

THE UNITED REPUBLIC OF TANZANIA
PRESIDENT'S OFFICE - REGIONAL ADMINISTRATION AND LOCAL GOVERNMENT
RUNGWE DISTRICT COUNCIL
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	Notes	2017 TZS	2016 TZS
ASSETS			
Current assets			
Cash and cash equivalents	18	3,063,055,739	1,997,629,976
Receivables and prepayments	19	565,322,059	235,362,686
Inventories	20	392,412,475	546,110,158
		<u>4,020,790,273</u>	<u>2,779,102,820</u>
Non-current assets			
Other financial assets	21	41,447,600	41,447,600
Property, plant and equipment	28	60,875,073,639	71,168,675,231
Biological Assets	30	732,983,020	
		<u>61,649,504,259</u>	<u>71,210,122,831</u>
TOTAL ASSETS		<u>65,670,294,532</u>	<u>73,989,225,651</u>
LIABILITIES			
Current liabilities			
Deferred income (Grant)	9	3,063,055,739	835,124,196
Payables	22	3,976,736,961	4,759,406,533
		<u>7,039,792,700</u>	<u>5,594,530,730</u>
Non-current liabilities			
Deferred income (Grant)	23	35,436,444,438	43,674,107,339
		<u>35,436,444,438</u>	<u>43,674,107,339</u>
TOTAL LIABILITIES		<u>42,476,237,138</u>	<u>49,268,638,069</u>
NET ASSETS		<u>23,194,057,394</u>	<u>24,720,587,582</u>
NET ASSETS			
Accumulated surplus/(deficit)		(1,185,187,958)	341,342,231
Revaluation Reserve		24,379,245,352	24,379,245,352
TOTAL NET ASSETS		<u>23,194,057,394</u>	<u>24,720,587,582</u>

The notes on pages 23 to 50 form part of these financial statements.

These financial statements were authorised by the full council Meeting for issue on 28th September 2017 by: -

Name: Ezekiel Mwakota

Title: Council Chairperson

Signature: 

CHAIRMAN
RUNGWE DISTRICT COUNCIL

Name: Loema I. Peter

Title: District Executive Dir

Signature: 

MFORUGENZI MTENDAJU WA
RUNGWE TUKUYU

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

STATEMENT OF FINANCIAL PERFORMANCE BY NATURE
FOR THE YEAR ENDED 30 JUNE 2017

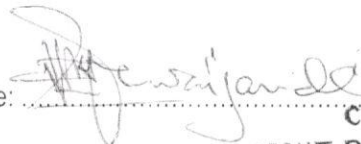
	Notes	2017 TZS	2016 TZS
Revenue			
Local taxes	7	996,221,438	939,228,291
Fees, fines, penalties and licenses	8	494,939,655	513,497,381
Amortisation of recurrent grants	9	40,834,643,478	38,895,573,805
Revenue from exchange transactions	10	58,050,375	50,892,750
Finance income	12	1,778,000	-
Amortisation of capital grant	23	3,903,560,287	3,546,256,520
Other own source revenue	11	2,076,407,753	1,568,974,192
		48,365,600,986	45,514,422,939
Expenses			
Wages, salaries and employee benefits	13	35,012,575,954	36,513,660,939
Supplies and consumables used	14	5,476,783,651	4,038,952,755
Maintenance expenses	15	878,785,483	311,518,563
Grants and other transfer payments	16	3,827,905,891	2,556,757,651
Finance costs	17	-	325,100
Depreciation of property, plant and equipment	29	3,980,652,064	3,619,128,189
		49,176,703,044	47,040,343,197
Surplus/(deficit) during the year		(811,102,058)	(1,525,920,258)
Revaluation Loss		(1,544,634,957)	
Surplus/(deficit) during the year after Revaluation loss		(2,355,737,014)	(1,525,920,258)

The notes on pages 23 to 50 form part of these financial statements.

These financial statements were authorised by the full council Meeting for issue on 28th September 2017 by: -

Name: Ezekiel Mwakota

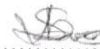
Title: Council Chairperson

Signature: 

**CHAIRMAN
RUNGWE DISTRICT COUNCIL**

Name: Loema I. Peter

Title: District Executive I

Signature: 

**MKURUGENZI MTENDAJI I
RUNGWE/TUKUVU**

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

CASH FLOW STATEMENT
STATEMENT OF FINANCIAL PERFORMANCE BY NATURE

	Note	2017 TZS	2016 TZS
Cash flows from operating activities			
Surplus/(deficit) before taxation		(2,355,737,014)	(1,525,920,258)
Adjustments for:			
Revaluation loss		1,544,634,957	
Depreciation and amortisation	29	3,980,652,064	3,619,128,189
Amortisation of capital grants	29	(3,903,560,287)	(3,546,256,520)
Receipt in kind and accrued Assets		-	(987,166,459)
Changes in working capital items:			
Increase in trade and other receivables	17	(329,959,373)	29,853,655
Increase in Inventories	18	(153,697,683)	810,824,182
Increase in current deferred grants	9	2,227,931,543	9,335,065
Adjustment receivable		(20,163,573)	310,887,655
Decrease in trade payables	9	(782,669,573)	2,192,064,706
Cash generated from operations		207,431,060	912,750,215
Net cash from operating activities		207,431,060	912,750,215
Cash flows from investing activities			
Purchase of property, plant and equipment	32	(4,471,921,321)	(1,781,345,795)
Net cash from investing activities		(4,471,921,321)	(1,781,345,795)
Cash flows from financing activities			
Development Grants Received	32	5,329,916,025	1,980,737,409
Grants refunded/transferred	11		
Net cash used in financing activities		5,329,916,025	1,980,737,409
Net increase in cash and cash equivalents		1,065,425,764	1,112,141,829
Cash and cash equivalents at beginning of period		1,997,629,975	885,488,146
Cash and cash equivalents at end of period		3,063,055,740	1,997,629,975

2.0 INDEPENDENT AUDIT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

To: Hon. Chairperson,
Rungwe District Council,
P.O. Box 148,
TUKUYU.

Report on the audit of Financial Statements of Rungwe District Council for the Financial Year Ended 30th June, 2017

Unqualified Opinion

I have audited the financial statements of Rungwe District Council which comprise the Statement of Financial Position as at 30th June, 2017, and the Statement of Financial Performance, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes to the Financial Statements, including a Summary of Significant Accounting Policies and other Explanatory Notes as shown on Para 3 of this audit report.

In my opinion, the accompanying financial statements present fairly in all material respects, the financial position of Rungwe District Council as at 30th June, 2017, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) Accrual basis of accounting and in the manner required by the Public Finance Act, 2001 (Revised 2004) and Local Government Finances Act 1982, (Revised 2000).

Basis for Opinion

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of my report. I am independent of Rungwe District Council in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to my audit of the financial statements in Tanzania, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter

Without qualifying my opinion, I draw the attention of the users of this report on Note 20 to the financial statements which indicate that Rungwe DC has pending legal cases

4

filed by various suppliers of which, preliminary hearings are in progress. The ultimate outcome of the cases cannot presently be determined, and no provision for any liability that may result has been made in the financial statements; however, initial estimates indicate that the Council may be obliged to pay a sum of TZS 293,334,684 if the cases will be ruled in favour of the plaintiffs.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

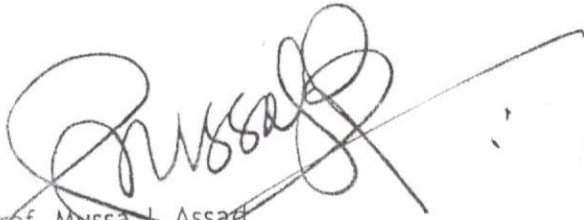
In addition, Sect. 10 (2) of the PAA No.11 of 2008 requires me to satisfy myself that, the accounts have been prepared in accordance with the appropriate accounting standards.

Further, Sect. 48(3) of the Public Procurement Act No.7 of 2011 requires me to state in my annual audit report whether or not the audited entity has complied with the provisions of the Law and its Regulations.

Report on Other Legal and Regulatory Requirements

Compliance with the Public Procurement Act, 2011

In view of my responsibility on the procurement legislation and taking into consideration the procurement transactions and processes I have reviewed as part of this audit, I state that, Rungwe District Council procurement transactions and processes have generally complied with the requirements of the Public Procurement Act No.7 of 2011 and its underlying Regulations of 2013.


Prof. Mussa J. Assaf
Controller and Auditor General of the United Republic of Tanzania
March, 2018



National Audit Office of Tanzania,
P.O. Box 9080,
11101 Dar es Salaam, Tanzania