000,000.00	301,180,761.00	(228,565,575.00)	529,746,336.00
60.	Manyoni DC	190,311,981.00	1,122,256,884.00	1,312,568,865.00	527,787,524.00	784,781,341.00
61.	Maswa DC	344,304,376.00	64,417,000.00	408,721,376.00	408,172,960.99	548,415.01
62.	Mbarali DC	160,836,528.75	56,322,543.00	217,159,071.75	208,814,850.75	8,344,221.00
63.	Mbeya CC	224,335,057.00	277,259,890.00	501,594,947.00	118,863,360.00	382,731,587.00
64.	Mbeya DC	285,849,190.97	250,000,000.00	535,849,190.97	366,977,403.58	168,871,787.39
65.	Mbinga DC	185,126,963.00	308,641,000.00	493,767,963.00	83,776,975.00	409,990,988.00
66.	Mbozi DC	335,961,048.00	-	335,961,048.00	47,381,595.00	288,579,453.00
67.	Misungwi DC	198,482,166.00	483,429,145.00	681,911,311.00	259,165,228.00	422,746,083.00

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68.	Mkinga DC	517,416,230.00	-	517,416,230.00	215,765,632.00	301,650,598.00
69.	Mkuranga DC	282,015,154.51	372,751,148.00	654,766,302.51	182,101,690.00	472,664,612.51
70.	Meatu DC	491,735,343.00	134,054,271.00	625,789,614.00	336,051,433.25	289,738,180.75
71.	Meru DC	183,151,864.48	275,855,804.00	459,007,668.48	308,744,322.00	150,263,346.48
72.	Misenyi DC	324,703,704.17	80,769,417.17	405,473,121.34	398,703,704.17	6,769,417.17
73.	Muleba DC	84,512,046.00	274,075,955.67	358,588,001.67	105,162,014.88	253,425,986.79
74.	Monduli DC	504,728,476.00	-	504,728,476.00	252,840,340.70	251,888,135.30
75.	Morogoro MC	362,475,144.71	31,312,200.00	393,787,344.71	59,658,232.00	334,129,112.71
76.	Morogoro DC	532,639,811.64	20,000,000.00	552,639,811.64	59,172,700.00	493,467,111.64
77.	Moshi DC	156,119,010.00	350,283,995.00	506,403,005.00	41,288,008.00	465,114,997.00
78.	Moshi MC	156,119,010.00	350,283,995.00	506,403,005.00	41,288,008.00	465,114,997.00
79.	Mpanda DC	23,760,262.00	309,160,000.00	332,920,262.00	328,955,482.00	3,964,780.00
80.	Mpanda TC	74,413,409.00	280,000,000.00	354,413,409.00	87,483,247.00	266,930,162.00
81.	Mpwapwa DC	446,703,812.00	70,789,765.00	517,493,577.00	182,879,640.00	334,613,937.00
82.	Mtwara DC	277,917,198.61	539,621,099.00	817,538,297.61	(376,882,578.00)	1,194,420,875.61
83.	Mtwara/ Mikindani MC	370,211,095.50	68,174,799.00	438,385,894.50	103,976,789.90	334,409,104.60
84.	Mufindi DC	444,933,476.64	-	444,933,476.64	306,327,996.00	138,605,480.64

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85.	Muheza DC	246,626,383.82	280,000,000.00	526,626,383.82	228,982,491.00	297,643,892.82
86.	Musoma MC	190,701,675.00	-	190,701,675.00	190,701,675.00	-
87.	Musoma DC	437,033,489.00	-	437,033,489.00	115,976,730.00	321,056,759.00
88.	Mvomero DC	184,954,903.00	175,000,000.00	359,954,903.00	498,707,025.00	(138,752,122.00)
89.	Mwanga DC	709,443,312.52	27,512,518.00	736,955,830.52	352,275,465.61	384,680,364.91
90.	Mwanza CC	107,220,769.00	310,000,000.00	417,220,769.00	113,719,861.00	303,500,908.00
91.	Nachingwea DC	137,013,917.32	410,221,000.00	547,234,917.32	198,746,569.86	348,488,347.46
92.	NamtumboDC	428,267,005.00	-	428,267,005.00	188,034,171.60	240,232,833.40
93.	Nanyumbu DC	707,793,212.00	61,600,832.00	769,394,044.00	(532,105,763.28)	1,301,499,807.28
94.	Newala DC	332,895,200.00	73,327,098.00	406,222,298.00	105,348,289.00	300,874,009.00
95.	Ngara DC	89,526,012.61	205,000,000.00	294,526,012.61	101,442,967.61	193,083,045.00
96.	Ngorongoro DC	596,107,035.00	-	596,107,035.00	210,685,843.00	385,421,192.00
97.	Njombe DC	104,957,208.00	210,001,201.00	314,958,409.00	109,312,680.00	205,645,729.00
98.	Njombe TC	73,760,951.00	50,000,000.00	123,760,951.00	22,202,479.00	101,558,472.00
99.	Nkasi DC	199,239,139.00	235,000,000.00	434,239,139.00	125,479,734.00	308,759,405.00
100.	Nzega DC	496,107,266.00	209,011,833.00	705,119,099.00	312,204,345.00	392,914,754.00
101.	Pangani DC	183,860,188.00	381,604,943.00	565,465,131.00	233,915,624.00	331,549,507.00
102.	Rorya DC	376,637,060.00	131,000,000.00	507,637,060.00	50,273,349.00	457,363,711.00

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103.	Rombo DC	113,382,687.50	200,000,000.00	313,382,687.50	9,552,019.76	303,830,667.74
104.	Ruangwa DC	110,340,640.00	504,642,722.00	614,983,362.00	239,653,997.00	375,329,365.00
105.	Rufiji DC	362,197,594.00	112,954,584.00	475,152,178.00	157,979,100.00	317,173,078.00
106.	Rungwe DC	143,541,421.65	213,221,493.83	356,762,915.48	101,367,221.00	255,395,694.48
107.	Same DC	308,959,842.53	410,000,000.00	718,959,842.53	285,005,645.67	433,954,196.86
108.	Serengeti DC	48,537,775.00	449,834,507.00	498,372,282.00	498,158,074.16	214,207.84
109.	Sengerema DC	490,735,686.55	205,404,759.00	696,140,445.55	299,596,751.75	396,543,693.80
110	Shinyanga DC	469,184,886.00	180,215,538.00	649,400,424.00	489,058,858.00	160,341,566.00
111	Shinyanga MC	491,586,968.00	180,622,147.00	672,209,115.00	477,166,768.00	195,042,347.00
112	Siha DC	416,143,872.67	-	416,143,872.67	140,625,272.22	275,518,600.45
113	Sikonge DC	438,576,521.00	-	438,576,521.00	225,409,667.00	213,166,854.00
114	Singida DC	123,724,683.00	532,351,429.00	656,076,112.00	379,264,000.00	276,812,112.00
115	Songea DC	468,189,431.00	-	468,189,431.00	302,831,070.00	165,358,361.00
116	Songea MC	198,552,473.00	132,000,000.00	330,552,473.00	160,624,056.00	169,928,417.00
117	Sumbawanga DC	230,144,166.45	401,847,250.00	631,991,416.45	220,848,038.50	411,143,377.95
118	Tabora DC	195,333,867.00	252,800,000.00	448,133,867.00	238,138,330.00	209,995,537.00
119	Tabora MC	495,218,116.00	-	495,218,116.00	304,202,766.00	191,015,350.00

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120	Tandahimba DC	145,382,962.84	284,999,542.00	430,382,504.84	(162,460,675.37)	592,843,180.21
121.	Tanga CC	193,896,155.00	293,198,000.00	487,094,155.00	-	487,094,155.00
122.	Tarime DC	568,177,684.00	-	568,177,684.00	86,539,455.00	481,638,229.00
123.	Temeke MC	390,721,226.50	19,752,599.74	410,473,826.24	89,535,446.64	320,938,379.60
124.	Tunduru DC	376,347,819.00	113,250,074.00	489,597,893.00	183,298,310.00	306,299,583.00
125.	Ukerewe DC	213,449,363.00	496,691,352.00	710,140,715.00	261,605,500.00	448,535,215.00
126.	Ulanga DC	392,072,410.00	310,000,000.00	702,072,410.00	362,012,540.00	340,059,870.00
127.	Urambo DC	238,815,812.25	327,659,000.00	566,474,812.25	123,879,372.00	442,595,440.25
128.	Simajiro DC	190,615,981.00	-	190,615,981.00	41,149,377.50	149,466,603.50
129.	Mbulu DC	703,145,000.00	51,513,377.00	754,658,377.00	438,124,000.00	316,534,377.00
130.	Babati DC	333,727,132.29	181,000,000.00	514,727,132.29	260,218,846.40	254,508,285.89
131.	Singida MC	234,469,975.00	40,000,000.00	274,469,975.00	197,262,120.00	77,207,855.00
132.	Sumbawanga MC	346,099,750.70	273,100,000.00	619,199,750.70	521,460,816.00	97,738,934.70
	Total	**41,335,600,901.49**	**26,883,589,216.25**	**68,219,190,117.74**	**28,978,566,128.27**	**39,240,623,989.47**

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Annexure I 'b'

Financial Performance Tanzania Social Action Fund

	Region	District	Opening Balance	Funds Received	Funds Available	Expenditure	Closing Balance
1	ARUSHA						
		Arusha MC	0.00	400,000,000.00	400,000,000.00	398,252,000	1,748,000.00
		Arusha DC	1,120,745.39	387,605,197.93	388,725,942.40	294,065,631.56	94,660,311.56
		Monduli Dc	36,778,432.68	290,594,383.25	327,372,815.93	193,339,597.50	134,033,218.43
		Longido DC	38,716,266.10	486,831,476.58	525,547,742.68	359,334,048.60	166,213,694.08
		Meru DC	10,276,501.87	626,887,842.88	637,164,344.75	530,505,492.93	106,658,851.82
		Karatu DC	887,117.21	252,415,918.53	253,303,035.74	249,062,742.65	4,240,293.09
		Ngorongoro DC	74,745,627.64	672,615,414.56	747,361,042.20	712,486,382	34,874,660.20
2	COAST						
		Kisarawe DC	91,512,520.13	72,902,904.00	164,415,424.13	164,176,010.00	239,414.13
		Kibaha DC	90,849,204.00	566,564,530.00	657,413,734.00	634,849,494	22,564,240.00
		Mafia DC	9,689,720.00	24,317,092.00	34,006,812.00	31,922,800	2,084,012.00
		Bagamoyo DC	288,091,527.00	629,989,218.00	918,080,745.00	839,155,225	78,925,520.00
		Mkuranga DC	60,072,727.36	361,487,257.00	421,559,984.36	392,338,068.80	29,221,915.56
		Kibaha TC	33,339,055.25	209,417,174.09	242,756,229.34	241,876,784.82	879,444.52
		Rufiji DC	147,629.91	529,409,480.50	529,557,110.41	522,479,575.12	7,077,535.29
3	DAR						
		Temeke MC	7,941,423.98	302,134,544.47	310,075,968.45	286,882,055.45	23,193,913.00
		Kinondoni Mc	30,159,389.47	722,432,528.07	752,591,917.54	527,495,528.07	225,099,389.47
		Ilala MC	15,842,769.22	374,905,385.95	390,748,155.17	381,184,270.02	9,563,885.15
4	DODOMA						
		Mpwapwa DC	27,358,961.00	294,647,520.00	322,006,481.00	292,700,004	29,306,477.00

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		Bahi DC	0.00	239,959,338.00	239,959,338.00	201,367,172	38,592,166.00
		Chamwino DC	13,890,352.00	563,526,415.00	577,416,767.00	516,341,258	61,075,509.00
		Dodoma MC	2,789,634.00	516,043,526.00	518,833,160.00	516,171,472	2,661,688.00
		Kondoa DC	15,686,163.00	548,735,733.00	564,421,896.00	354,969,161.00	209,452,735.00
		Kongwa DC	58,668.00	219,354,963.00	219,413,631.00	210,811,416.00	8,602,215.00
5	IRINGA						
		Mufindi DC	4,635,962.21	264,524,011.95	269,159,974.16	269,160,028.16	-54.00
		Njombe TC			0.00		0.00
		Ludewa DC	2,988,680.00	130,413,189.00	133,401,869.00	130,664,426.00	2,737,443.00
		Kilolo DC	54,179.00	623,332,823.00	623,387,002.00	589,958,617.00	33,428,385.00
		Njombe DC	3,480,527.00	235,970,952.00	239,451,479.00	131,624,998.24	107,826,480.76
		Iringa MC	1,778.62	362,928,445.00	362,930,223.62	362,928,445.00	1,778.62
		Iringa DC	412,650.69	644,816,880.72	645,229,531.41	624,711,503.25	20,518,028.16
		Makete DC	34,171,904.61	298,404,208.40	332,576,113.01	324,850,863.46	7,725,249.55
6	KAGERA						
		Chato DC	70,500.22	258,504,901.10	258,575,401.32	254,821,277.32	3,754,124.00
		Bukoba DC	120,935,753.95	449,676,727.40	570,612,481.35	546,458,743.35	24,153,738.00
		Muleba DC	6,821,232.00	490,001,229	496,822,461.00	471,958,071.00	24,864,390.00
		Karagwe DC	85,350,604.34	468,149,662.00	553,500,266.34	549,584,216.03	3,916,050.31
		Missenvi DC	38,098,321.00	278,972,698.00	317,071,019.00	311,687,056.00	5,383,963.00
		Ngara DC	32,113,134.10	299,472,030.00	331,585,164.10	289,137,036.36	42,448,127.74
		Biharamulo DC	27,624,682.31	406,911,288.21	434,535,970.52	422,389,325.52	12,146,645.00
		Bukoba MC	1,620,741.00	323,029,017.00	324,649,758.00	318,725,488.74	5,924,269.26
7	KIGOMA						
		Kigoma MC	34,446,453.68	837,499,114.51	871,945,568.19	849,344,264.00	22,601,304.19
		Kigoma DC	34,533,985.55	691,433,118.05	725,967,103.60	705,530,701.37	20,436,402.23
		Kibondo DC	21,225,721.00	597,683,307.00	618,909,028.00	369,218,770	249,690,258.00
		Kasulu DC	13,890,352.00	563,526,415.00	577,416,767.00	516,341,258	61,075,509.00
8	KILIMANJAR						

	O						
		Moshi MC	18,993,741.01	289,601,440.16	308,595,181.17	299,555,117.18	9,040,063.99
		Rombo DC	61,289,260.71	415,592,938.34	476,882,199.05	432,538,159.84	44,344,039.21
		Hai DC	62,747.56	557,774,597.81	557,837,345.37	557,684,748.57	152,596.80
		Same DC	167,453,852.59	473,815,267.50	641,269,120.09	562,524,309.15	78,744,810.94
		Moshi DC	21,415,604.00	362,512,454.96	383,928,058.96	346,183,508.00	37,744,550.96
		Mwanga DC	28,569,722.01	220,371,918.06	248,941,640.07	234,359,648.41	14,581,991.66
		Siha DC	20,804,980.52	187,495,337.91	208,300,318.43	198,608,148.98	9,692,169.45
9	LINDI						
		Kilwa DC	88,063,203.32	575,132,946.09	663,196,149.41	565,928,530.34	97,267,619.07
		Liwale DC	32,454,065.00	494,686,858.00	527,140,923.00	494,150,418.72	32,990,504.28
		Lindi DC	10,639,305.77	994,560,737.94	1,005,200,043.71	868,942,201.18	136,257,842.53
		Ruangwa DC	751,519.54	1,010,416,742.99	1,011,168,262.53	880,033,749.12	131,134,513.41
		Lindi MC	53,656,882.12	201,337,611.70	254,994,493.82	236,579,265.16	18,415,228.66
		Nachingwea DC	68,155,722.81	697,425,610.54	765,581,333.35	718,620,124.73	46,961,208.62
10	MANYARA						
		Kiteto DC	185,963,637.19	612,062,604.34	798,026,241.53	683,988,075.71	114,038,165.82
		Mbulu DC	103,112,033.00	637,702,842.62	740,814,875.62	673,410,300.90	67,404,574.72
		Babati DC	103,298,758.95	151,407,371.32	254,706,130.27	239,181,993.44	15,524,136.83
		Hanang DC	91,600,303.00	177,333,222.00	268,933,525.00	255,494,833	13,438,692.00
		Simanjiro DC	30,817,461.88	490,053,032.12	520,870,494.00	480,769,920.19	40,100,573.81
		Babati TC	17,838,058.31	128,653,466.67	146,491,524.98	144,641,970.00	1,849,554.98
11	MARA						
		Musoma MC	477,860.55	202,616,211.25	203,094,071.80	202,756,099.28	337,972.52
		Rorya DC			0.00		0.00
		Bunda DC	4,966,587.33	490,972,345.63	495,938,932.96	472,330,869.38	23,608,063.58
		Tarime DC	6,890,503.72	253,238,481.05	260,128,984.77	258,953,590.55	1,175,394.22
		Serengeti DC	22,042,619.86	183,855,587.14	205,898,207.00	197,286,821.05	8,611,385.95
		Musoma DC	9,727,733.00	686,404,626.00	696,132,359.00	666,652,870.00	29,479,489.00

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12	MBEYA						
		Mbozi DC	1,132,729.09	704,501,755.00	705,634,484.09	620,857,969.50	84,776,514.59
		Mbeya DC	2,066,496.63	782,725,459.00	784,791,955.63	760,248,384.00	24,543,571.63
		Kyela DC	839,918.00	170,935,423.35	171,775,341.35	94,624,663.50	77,150,677.85
		Rungwe DC	5,163,474.06	437,174,222.94	442,337,697.00	421,932,125.00	20,405,572.00
		Mbarali DC	190,465.00	652,947,564.00	653,138,029.00	619,607,741.00	33,530,288.00
		Chunya DC	79,385,019.00	476,551,640.00	555,936,659.00	496,378,180	59,558,479.00
		Ileje DC	1,207,098.00	293,478,760.00	294,685,858.00	178,557,323	116,128,535.00
		Mbeya CC	156,102,000.00	367,483,410.00	523,585,410.00	499,264,410	24,321,000.00
13	MOROGORO						
		Kilombero DC	8,950,267.00	138,794,025.00	147,744,292.00	132,638,557	15,105,735.00
		Kilosa DC***	54,854,323.95	614,545,247.26	669,399,571.21	614,545,247.00	54,854,324.21
		Mvomero DC	58,410,019.39	179,686,898.92	238,096,918.31	205,649,731.31	32,447,187.00
		Morogoro DC	10,831,311.00	876,203,219.00	887,034,530.00	698,059,913	188,974,617.00
		Morogoro MC	15,533,867.07	338,363,221.85	353,897,088.92	221,255,980.30	132,641,108.62
		Ulanga DC	98,786,088.51	303,361,672.00	402,147,760.51	363,578,907	38,568,853.51
14	MTWARA						
		Mtwara MC	22,306,370.78	271,565,273.22	293,871,644.00	260,750,863.66	33,120,780.34
		Masasi TC			0.00		0.00
		Masasi DC	43,879,063.00	837,454,092.21	881,333,155.21	862,397,201.00	18,935,954.21
		Mtwara DC	84,042,405.51	901,168,187.44	985,210,592.95	931,563,550.09	53,647,042.86
		Tandahimba DC	1,632,805.36	465,475,760.00	467,108,565.36	452,478,646.25	14,629,919.11
		Nanyumbu DC	98,459,012.00	372,005,843.09	470,464,855.09	322,941,259.24	147,523,595.85
		Newala DC	49,309,261.43	39,270,550.00	88,579,811.43	88,574,811.43	5,000.00
15	MWANZA						
		Sengerema Dc	101,013,952.01	714,328,329.26	815,342,281.27	736,315,653.31	79,026,627.96

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		Ukerewe DC	98,001,721.74	559,055,056.70	657,056,778.44	585,298,996.50	71,757,781.94
		Kwimba DC	647,656.76	578,393,286.47	579,040,943.23	564,117,058.27	14,923,884.96
		Geita DC	159,151,889.40	352,002,827.12	511,154,716.52	501,504,560	9,650,156.52
		Misungwi DC	24,393,556.00	480,789,304.22	505,182,860.22	415,559,566	89,623,294.22
		Magu DC	150,409,517.22	747,966,048.20	898,375,565.42	793,900,766.78	104,474,798.64
		Mwanza CC	171,705,688.67	299,696,902.40	471,402,591.07	375,499,389.18	95,903,201.89
16	RUKWA						
		Sumbawanga DC	54,179.00	623,332,823.00	623,387,002.00	589,958,617	33,428,385.00
		Mpanda DC	53,127,954.89	672,865,168.77	725,993,123.66	633,756,475.75	92,236,647.91
		Sumbawanga MC	16,165,983.47	259,298,367.68	275,464,351.15	268,030,490.98	7,433,860.17
		Nkasi DC	15,990,579.00	165,577,856.00	181,568,435.00	176,068,157	5,500,278.00
		Mpanda TC	1,000,000.00	243,879,786.15	244,879,786.15	163,184,564.95	81,695,221.20
17	RUVUMA						
		Tunduru DC	2,759,317.29	363,324,402.50	366,083,719.79	333,746,500.10	32,337,219.69
		Mbinga DC	345,764.00	185,162,067.00	185,507,831.00	185,362,033	145,798.00
		Namtumbo DC	15,610,395.00	245,565,977.00	261,176,372.00	240,285,065	20,891,307.00
		Songea DC	9,392,562.23	256,418,411.35	265,810,973.58	262,479,176.35	3,331,797.23
		Songea MC	24,184,270.64	218,536,390.91	242,720,661.55	242,716,572.00	4,089.55
18	SHINYANGA						
		Kahama DC	4,326,699.10	206,996,424.75	211,323,123.85	167,777,691.02	43,545,432.83
		Bariadi DC	79,250,182.00	321,315,320.00	400,565,502.00	386,414,916.00	14,150,586.00
		Kishapu DC	88,541,921.37	359,517,630.07	448,059,551.44	370,845,472.63	77,214,078.81
		Meatu DC	75,456,965.15	429,701,115.04	505,158,080.19	494,487,440.20	10,670,639.99
		Shinyanga DC	358,394.05	474,667,405.32	475,025,799.37	379,954,577.00	95,071,222.37
		Shinyanga MC	614,158.00	206,508,551.19	207,122,709.19	158,042,549.19	49,080,160.00

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		Bukombe Dc	33,273,960.00	410,494,795.00	443,768,755.00	387,734,497.00	56,034,258.00
		Maswa DC	34,333,807.00	198,857,291.00	233,191,098.00	189,645,665.00	43,545,433.00
19	SINGIDA						
		Iramba DC	46,076,000.00	209,266,141.00	255,342,141.00	223,421,141.00	31,921,000.00
		Manyoni DC	97,495,346.65	289,789,663.24	387,285,009.89	368,905,111.00	18,379,898.89
		Singida MC	2,863,480.93	101,101,259.40	103,964,740.33	103,825,978.70	138,761.63
		Singida DC	4,129,749.00	136,042,082.00	140,171,831.00	114,254,000.00	25,917,831.00
20	TABORA						
		Urambo DC	3,816,898.00	375,013,804.00	378,830,702.00	377,364,717.00	1,465,985.00
		Igunga DC	36,514,482.00	494,530,741.00	531,045,223.00	404,158,624.00	126,886,599.00
		Tabora MC	10,420,687.92	383,645,849.18	394,066,537.10	391,712,109.50	2,354,427.60
		Sikonge DC	77,736,327.48	191,843,600.00	269,579,927.48	262,744,451.85	6,835,475.63
		Nzega DC	5,907,636.73	728,532,725.90	734,440,362.63	733,487,783.97	952,578.66
		Tabora DC	138,494,053.00	396,883,052.00	535,377,105.00	472,383,430.00	62,993,675.00
21	TANGA						
		Handeni DC	20,124,574.48	543,174,525.36	563,299,099.84	497,210,566.27	66,088,533.57
		Mkinga	167,166,293.00	425,575,584.00	592,741,877.00	391,290,330.00	201,451,547.00
		Kilindi DC	37,921,944.06	271,278,602.45	309,200,546.51	220,008,661.59	89,191,884.92
		Tanga CC	8,577,325.09	246,210,529.58	254,787,854.67	252,630,555.81	2,157,298.86
		Pangani DC	128,879,048.00	280,339,109.00	409,218,157.00	315,374,979.00	93,843,178.00
		Korogwe DC	707,236.48	446,455,898.13	447,163,134.61	331,981,134.61	115,182,000.00
		Muheza DC	321,857,565.00	398,638,324.00	720,495,889.00	492,279,680.00	228,216,209.00
		Lushoto DC	75,467,902.77	578,293,169.00	653,761,071.77	470,591,607.93	183,169,463.84
		Korogwe TC	2,037,455.39	100,786,994.83	102,824,450.22	100,081,720.55	2,742,729.67
		Total	**5,600,864,836.99**	**53,408,397,527.74**	**59,009,262,363.81**	**52,534,332,047**	**6,474,930,316.34**

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Annexure I 'c'

Financial Performance Agriculture Sector Development Programme

	Analysis of fund received					
	Council	**Opening balance**	**Fund received**	**Fund availble**	**Fund spent**	**Closing balance**
1	Temeke MC	75,780,269	150,996,196	226,776,465	173,848,720	52,927,745
2	Kinondoni Mc	283,134,140	1,838,468,000	2,121,602,140	2,104,656,300	16,945,839
3	Ilala MC	14,069,244.00	102,883,737.00	116,952,981	101,967,619.00	14,985,362
4	Dar es Salaam CC					
5	Arusha MC	1,211,782	32,332,000	33,543,782	26,412,647	7,131,135
6	Monduli Dc	317,464,069	338,373,923	655,837,992	643,263,275	12,574,717
7	Longido DC	43,568,371.00	170,620,975.00	214,189,346	207,097,468.00	7,091,878
8	Meru DC	332,628,669	350,417,906	683,046,575	484,488,370	198,558,206
9	Karatu DC	32,300,527.43	1,942,970,458.43	1,975,270,986	1,361,213,662.80	614,057,323
10	Ngorongoro DC	230,551,863	327,105,771	557,657,634	399,440,214	158,217,420
11	Arusha DC	167,234,796	357,420,000	524,654,796	457,198,210	67,456,586
12	Kisarawe DC	327,169,779	444,619,607	771,789,386	613,176,576	158,612,810
13	Kibaha DC	127,917,349.00	496,539,000.00	624,456,349	461,413,349.00	163,043,000
14	Mafia DC	44,593,341.00	137,484,000.00	182,077,341	170,869,165.39	11,208,176
15	Bagamoyo DC	262,025,902	1,011,778,445	1,273,804,347	561,094,118	712,710,229
16	Mkuranga DC	1,052,229,281	298,189,250	1,350,418,531	478,899,335	871,519,197

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17	Kibaha TC	4,786,758	83,163,000	87,949,758	84,178,242	3,771,516
18	Rufiji DC	42,617,804.00	645,417,370.00	688,035,174	668,035,736.00	19,999,438
19	Kilwa DC	236,441,703.74	394,543,000.00	630,984,704	473,619,792.00	157,364,912
20	Liwale DC	2,380,986	903,705,823	906,086,809	371,489,870	534,596,939
21	Lindi DC	-232,485,335.52	425,011,082.00	192,525,746	365,299,745.30	-172,773,999
22	Ruangwa DC	121,312,448.75	564,326,728.75	685,639,178	593,985,042.64	91,654,135
23	Lindi MC	22,723,236	358,370,000	381,093,236	370,141,601	10,951,635
24	Nachingwea DC	384,000	790,476,121	790,860,121	822,287,700	-31,427,579
25	Mtwara MC	23,715,436	72,424,000	96,139,436	91,822,620	4,316,816
26	Masasi TC			0		0
27	Masasi DC	260,456,335	834,273,931	1,094,730,266	1,093,944,541	785,725
28	Mtwara DC	32,515,983	750,235,803	782,751,786	722,949,731	59,802,055
29	Tandahimba DC	169,893,166.65	934,421,402.00	1,104,314,569	1,061,151,611.88	43,162,957
30	Newala DC	21,951,678.90	300,697,810.00	322,649,489	314,178,458.28	8,471,031
31	Nanyumbu DC	112,248,922.00	578,521,928.50	690,770,851	671,405,485.50	19,365,365
32	Kilombero DC	676,059,785.00	1,115,699,370.00	1,791,759,155.00	1,656,745,816.00	135,013,339.00
33	Kilosa DC	25,849,159	1,888,931,000	1,914,780,159	1,906,808,054	7,972,106
34	Mvomero DC	402,808,063.00	1,911,667,864.00	2,314,475,927	2,172,085,794.00	142,390,133
35	Morogoro DC	1,452,138,383	741,002,000	2,193,140,383	879,179,558	1,313,960,825
36	Morogoro MC	28,956,668	85,965,000	114,921,668	93,038,573	21,883,095

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37	Ulanga DC	367,102,678.00	1,555,663,000.00	1,922,765,678	826,330,138.00	1,096,435,540
38	Kahama DC	275,857,724	814,597,152	1,090,454,875	761,412,734	329,042,141
39	Bariadi DC	246067358.4	1,107,731,000.00	1,353,798,358	499,884,257.08	853,914,101
40	Kishapu DC	50,899,458	132,953,051	183,852,509	167,888,500	15,964,009
41	Meatu DC	49,984,594.00	566,939,125.00	616,923,719	569,891,490.00	47,032,229
42	Shinyanga DC	56398617	464025100	520,423,717	422514150	97,909,567
43	Shinyanga MC	9,023,883	64,402,122	73,426,005	49,061,813	24,364,192
44	Bukombe Dc	74,898,916	431,541,500	506,440,416	239,537,258	266,903,158
45	Maswa DC	107,662,290.05	670,727,453.00	778,389,743	732,480,268.12	45,909,475
46	Mufindi DC	1,695,236,314.43	1,035,580,000.00	2,730,816,314	1,737,120,064.27	993,696,250
47	Njombe TC	58,876,222	211,469,000	270,345,222	259,319,208	11,026,014
48	Ludewa Dc	670750375	840738000	1,511,488,375	621183961	890,304,414
49	Kilolo DC	33,288,292	548,859,622	582,147,914	581,832,139	315,775
50	Njombe DC	37,593,935	756,842,302	794,436,237	739,928,425	54,507,812
51	Iringa MC	20,865,693.00	69,538,000.00	90,403,693	73,479,985.00	16,923,708
52	Iringa DC	1,431,882,651	2,759,590,804	4,191,473,455	2,867,160,406	1,324,313,049
53	Makete DC	139,675,794.00	572,239,207.00	711,915,001	554,124,954.00	157,790,047
54	Tunduru DC	198,979,968	1,357,125,968	1,556,105,936	1,287,118,240	268,987,696
55	Mbinga DC	1,623,644	1,172,307,000	1,173,930,644	1,120,422,867	53,507,777
56	Namtumbo DC	0	1,324,104,956	1,324,104,956	1,318,120,560	5,984,396

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57	Songea DC	61,231,908	1,403,127,000	1,464,358,908	881,346,297	583,012,611
58	Songea MC	5,313,788	118,111,000	123,424,788	100,581,288	22,843,500
59	Mbozi DC	390,434,241.00	1,184,893,000.00	1,575,327,241	1,562,399,999.00	12,927,242
60	Mbeya DC	3,618,000.00	140,510,000.00	144,128,000	117,900,000.00	26,228,000
61	Kyela DC	466,886,230.00	881,384,200.00	1,348,270,430	990,715,272.00	357,555,158
62	Rungwe DC	233,916,456	787,696,000	1,021,612,456	860,304,916	161,307,540
63	Mbarali DC	405,456,055.75	937,789,415.60	1,343,245,471	1,341,808,471.35	1,437,000
64	Chunya DC	24,532,417	662,552,000	687,084,417	563356127	123,728,290
65	Ileje DC	123,662,732	942,224,000	1,065,886,732	1,066,982,505	-1,095,773
66	Mbeya CC	3,618,000.00	140,510,000.00	144,128,000	117,900,000.00	26,228,000
67	Sumbawanga DC	172,326,128.16	2,172,371,969.00	2,344,698,097	1,991,947,260.83	352,750,836
68	Mpanda DC	143,819,208	3,099,021,140	3,242,840,348	3,184,288,793	58,551,555
69	Sumbawanga MC	103,515,238	131,922,000	235,437,238	235,048,798	388,440
70	Nkasi DC	95,703,691.00	1,519,610,267.00	1,615,313,958	674615018	940,698,940
71	Mpanda TC	10,315,653	298,272,844	308,588,497	283,162,985	25,425,512
72	Kigoma MC	21,222,572.75	110,992,250.00	132,214,823	111,181,380	21,033,443
73	Kigoma DC	173,559,000.00	487,110,000.00	660,669,000	660,113,245.00	555,755
74	Kibondo DC	284,657,281.05	1,924,558,000.00	2,209,215,281	1,054,337,705.00	1,154,877,576
75	Kasulu DC	57,930,790	1,443,990,600	1,501,921,390	1,500,272,947	1,648,442
76	Chato DC	25,486,553	56,141,000	81,627,553	72,494,650	9,132,903

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77	Bukoba DC	58,007,037	38,857,114	96,864,151	91,391,700	5,472,451
78	Muleba DC	8,162,610.00	238,766,000	246,928,610	235,599,660	11,328,950
79	Karagwe DC	547,492,198.00	279,716,919.00	827,209,117	694,049,304.00	133,159,813
80	Missenvi DC	18,289,185.67	575,687,685.00	593,976,871	563,114,469.67	30,862,401
81	Ngara DC	106,039,309.69	69,401,000	175,440,310	133,588,215.00	41,852,095
82	Biharamulo DC	114,598,358.10	33,637,000.00	148,235,358	130,537,119.90	17,698,238
83	Bukoba MC	15,916,000	51,289,000	67,205,000	66,687,807	517,193
84	Musoma MC	514,704.40	85,514,650.00	86,029,354	63,775,224.00	22,254,130
85	Rorya DC	248,938,112	293,007,231	541,945,343	362,765,762	179,179,581
86	Bunda DC	123,903,338	320,839,964	444,743,302	412,163,751	32,579,551
87	Tarime DC	85,270,664	393,241,933	478,512,597	293,341,789	185,170,808
88	Serengeti DC	103,761,207	598,494,497	702,255,704	378,796,426	323,459,278
89	Musoma DC	147,975,902	390,553,400	538,529,302	355,314,061	183,215,242
90	Urambo DC	41,602,406	779,178,185	820,780,591	439,205,309	381,575,282
91	Tabora DC	54,038,827	421,365,455	475,404,282	445,099,700	30,304,582
92	Tabora MC	27,882,645.00	121,757,028.00	149,639,673	126,574,713.00	23,064,960
93	Sikonge DC	811,462,159.00	237,028,000.00	1,048,490,159	660,985,159.00	387,505,000
94	Nzega DC	176,297,895.60	388,107,000.00	564,404,895.60	491,185,474.00	73,219,422
95	Igunga DC	55,937,993.00	693,405,267.00	749,343,260	720,013,511.00	29,329,749
96	Sengerema Dc	415,406,087	1,630,003,218	2,045,409,305	2,026,472,878	18,936,427
97	Ukerewe Dc	147,249,148.90	421,912,000.00	569,161,149	464,598,052.60	104,563,096

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98	Kwimba DC	163,699,386	522,463,850	686,163,236	463,250,250	222,912,986
99	Geita DC	217,796,187	803,285,500	1,021,081,687	794,201,374	226,880,313
100	Misungwi DC	41,490,450.00	415,259,000.00	456,749,450	422542699	34,206,751
101	Magu DC	327,161,570.00	648,143,000.00	975,304,570	563,311,118.00	411,993,452
102	Mwanza CC	18,523,873	233,138,000	251,661,873	249,273,871	2,388,002
103	Iramba DC	164,055,000	765,539,000	929,594,000	891,420,000	38,174,000
104	Manyoni DC	261,076,234	799,549,342	1,060,625,576	1,007,005,751	53,619,825
105	Singida MC	2,835,654	445,719,000	448,554,654	344,254,000	104,300,654
106	Singida DC	141,286,407	1,216,169,000	1,357,455,407	1,012,715,308	344,740,099
107	Mpwapwa DC	17,286,801	296,694,256	313,981,057	291,682,330	22,298,727
108	Bahi DC	106,679,733	1,365,025,002	1,471,704,735	1,221,360,645	250,344,090
109	Chamwino DC	199,403,062	1,169,279,000	1,368,682,062	1,207,682,062	161,000,000
110	Dodoma MC	308,154,767	797,996,142	1,106,150,909	807,432,030	298,718,879
111	Kondoa DC	667,750,251.00	191,560,000.00	859,310,251	858,096,744.00	1,213,507
112	Kongwa DC	42245969	266,814,000	309,059,969	302,561,398	6,498,571
113	KitetoDC	161,662,222	451,779,075	613,441,297	580,689,184	32,752,113
114	Mbulu DC	45,113,213.00	712,184,000.00	757,297,213	411,077,525.00	346,219,688
115	Babati DC	108,344,135	601,034,000	709,378,135	547,802,540	161,575,595
116	Hanang DC	34619272	442,051,666	476,670,938	418,230,022	58,440,916
117	Simanjiro DC	701,339,893.00	297,476,052.00	998,815,945	612,497,900.00	386,318,045
118	Babati TC	481,624.40	146,470,551.00	146,952,175	145,824,868.00	1,127,307
119	Handeni DC	107,629,511	397,278,500	504,908,011	438,742,545	66,165,466

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120	Mkinga	727,907,013	397,650,234	1,125,557,247	544,981,900	580,575,347
121	Kilindi DC	234,816,421.00	364,759,000.00	599,575,421	548,519,956.00	51,055,465
122	Tanga CC	58,357,965	161,946,002	220,303,967	212,795,854	7,508,113
123	Pangani DC	126,727,956	444,594,672	571,322,628	514,064,664	57,257,964
124	Korogwe DC	109,433,756	452,255,097	561,688,853	502,465,345	59,223,508
125	Muheza DC	276,077,733	265,043,000	541,120,733	398,637,897	142,482,836
126	Lushoto DC	1,098,926,627	1,352,980,000	2,451,906,627	1,887,549,701	564,356,926
127	Korogwe TC	15,860,234	189,978,000	205,838,234	197,376,219	8,462,015
128	Moshi MC	10,468,631.46	77,061,000.00	87,529,631	80,425,865.00	7,103,766
129	Rombo DC	42,849,848	307,256,634	350,106,482	295,362,637	54,743,845
130	Hai DC	655,541,332.00	338,681,091.00	994,222,423	796,961,796.40	197,260,627
131	Same DC	7,045,870	721,318,026	728,363,896	531,195,429	197,168,467
132	Moshi DC	772,601,052	1,227,167,000	1,999,768,052	1,471,374,837	528,393,214
133	Mwanga DC	15535202.3	179545000	195,080,202	152933125	42,147,077
134	Siha DC	697,763,484.10	247,457,237.00	945,220,721.10	648,237,164.06	296,983,557
	Total	**27,047,803,036**	**84,053,176,024**	**111,100,979,061**	**86,986,752,712**	**24,114,226,349**

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Annexure I'd'

Financial performance Health Basket Fund

S/N	Council	Opening Balance (Shs)	Fund Received (Shs.)	Total Fund available (Shs.)	Total Expenditure (Shs.)	Unutilized fund/ Closing balance (Shs.)
1	Rungwe DC	70,004,476.98	719,782,525.00	789,787,001.98	434,767,282.72	355,019,719.26
2.	Kyela DC	11,540,637.00	349,392,600.00	360,933,237.00	335,384,912.00	25,548,325.00
3	Mbarali DC	13,176,358.00	493,257,334.00	506,433,692.00	506,433,692.00	-
4	Mbeya DC	22,504,894.66	512,032,300.00	534,537,194.66	431,057,785.29	103,479,409.37
5	Mbeya CC	16,539,550.00	469,377,706.00	485,917,256.00	366,089,293.00	119,827,963.00
6	Mbozi DC	117,427,697.00	1,280,800,375.00	1,398,228,072.00	532,558,522.00	865,669,550.00
7	Ileje DC	1,235,368.00	203,743,950.00	204,979,318.00	187,969,487.00	17,009,831.00
8	Chunya DC	17,023,143.00	441,973,275.00	458,996,418.00	456,116,275.00	2,880,143.00
9	Morogoro MC	6,532,000.00	403,048,000.00	409,580,000.00	403,259,200.00	6,320,800.00
10	Mvomero DC	54,660,194.28	509,645,400.00	564,305,594.28	538,343,911.68	25,961,682.60
11	Kilosa DC	122,678,895.45	1,016,063,075.00	1,138,741,970.45	1,102,215,262.25	36,526,708.20
12	Morogoro DC	71,505,357.00	550,664,000.00	622,169,357.00	608,734,326.00	13,435,031.00
13	Ulanga DC	12,993,245.61	404,070,800.00	417,064,045.61	385,262,895.61	31,801,150.00
14	ilombero DC	54,578,062.00	620,411,600.00	674,989,662.00	608,684,597.00	66,305,065.00
15	Singida MC	18,438,138.00	213,597,050.00	232,035,188.00	216,569,136.00	15,466,052.00

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16	Singida DC	18,105,262.00	820,648,000.00	838,753,262.00	814,471,262.00	24,282,000.00
17	Manyoni DC	30,454,516.00	486,018,875.00	516,473,391.00	501,761,614.00	14,711,777.00
18	Iramba DC	75,041,552.77	838,329,050.00	913,370,602.77	913,370,602.77	-
19	Bunda DC	41,601,344.13	528,627,851.00	570,229,195.13	535,594,494.13	34,634,701.00
20	Rorya DC	96,877,284.00	447,599,550.00	544,476,834.00	462,082,559.00	82,394,275.00
21	Tarime DC	73,550,174.29	563,802,000.00	637,352,174.29	595,744,537.21	41,607,637.08
22	Musoma DC	108,646,510.00	688,796,000.00	797,442,510.00	659,120,559.75	138,321,950.25
23	Musoma MC	8,886.41	203,136,100.00	203,144,986.41	183,212,186.60	19,932,799.81
24	Serengeti DC	57,932,701.00	407,765,050.00	465,697,751.00	421,271,560.00	44,426,191.00
25	Dodoma MC	25,521,200.00	579,520,000.00	605,041,200.00	590,450,915.00	14,590,285.00
26	Chamwino DC	40,189,346.00	575,499,850.00	615,689,196.00	597,908,041.00	17,781,155.00
27	Kondoa DC	73,876,155.00	862,890,731.00	936,766,886.00	802,972,160.00	133,794,726.00
28	Kongwa DC	33,142,472.00	489,747,475.00	522,889,947.00	514,288,833.00	8,601,114.00
29	Mpwapwa DC	60,126,019.57	530,374,875.00	590,500,894.57	498,163,822.84	92,337,071.73
30	Bahi DC	5,124,079.00	396,319,100.00	401,443,179.00	401,166,939.00	276,240.00
31	Bukoba MC	5,426,528.19	142,513,050.00	147,939,578.19	147,939,578.19	-
32	Karagwe DC	36,234,404.00	812,719,550.00	848,953,954.00	727,580,059.00	121,373,895.00
33	Biharamuro DC	17,797,238.00	302,241,450.00	320,038,688.00	287,962,841.00	32,075,847.00

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34	Muleba DC	54,915,098.00	744,723,325.00	799,638,423.00	722,520,549.00	77,117,874.00
35	Bukoba DC	212,927.00	495,602,650.00	495,815,577.00	471,131,556.00	24,684,021.00
36	Ngara DC	18,184,667.92	667,336,150.00	685,520,817.92	593,261,493.82	92,259,324.10
37	Chato DC	16,323,916.00	476,193,300.00	492,517,216.00	456,222,719.00	36,294,497.00
38	Misenyi DC	-	313,883,775.00	313,883,775.00	313,323,775.00	560,000.00
39	Babati DC	76,814,001.80	490,742,875.00	567,556,876.80	525,046,688.25	42,510,188.55
40	Babati TC	75,731,078.35	122,752,000.00	198,483,078.35	112,741,511.30	85,741,567.05
41	Mbulu DC	46,362,000.00	482,658,875.00	529,020,875.00	445,207,000.00	83,813,875.00
42	Hanang DC	34,463,758.00	416,399,000.00	450,862,758.00	445,028,901.00	5,833,857.00
43	Simanjiro DC	29,063,100.00	338,445,600.00	367,508,700.00	282,774,935.00	84,733,765.00
44	Kiteto DC	2,238,644.20	380,864,600.00	383,103,244.20	317,524,674.58	65,578,569.62
45	Namtumbo DC	33,866,959.00	397,639,325.00	431,506,284.00	388,177,787.00	43,328,497.00
46	Songea DC	9,467,372.25	342,885,125.00	352,352,497.25	352,352,218.62	278.63
47	Songea MC	21,660,922.89	240,230,400.00	261,891,322.89	260,028,091.69	1,863,231.20
48	Tunduru DC	43,357,652.00	533,559,175.00	576,916,827.00	555,836,577.00	21,080,250.00
49	Mbinga DC	65,386,722.00	2,005,601,091.00	2,070,987,813.00	2,051,695,750.00	19,292,063.00
50	Shinyanga MC	49,395,965.05	237,863,550.00	287,259,515.05	249,985,872.11	37,273,642.94
51	Shinyanga DC	21,052,900.00	574,987,700.00	596,040,600.00	584,727,582.00	11,313,018.00

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52	Bariadi DC	312,808,303.56	1,211,092,900.00	1,523,901,203.56	1,523,898,029.47	3,174.09
53	Bukombe DC	31,616,798.00	785,751,325.00	817,368,123.00	736,597,241.00	80,770,882.00
54	Kishapu DC	82,663.00	502,167,280.00	502,249,943.00	419,028,430.67	83,221,512.33
55	Meatu DC	129,547,931.10	553,305,350.00	682,853,281.10	566,277,469.12	116,575,811.98
56	Maswa DC	250,907,514.44	654,899,252.00	905,806,766.44	864,603,358.87	41,203,407.57
57	Kahama DC	197,076,960.00	1,184,057,000.00	1,381,133,960.00	1,313,083,199.00	68,050,761.00
58	Kinondoni MC	18,945,839.29	1,889,068,300.00	1,908,014,139.29	1,896,284,082.84	11,730,056.45
59	Temeke MC	8,884,238.00	1,346,628,525.00	1,355,512,763.00	715,958,462.00	639,554,301.00
60	Ilala MC	229,758,900.00	1,130,329,900.00	1,360,088,800.00	1,163,986,262.00	196,102,538.00
61	Meru DC	19,044,471.05	442,803,175.00	461,847,646.05	461,837,646.05	10,000.00
62	Arusha MC	17,321,947.00	509,737,350.00	527,059,297.00	439,873,122.63	87,186,174.37
63	Karatu DC	42,961,015.00	398,815,600.00	441,776,615.00	441,746,177.00	30,438.00
64	Monduli DC	7,595,400.00	256,197,125.00	263,792,525.00	257,517,032.48	6,275,492.52
65	Longido DC	43,568,371.00	170,620,975.00	214,189,346.00	207,097,468.00	7,091,878.00
66	gorongoro DC	149,984,455.00	356,950,600.00	506,935,055.00	363,098,184.00	143,836,871.00
67	Arusha DC	1,434,000.00	571,535,000.00	572,969,000.00	571,006,750.48	1,962,249.52
68	Iringa DC	11,653,027.40	545,234,400.00	556,887,427.40	395,999,968.00	160,887,459.40
69	Kilolo DC	131,094.00	428,337,200.00	428,468,294.00	391,586,594.00	36,881,700.00
70	Iringa MC	23,946,487.00	208,404,050.00	232,350,537.00	208,404,050.00	23,946,487.00

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71	Ludewa DC	69,051,863.00	306,450,225.00	375,502,088.00	185,386,085.00	190,116,003.00
72	Makete DC	46,852,083.00	282,721,025.00	329,573,108.00	244,935,743.00	84,637,365.00
73	Mufindi DC	132,653,964.73	643,320,825.00	775,974,789.73	775,920,920.46	53,869.27
74	Njombe DC	27,564,416.18	649,461,000.00	677,025,416.18	658,840,748.46	18,184,667.72
75	Njombe TC	42,269,324.30	279,278,303.00	321,547,627.30	270,215,958.00	51,331,669.30
76	Kasulu DC	3,531,592.00	1,223,352,850.00	1,226,884,442.00	1,215,792,386.50	11,092,055.50
77	Kibondo DC	144,986,056.20	823,680,000.00	968,666,056.20	912,152,056.00	56,514,000.20
78	Kigoma DC	41,285,000.00	1,042,826,350.00	1,084,111,350.00	1,084,111,350.00	-
79	Kigoma MC	11,997,000.00	263,539,325.00	275,536,325.00	256,262,142.00	19,274,183.00
80	Moshi DC	257,656,690.00	798,096,600.00	1,055,753,290.00	754,094,390.00	301,658,900.00
81	Hai DC	9,471,500.00	354,653,275.00	364,124,775.00	345,584,272.24	18,540,502.76
82	Siha DC	82,421,449.00	194,139,550.00	276,560,999.00	180,030,918.00	96,530,081.00
83	Moshi MC	477,440.00	256,241,275.00	256,718,715.00	245,772,202.00	10,946,513.00
84	Mwanga DC	33,962,852.00	259,698,725.00	293,661,577.00	277,133,772.16	16,527,804.84
85	Rombo DC	32,729,493.00	461,831,800.00	494,561,293.00	451,813,050.00	42,748,243.00
86	Same DC	1,920,084.61	450,051,250.00	451,971,334.61	411,801,334.61	40,170,000.00
87	Kilwa DC	244,652,736.31	411,516,675.70	656,169,412.01	434,557,674.70	221,611,737.31
88	Lindi DC	213,794.00	504,318,500.00	504,532,294.00	469,986,305.67	34,545,988.33
89	Lindi MC	15,703,815.00	101,104,900.00	116,808,715.00	95,862,445.00	20,946,270.00

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90	Liwale DC	14,231,229.26	181,419,625.00	195,650,854.26	194,610,854.69	1,039,999.57
91	Nachingwea DC	31,156,055.00	350,868,225.00	382,024,280.00	357,485,145.00	24,539,135.00
92	Ruangwa DC	87,221,387.33	273,419,100.00	360,640,487.33	219,210,130.30	141,430,357.03
93	Mwanza CC	16,631,724.00	920,878,700.00	937,510,424.00	744,230,973.00	193,279,451.00
94	Magu DC	-	851,690,725.00	851,690,725.00	648,796,284.00	202,894,441.00
95	Geita DC	-	1,436,083,100.00	1,436,083,100.00	1,436,083,100.00	-
96	Ukerewe DC	136,922,499.00	540,986,100.00	677,908,599.00	536,023,872.00	141,884,727.00
97	Misungwi DC	12,772,150.00	549,148,375.00	561,920,525.00	549,148,375.00	12,772,150.00
98	Sengerema DC	221,720,003.00	1,006,849,700.00	1,228,569,703.00	1,198,431,620.15	30,138,082.85
99	Kwimba DC	98,426,745.00	649,654,950.00	748,081,695.00	693,841,015.00	54,240,680.00
100	Kibaha TC	666,000.00	156,710,950.00	157,376,950.00	156,093,917.00	1,283,033.00
101	Kibaha DC	16,886,934.32	122,076,250.00	138,963,184.32	120,467,042.00	18,496,142.32
102	Bagamoyo DC	167,604,050.11	520,528,600.00	688,132,650.11	570,091,963.75	118,040,686.36
103	Mafia DC	16,108,023.00	98,571,475.00	114,679,498.00	106,809,608.00	7,869,890.00
104	Mkuranga DC	57,271,544.00	433,273,675.00	490,545,219.00	490,545,219.00	-
105	Kisarawe DC	8,916,489.08	219,306,725.00	228,223,214.08	156,561,576.08	71,661,638.00
106	Rufiji DC	188,418,182.00	461,827,625.00	650,245,807.00	587,263,006.00	62,982,801.00
107	Sumbawanga D.C	132,677,299.44	812,814,500.00	945,491,799.44	867,371,784.14	78,120,015.30

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108	Sumbawanga MC	7,638,032.06	271,935,250.00	279,573,282.06	190,774,838.99	88,798,443.07
109	Nkasi DC	77,452,503.00	455,076,700.00	532,529,203.00	450,188,263.00	82,340,940.00
110	Mpanda DC	129,905,496.15	766,738,473.00	896,643,969.15	835,698,907.15	60,945,062.00
111	Mpanda TC	18,624,475.75	93,727,700.00	112,352,175.75	107,607,624.26	4,744,551.49
112	Tabora M. C.	7,534,934.00	351,723,221.00	359,258,155.00	341,186,741.00	18,071,414.00
113	Igunga DC	167,627,000.00	974,302,000.00	1,141,929,000.00	967,481,104.00	174,447,896.00
114	Nzega DC	239,085,430.00	813,340,075.00	1,052,425,505.00	948,091,633.40	104,333,871.60
115	Sikonge DC	196,546,092.00	325,913,900.00	522,459,992.00	229,099,699.00	293,360,293.00
116	Tabora (Uyui) DC	166,536,383.00	624,326,650.00	790,863,033.00	709,271,853.00	81,591,180.00
117	Urambo DC	271,360,639.00	748,442,950.00	1,019,803,589.00	541,555,681.00	478,247,908.00
118	Handeni DC	165,984,860.00	528,473,275.00	694,458,135.00	426,931,405.00	267,526,730.00
119	Kilindi DC	17,364,097.00	317,253,425.00	334,617,522.00	265,022,942.00	69,594,580.00
120	Korogwe DC	87,378,611.00	451,625,475.00	539,004,086.00	436,314,713.00	102,689,373.00
121	Lushoto DC	227,058,610.00	843,604,525.00	1,070,663,135.00	884,698,320.00	185,964,815.00
122	Muheza DC	173,102,307.00	368,760,150.00	541,862,457.00	367,275,254.00	174,587,203.00
123	Mkinga DC	197,170,229.00	895,100,977.00	1,092,271,206.00	803,386,376.00	288,884,830.00
124	Pangani DC	80,849,403.00	169,957,125.00	250,806,528.00	124,812,740.00	125,993,788.00
125	Tanga CC	-	447,783,475.00	447,783,475.00	417,222,309.00	30,561,166.00

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126	Korogwe TC	5,023,949.00	108,940,875.00	113,964,824.00	105,179,052.00	8,785,772.00
127	Mtwara DC	30,896,923.49	423,160,600.00	454,057,523.49	438,109,637.45	15,947,886.04
128	Masasi DC	205,881,689.00	636,855,850.00	842,737,539.00	772,200,703.09	70,536,835.91
129	Nanyumbu DC	24,588,004.00	240,311,250.00	264,899,254.00	230,963,827.50	33,935,426.50
130	Tandahimba DC	56,150,000.00	409,788,455.00	465,938,455.00	337,225,809.00	128,712,646.00
131	Newala DC	700,107.00	379,495,275.00	380,195,382.00	314,749,079.13	65,446,302.87
132	Mtwara MC	1,241,687.19	168,380,100.00	169,621,787.19	168,154,826.04	1,466,961.15
	Total	**8,468,993,718.15**	**70,980,120,974.70**	**79,449,114,692.85**	**69,150,502,927.94**	**10,298,611,764.91**

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Annexure I 'e'

Financial performance other projects

FINANCIAL PERFORMANCE FOR OTHER PROJECTS						
S/No	Name of project	Opening balance(Tzs)	Amount received (Tzs)	Total fund available (TZS)	Expenditure(Tzs)	Unspent balance(Tzs)
				-		-
1	AFSP	20,704,397,689.70	114,941,364,555.38	135,645,762,245.08	101,736,519,440.54	33,909,242,804.54
2	EAAPP	540,536,288.00	3,455,540,900.00	3,996,077,188.00	3,800,379,019.00	195,698,169.00
3	STHEP	9,846,910.00	12,327,658.00	22,174,568.00	10,199,451.76	11,975,116.24
3	EAPHLNP	-	817,854,060.80	817,854,060.80	299,595,690.58	518,258,370.22
4	BIOFUEL (Sida)	-	2,245,518,008.46	2,245,518,008.46	1,088,292,299.00	1,157,225,709.46
5	SIDA(SOLAR)	-	1,150,404,391.90	1,150,404,391.90	1,150,404,391.90	-
6	TADEP	6,775,754,126.84	5,820,875,675.09	12,596,629,801.93	9,021,858,786.84	3,574,771,015.09
7	REA(WB)	-	12,594,446,000.00	12,594,446,000.00	2,076,379,000.00	10,518,067,000.00
8	SMMRP	2,341,362,309.11	2,484,976,017.85	4,826,338,326.96	2,657,169,716.93	2,169,168,610.03
9	TMAA	201,739,500.00	6,901,241,000.00	7,102,980,500.00	8,294,704,000.00	(1,191,723,500.00)
10	LTIRDP	-	1,935,226,965.00	1,935,226,965.00	1,086,815,027.00	848,411,938.00
11	VETA	-	508,343,239,913.00	508,343,239,913.00	508,228,196,868.00	115,043,045.00
12	HSPS	108,453,856.00	686,500,000.00	794,953,856.00	794,823,757.00	130,099.00

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13	G/Fund –Ministry of health.	-	179,165,144,768.51	179,165,144,768.51	179,165,144,768.00	0.51
14	RFSP.	239,222,038.00	1,603,826,650.00	1,843,048,688.00	1,328,560,214.00	514,488,474.00
15	MACEMP	129,773,036.00	2,033,280,000.00	2,163,053,036.00	1,913,203,049.00	249,849,987.00
16	TGDLC-	-	1,800,965,242.00	1,800,965,242.00	2,011,741,743.00	(210,776,501.00)
17	RFSP-	239,222,038.00	1,603,826,650.00	1,843,048,688.00	1,328,560,214.00	514,488,474.00
18	EAAPP-	540,536,288.00	3,455,540,900.00	3,996,077,188.00	3,800,379,019.00	195,698,169.00
20	Singida –Babati Minjingu	-	59,095,393,960.00	59,095,393,960.00	72,320,183,578.14	(13,224,789,618.14)
21	PFMRP	5,360,256,971.00	17,675,068,964.00	23,035,325,935.00	10,252,860,820.00	12,782,465,115.00
22	SELF	-	12,328,502,000.00	12,328,502,000.00	10,867,181,651.00	1,461,320,349.00
24	DASIP	12,290,600,000.00	30,294,312,000.00	42,584,912,000.00	27,940,391,000.00	14,644,521,000.00
25	Sida /Norad biofuels Project	-	2,245,518,008.46	2,245,518,008.46	1,088,292,299.00	1,157,225,709.46
26	REA-Agency	-	2,023,482,611.42	2,023,482,611.42	52,896,047.57	1,970,586,563.85
27	LSBF(Holding Acc	366,966,482.79	14,033,273,815.77	14,400,240,298.56	11,364,969,370.00	3,035,270,928.56
28	LCDG	4,003,441,063.77	103,743,212,032.00	107,746,653,095.77	81,932,213,659.32	25,814,439,436.45
29	BFF(Hiv Aids basket financing	1,908,268,265.09	13,720,847,467.26	15,629,115,732.35	13,300,000,000.00	2,329,115,732.35
30	LSRP	-	11,245,245,246,400.00	11,245,245,246,400.00	8,389,527,332.61	11,236,855,719,067.40
31	FEAT	799,645,768.00	1,010,957,075.41	1,810,602,843.41	1,292,821,371.00	517,781,472.41
15	PRBS	-	897,979,681,770.54	897,979,681,770.54	897,979,681,770.54	-

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16	HIV/aids Basket financing	1,908,268,265.09	10,729,759.98	1,918,998,025.07	9,008,588.85	1,721,171.13
	TOTAL	**31,290,307,791.65**	**13,250,458,325,220.80**	**13,308,926,616,116.20**	**1,966,582,953,943.58**	**11,340,435,393,907.60**

FOREIGN CURRENCY-DOLLAR

S/No	Name of entities	Opening balance(U$$)	Amount received (U$$	Total fund received	Expenditure	Unspent balance (U$$)
1	ASP-Stock piles	0	1,218,984.94	1,218,984.94	1,218,984.94	0
2		18,110,896.00	15,167,690	33,278,586.00	9,868,504.84	23,410,081.83
3	TSCP	0	22,374,394	22,374,394.00	2,547,753.00	19.826,639
4	HSDP	1,267,498.13	24,414,796.75	25,682,294.88	25,349,753.96	332,540.92
5	TPSF-	269,197	18,823,807	19,093,004.00	13,780,956.00	5,042,851
6	TSSP-		43,740,000.00	43,740,000.00	18,075,389.07	25,664,610.93
7	PSRPII	6,537,716.40	4,385,084	10,922,800.40	8,609,208.97	2,313,591.45
8	PSCP	1,469,880.11	2,154,493.61	3,624,373.72	2,380,213.11	1,244,160.61
9	CTCP	6,078.60	891,371	897,449.60	607,825.18	289,624.42
10	LKEMP	28,171.00	1,732,702.13	1,760,873.13	1,733,339.61	27,533.52.
11	Songosongo Project	0	1,218,984.94	1,218,984.94	1,218,984.94	0
12	RCIP-	0	4,981,265.55	4,981,265.55	13,867.36	4,975,488
13	MACEMP-(GEF)	1,555,278	878,012	2,433,290.00	1,596,689.29	836,600.70
	TOTAL	**29,244,715.24**	**141,981,585.92**	**171,226,301.16**	**87,001,470.27**	**64,109,549.86**

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Annexure II

Details of audit opinion for ASDP

	Unqualified with emphasis					Unqualified	Qualified
1	Kinondoni Mc	28	Mbozi DC	57	Iramba DC	Ilala MC	Longido DC
2	Monduli Dc	29	Mbarali DC	58	Singida MC	Arusha MC	Karatu DC
3	Meru DC	30	Ileje DC	59	Singida DC	Ngorongoro DC	Arusha DC
4	Kibaha DC	31	Sumbawanga DC	60	Mpwapwa DC	Kisarawe DC	Rufiji DC
5	Mafia DC	32	Mpanda DC	61	Bahi DC	Kibaha TC	Lindi DC
6	Bagamoyo DC	33	Sumbawanga MC	62	Chamwino DC	Mtwara DC	Kilosa DC
7	Mkuranga DC	34	Nkasi DC	63	Dodoma MC	Tandahimba DC	Mvomero DC
8	Kilwa DC	35	Mpanda TC	64	Mbulu DC	Newala DC	Morogoro DC
9	Liwale DC	36	Kigoma MC	65	Babati TC	Nanyumbu DC	Morogoro MC
10	Ruangwa DC	37	Kigoma DC	66	Handeni DC	Njombe TC	Ulanga DC
11	Lindi MC	38	Kibondo DC	67	Tanga CC	Iringa MC	Bariadi DC
12	Nachingwea DC	39	Kasulu DC	68	Korogwe DC	Mbinga DC	Bukombe Dc
13	Mtwara MC	40	Missenvi DC	69	Lushoto DC	Mbeya DC	Tunduru DC
14	Masasi DC	41	Bukoba MC	70	Korogwe TC	Kyela DC	Namtumbo DC
15		42	Musoma MC	71	Moshi MC	Chunya DC	Songea DC
16	Kahama DC	43	Rorya DC	72	Rombo DC	Mbeya CC	Rungwe DC
17	Kishapu DC	44	Tarime DC	73	Moshi DC	Muleba DC	Chato DC
18	Meatu DC	45	Serengeti DC	74	Siha DC	Ngara DC	Bukoba DC

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19	Shinyanga DC	46	Urambo DC	75	Temeke MC	Biharamulo DC	Karagwe DC
20	Shinyanga MC	47	Tabora DC			Bunda DC	Musoma DC
21	Maswa DC	49	Sikonge DC			Geita DC	Tabora MC
22	Mufindi DC	50	Nzega DC			Manyoni DC	Magu DC
23	Ludewa Dc	51	Igunga DC			Kongwa DC	Kondoa DC
24	Kilolo DC	52	Sengerema Dc			Simanjiro DC	KitetoDC
25	Njombe DC	53	Ukerewe Dc			Pangani DC	Babati DC
26	Iringa DC	54	Kwimba DC			Muheza DC	Hanang DC
27	Makete DC	55	Misungwi DC			Hai DC	Mkinga
28	Songea MC	56	Mwanza CC			Same DC	Mwanga DC
							Kilombero DC

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Annexure III

Non compliance with PPA 2004

STORES ITEMS NOT TAKEN ON LEDGER CHARGES

Councils	Amount (Shs.)
ARUSHA DC	1,710,000.00
BAHI	23,874,600.00
CHATO	12,600,000.00
HANANG	10,406,400.00
KARATU	20,148,000.00
KITETO	1,000,000.00
MBEYA CC	8,570,000.00
MVOMERO	23,249,397.00
NGORONGORO	60,425,011.00
RUNGWE	14,869,400.00
SENGEREMA	1,612,500.00
SHINYANGA MC	5,004,250.00
SONGEA DC	6,698,500.00
	190,168,058.00
UNAPPROVED PROCUREMENT	
CHAMWINO	83,880,035.00
DODOMA MC	39,608,000.00
KARAGWE	184,000,000.00
MWANGA	2,721,000.00
NAMTUMBO	4,900,250.00
TUNDURU	28,207,660.00
	343,316,945.00
UNAPPROVED LIST OF SUPPLIERS	
SONGEA MC	1,550,000.00
ULANGA	1,625,000.00
NZEGA	5,441,000.00
MPANDA TC	3,990,500.00
MBINGA	7,311,000.00

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MAFIA	1,032,936.00
KONDOA	15,434,724.00
KIGOMA MC	5,127,500.00
BUKOBA MC	2,674,600.00
	44,187,260.00
ARUSHA MC	1,820,000.00
BUKOBA DC	6,800,000.00
KILWA DC	11,400,000.00
KONDOA DC	10,918,375.00
MAFIA DC	1,398,500.00
MOROGORO MC	4,500,000.00
MUSOMA MC	16,706,100.00
	53,542,975.00
Total	**631,215,238.00**

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Non implementation of previous year's audit recommendations ASDP

Council	Amount (Shs.)	Council	Amount (Shs.)
UKEREWE	280,000	KASULU	79,399,290.00
MAGU	400,000	MERU	80,204,300
MAFIA	750,470	CHATO	85,224,897
BUKOBA MC	4,858,038	ARUSHA MC	92,054,690
KOROGWE DC	6,541,594	MORO MC	96,231,977
MPANDA	7,627,956	SERENGETI	96,537,694
TARIME	7,840,000	MWANGA	104,472,920
RUFIJI	9,165,000	MBEYA CC	110,035,584
MBINGA	10,086,960	MAKETE	145,901,973
SAME	11,825,000	RUNGWE	158,622,530
MUSOMA MC	12,641,000	GEITA	159,713,608
LUSHOTO	13,440,000	KOROGWE TC	162,229,024
MOSHI	13,934,750	MVOMERO	163,052,750
IRAMBA	14,976,000	KARATU	168,913,912
MUSOMA DC	15,979,000	MPWAPWA	169,881,923
LONGIDO	17,820,450	SUMBAWANGA DC	173,625,128
MISUNGWI	21,089,900	LINDI MC	188,457,862
TEMEKE	23,480,000	KIGOMA DC	218,500,000
KAHAMA	25,797,000	KILOMBERO	233,725,471
NANYUMBU	26,828,950	MASASI	242,367,732
KIBAHA DC	27,584,000	KILOLO	263,772,706
BUKOBA DC	38,064,286	SONGEA DC	266,967,876
BUKOMBE	38,536,150	IGUNGA	271,604,219
MTWARA	38,665,805	TABORA	393,531,472
BUNDA	44,063,700	IRINGA MC	456,998,075
MKINGA	44,712,379	LUDEWA	513,142,589
BAGOMOYO	46,855,977	RUANGWA	592,060,240
ULANGA	50,000,135	MULEBA	697,433,500
TUNDURU	51,503,523	MUFINDI DC	723,599,104

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KIBONDO	54,249,350	MPANDA TC	873,077,971
KARAGWE	59,275,028	SENGEREMA	946,755,542
SHINYANGA MC	60,289,732	KISHAPU	1,074,886,384
NGORONGORO	65,849,232	NAMTUMBO	1,295,590,019
KASULU	79,399,290.00	KILOSA	1,392,143,015
MERU	80,204,300	URAMBO	1,601,605,804
		TOTAL	**15,157,333,147**

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Annexure V

Irregular Expenditure ASDP

Council	**Amount (Shs.)**
CHATO	113,439,730.00
HANDENI	19,200,000.00
KOROGWE TC	5,503,838.00
KASULU	14,267,400.00
KONDOA	136,194,000.00
MAFIA	2,093,250.00
MAGU	16,030,950.00
MISUNGWI	4,000,000.00
RUNGWE	7,981,500.00
SAME	506,700.00
SENGEREMA	56,023,500.00
SONGEA DC	1,150,000.00
URAMBO	98,000,000.00
TOTAL	**474,390,868.00**
EXEMPTED VAT PAID	
CHAMWINO	18,128,072.00
MBOZI	3,692,000.00
RUNGWE	5,171,104.00
SINGIDA DC	7,380,562.00
TABORA MC	267,630.00
TOTAL	**34,639,368.00**
BABATI DC	12,396,500
KILOSA	6,810,606
KITETO	900,000
MKURANGA	9,672,000
MPANDA DC	1,020,000
	30,799,106
	539,829,342.00

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Annexure VI

Improperly vouched expenditure and Missing payment vouchers ASDP

SN	IMPROPERLY VOUCHED			UNVOUCHED EXPENDITURE	
1	MBEYA CC	1,035,000	SN		
2	KISHAPU	1,170,000	1	KAHAMA	950,000.00
3	TANGA CC	1,277,602	2	KARATU	6,435,000.00
4	SONGEA MC	2,078,300	3	KITETO	37,169,000.00
5	KIBAHA DC	2,210,000	4	MASWA	5,989,100.00
6	MBINGA	2,461,960	5	MBEYA CC	3,919,573.00
7	MPANDA DC	3,540,000	6	MBARALI	1,710,610.00
8	MPANDA TC	4,396,500	7	NAMTUMBO	6,548,000.00
9	BUKOBA MC	4,590,000	8	RUFIJI	16,059,420.00
10	KASULU	4,775,000	9	SONGEA DC	6,088,267.00
11	RUANGWA	5,630,000		**TOTAL**	**84,868,970.00**
12	SHINYANGA MC	5,950,000			
13	ILEJE	6,835,000			
14	MORO MC	7,227,851			
15	IRINGA DC	8,038,000			
16	BUKOMBE	9,051,000			
17	MPWAPWA	9,149,000			
18	HANANG	10,406,400			
19	MEATU	11,143,400			
20	UKEREWE	11,200,000			
21	LINDI MC	11,534,717			
22	NAMTUMBO	13,000,000			
23	RUFIJI	14,121,000			

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24	TABORA MC	16,957,200			
25	MERU	18,489,491			
26	IGUNGA	31,120,000			
27	BAHI	31,304,749			
28	TARIME	32,050,000			
29	ARUSHA DC	47,823,800			
30	CHATO	48,600,000			
31	MVOMERO	55,169,872			
32	MISUNGWI	63,312,000			
33	KONDOA DC	107,175,000			
34	SONGEA DC	147,437,000			
35	KITETO DC	157,838,037			
36	NGORONGORO	233,540,994	0.14		
37	BABATI DC	248,000,000	0.15		
38	MUSOMA DC	265,806,000	0.16		
	TOTAL	**1,655,444,873**			

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Annexure VII

Unretired imprest-ASDP

IMPREST NOT RETIRED	Amount (Shs.)
MBARALI DC	532,000.00
MOSHI DC	600,000.00
TONDURU DC	1,128,000.00
KIBONDO DC	2,000,000.00
MPANDA DC	2,000,000.00
ULANGA DC	2,122,000.00
KOROGWE DC	2,241,000.00
MASASI DC	2,440,000.00
LINDI MC	2,500,000.00
TABORA MC	2,887,150.00
MAGU DC	3,400,000.00
MBEYA CC	3,973,000.00
MBINGA DC	4,143,650.00
MPWAPWA DC	4,551,500.00
KINONDONI DC	14,344,938.00
CHAMWINO DC	19,672,500.00
TOTAL	**68,535,738.00**

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Annexure VIII

Payment charged to wrong expenditure codes ASDP

Council	Amount (Shs.)
TUNDURU	560,000.00
KIGOMA MC	920,000.00
MOSHI DC	1,283,000.00
SENGEREMA	2,960,000.00
ULANGA	3,035,000.00
MBINGA	3,886,000.00
SHINYANGA	4,780,000.00
CHAMWINO	5,400,000.00
CHATO	5,425,000.00
SONGEA MC	6,063,750.00
MOROGORO MC	11,854,793.21
LUSHOTO	20,474,560.00
KASULU	30,000,000.00
MASWA	34,145,910.00
GEITA	40,900,735.00
TOTAL	**171,688,748.21**

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Annexure IX

Outstanding Matters HBS

COUNCIL	Amount in Shs
Tabora MC	72,955,733
Tanga CC	202,441,204
Meru DC	88,024,400
Nzega DC	31,334,185
Misungwi dc	163,313,155
Mwanza CC	247,202,623
Tabora DC	30,737,954
Monduli DC	93,875,800
Longido DC	17,820,450
Ngorongoro DC	39,044,950
Temeke MC	176,815,080
Ulanga DC	31,360,600
Kilombero DC	193,222,900
Namtumbo DC	219,383,902
Bukombe DC DC	1,430,000
Nachingwea DC	55,025,000
Musoma DC	38,996,559
Korongwe TC	12,536,000
Lushoto DC	493,075,322
Rungwe DC	17,746,000
Kisarawe DC	8,341,212
Mbarali DC	1,528,000
Karatu DC	113,685,900
Lushoto DC	493,075,322
Namtumbo DC	219,383,902
Nanyumbu DC	26,192,512
Geita DC	21,449,000
Meru DC	88,024,400
Musoma MC	31,832,932
Ngara DC	30,461,000
Bahi DC	29,836,675
Iringa DC	5,800,000
Igunga DC	507,217,719
Misungwi DC	163,313,155
Rorya DC	152,679,465
Sikonge DC	224,690,612
Magu DC	23,393,000
Mpanda TC	32,868,475
Songea MC	1,050,000
Lindi MC	725,000
Nachingwea DC	11,774,300
Ulanga DC	31,360,600
Maswa DC	5,240,000
Muheza DC	25,566,575

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Musoma DC	38,996,559
Magu DC	23,393,000
Kilosa DC	18,306,040
Chato DC	47,925,500
Kondoa DC	
Mpwapwa DC	11,077,000
Mpanda DC	173,542,600
Tarime DC	1,400,000
Bagamoyo DC	107,193,279
Shinyanga DC	23,981,400
Iringa DC	5,800,000
Iramba DC	5,000,000
Ilege DC	19,985,000
	4,952,431,951
MOHSW	770,682,215
Total	5,723,114,166

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Annexure X

Improperly vouched expenditure

	Council	Amount (Shs.)
1	Hanang DC	20,816,450
2	Tabora MC	13,885,000
3	Meru DC	31,853,163
4	Kiteto DC	43,743,873
5	Nzega DC	5,431,000
6	Mwanza CC	89,608,850
7	Chunya DC	4,190,000
8	Bukombe DC	3, 981,960
9	Bahi DC	36,680,675
10	Musoma MC	9,915,000
12	Kibondo DC	20,448,000
13	Bariadi DC	13,006,000
14	Tandahimba DC	7,765,000
15	Namtumbo DC	3,432,000
16	Newala DC	15,678,000
18	Ilala MC	187,296,826
19	Temeke MC	51,510,207
18	Kilolo DC	21,824,250
19	Ngorongoro DC	9,887,000
20	Longido DC	4,770,000
22	Sengerema DC	14,266,000
23	Kwimba DC	5,115,000
25	Mufindi DC	37,849,740
26	Babati DC DC	19,621,400
27	Morogoro DC	13,597,000
29	Karatu DC	22,757,550
30	Kilindi DC	12,663,579
31	Mpanda TC	4,800,000
32	Meatu DC	1,429,281
34	Iringa DC	2,770,000
36	Liwale DC	4,752,000
38	Ulanga DC	1,410,000
39	Morogoro MC	3,636,500
40	Songea MC	3, 435,000
43	Korogwe DC	13,365,450
45	Njombe DC	29,701,000
46	Bukoba MC	14,756,000
47	Morogoro MC	3,636,500
48	Kondoa DC	50, 405,800
51	Tarime DC	2,740,000
	Sub Total	**796,971,794**
	PMO - RALG	45,722,000
	MOHSW	712,243,745
	G/Total	**1,554,937,548**

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