



THE UNITED REPUBLIC OF TANZANIA
PRESIDENT'S OFFICE-REGIONAL ADMINISTRATION AND LOCAL GOVERNMENT
SHINYANGA MUNICIPAL COUNCIL



STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE, 2023

	Note	2023 (TZS)	RESTATED 2022 (TZS)
ASSETS			
Current Asset			
Cash and Cash Equivalents	62	3,582,155,904	2,029,822,960
Receivables	67	1,823,473,677	1,205,856,813
Prepayments	69	134,154,903	99,326,454
Inventories	70	799,630,656	1,063,692,883
Other Financial Assets	71	552,773,618	552,773,618
Total Current Asset		6,892,188,757	4,951,472,728
Non-Current Asset			
Property, Plant and Equipment	77	165,725,405,449	160,754,757,147
Work In Progress	82	7,524,740,640	4,339,575,636
Total Non-Current Asset		173,250,146,090	165,094,332,783
TOTAL ASSETS		180,142,334,847	170,045,805,511
LIABILITIES			
Current Liabilities			
Payables and Accruals	89	3,902,259,214	2,089,867,800
Deferred Income	93	2,306,566,661	1,740,774,075
Deposits	94	2,399,618,298	2,135,861,654
Total Current Liabilities		8,608,444,173	5,966,503,529
Non-Current Liabilities			
Other Borrowings by Government Entities	102	1,055,000,000	1,055,000,000
Total Non-Current Liabilities		1,055,000,000	1,055,000,000
TOTAL LIABILITIES		9,663,444,173	7,021,503,529
Net Assets		170,478,890,674	163,024,301,982
NET ASSETS			
Accumulated Surpluses / Deficits		170,478,890,674	163,024,717,722
TOTAL NET ASSETS		170,478,890,674	163,024,717,722

Mwl. Alexius Revocutus Kagunze
Municipal Director
Date 22/03/2024

Hon. Elias R Masumbuko
Lordship Mayor
Date 22/03/2024
HIS WORSHIP THE MAYOR
SHINYANGA MUNICIPAL COUNCIL
SHINYANGA

CASHFLOW STATEMENT FOR THE YEAR ENDED 30 JUNE, 2023

	2023 (TZS)	2022 (Restated) (TZS)
CASH FLOW FROM OPERATING ACTIVITIES		
RECEIPTS		
Subvention from other Government entities	28,188,170,301	27,677,311,510
Social Contributions (Revenue)	1,064,504,639	816,117,827
Revenue from Exchange Transactions	1,735,453,137	1,258,709,252
Other Revenue	-	85,503,500
Levies	1,493,439,816	637,898,376
Increase in Deposit	263,756,644	1,396,910,269
Financing Income	75,240,000	60,192,000
Fees, Fines, Penalties and Forfeits	1,340,100,571	1,696,727,074
External Assistance	118,209,443	-
Total Receipts	34,278,874,551	33,629,369,809
PAYMENTS		
Wages, Salaries and Employee Benefits	21,504,498,063	19,889,136,444
Use of Goods and Service	1,535,003,501	4,443,218,336
Social Benefits	473,801,737	765,882,176
Other Transfers	348,108,020	401,302,031
Other Expenses	77,150,750	559,477,074
Maintenance Expenses	295,097,781	683,319,418
Total Payments	24,233,659,851	26,742,335,478
NET CASH FLOW FROM OPERATING ACTIVITIES	10,045,214,701	6,887,034,331
CASH FLOW FROM INVESTING ACTIVITIES		
Investing Activities		
Payment for Work in Progress	(4,234,756,375)	(4,339,575,636)
Acquisition of Property, Plant and Equipment	(4,258,125,380)	(2,310,041,012)
Total Investing Activities	(8,492,881,755)	(6,649,616,648)
NET CASH FLOW FROM INVESTING ACTIVITIES	(8,492,881,754)	(6,649,616,648)
CASH FLOW FROM FINANCING ACTIVITIES		
Financing Activities		
Cash proceeds from other short or long-term borrowings	-	1,055,000,000
Total Financing Activities	-	1,055,000,000
NET CASH FLOW FROM FINANCING ACTIVITIES	-	1,055,000,000
Net Increase	1,552,332,946	1,292,417,684
Cash and cash equivalent at beginning of period	2,029,822,959	737,405,275
Cash and cash equivalent at end of period	3,582,155,904	2,029,822,959

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STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE, 2023

	Note	2023 (TZS)	2022 (TZS)
Revenue			
Revenue Grants	16	-	-
Revenue from Exchange Transactions	17	2,175,954,533	1,258,709,252
Levies	18	1,493,439,816	637,898,376
Fees, Fines, Penalties and Forfeits	19	1,340,100,571	1,696,727,074
Social Contributions (Revenue)	20	1,064,504,639	816,117,827
Financing Income	21	75,240,000	60,192,000
External Assistance	25	118,209,443	-
Other Revenue	31	-	85,503,500
Subvention from other Government entities	32	29,070,214,254	26,948,377,841
TOTAL REVENUE		35,337,663,256	31,503,525,870
EXPENSES AND TRANSFERS			
Expenses			
Wages, Salaries and Employee Benefits	34	21,645,280,556	19,822,566,933
Use of Goods and Service	35	4,269,834,660	5,616,677,651
Maintenance Expenses	36	295,097,781	683,319,418
Depreciation of Property, Plant and Equipment	37	774,216,802	964,803,240
Other Expenses	52	77,150,750	559,477,074
Social Benefits	56	473,801,737	765,882,176
Total Expenses		27,535,382,285	28,412,726,492
Transfer			
Other Transfers	60	348,108,020	401,302,031
Total Transfer		348,108,020	401,302,031
TOTAL EXPENSES AND TRANSFERS		27,883,490,304	28,814,028,523
Surplus / Deficit		7,454,172,952	2,689,497,347

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INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

- (iv) Procurements from suppliers not shortlisted by GPSA - TZS 138,244,440
Examination of procurement records for the year under review revealed that, the sum of TZS 138,244,440 was spent in respect of purchase of goods and services from various suppliers who were not in the list of GPSA and Council's approved suppliers for 2022/23 contrary to the requirement of Regulation 131(5) of the Public Procurement Regulations, 2013.
- (v) Testing of building materials not conducted - TZS 231,763,422
I found that, the Council procured and utilized building materials, such as reinforcement bars and cement blocks, valued at TZS 231,763,422 in construction projects without subjecting them to testing. This action is in violation of Regulation 244(1) and 246 of the Public Procurement Regulations, 2013, which require mandatory testing of such materials before their use in construction projects.

2.2 Compliance with the Budget Act and other Budget Guidelines

Subject matter: Budget formulation and execution

I performed a compliance audit on budget formulation and execution of Shinyanga Municipal Council for the financial year 2022/23 as per the Budget Act and other Budget Guidelines.

Conclusion

Based on the audit work performed, I state that, except for the matter described below, Budget formulation and execution of Shinyanga Municipal Council is generally in compliance with the requirements of the Budget Act and other Budget Guidelines.

Funds for construction of Council administration block diverted to finance unintended projects - TZS 1,000,000,000

Section 47 (1) (a) of the Budget Act, Cap. 439 requires that, where an appropriation for Government and Public entities has been approved, it shall be used only in accordance with the purpose described and within the limits set by different classifications within the Government and public entities estimates.

Contrary to the above citation, I noted that, the Council diverted a total amount of TZS 1,000,000,000 received for construction of administration building to construction of Main market, Ibinzamata Market and Ngokolo Market without approval from Ministry of Finance and PO-RALG.

Charles E. Kichere
Controller and Auditor General,
Dodoma, United Republic of Tanzania.
March 2024

