

## 1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Hon. Chairperson of the Council,  
Ruangwa District Council,  
P.O. Box 51,  
RUANGWA.

### 1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

#### Unqualified Opinion

I have audited the financial statements of Ruangwa District Council, which comprise the statement of financial position as at 30 June 2023, the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly in all material respects, the financial position of Ruangwa District Council as at 30 June 2023, 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 the manner required by the Local Government Finances Act, Cap. 290.

#### Basis for Opinion

I conducted my audit in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the section below with a title "Responsibilities of the Controller and Auditor General for the Audit of the Financial Statements". I am independent of Ruangwa District Council in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the National Board of Accountants and Auditors (NBAA) Code of Ethics, and I have fulfilled my other ethical responsibilities in accordance with these requirements.

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

#### Key Audit Matters

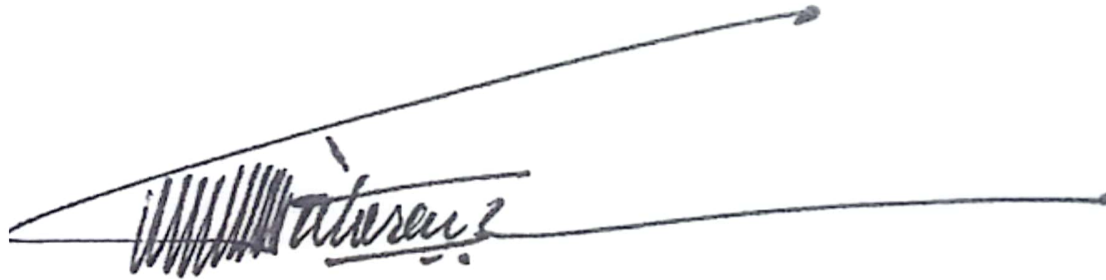
Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. I have determined that there are no key audit matters to communicate in my report.

#### Other Information

Management is responsible for the other information. The other information comprises the Report by Those Charged with Governance, statement of management responsibility and

## Conclusion

Based on the audit work performed, I state that, Budget formulation and execution of Ruangwa District Council is generally in compliance with the requirements of the Budget Act and other Budget Guidelines.

A handwritten signature in black ink, appearing to read 'Charles E. Kichere', with a long horizontal line extending to the right.

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



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Controller and Auditor General

AR/LGA/76-3092/2022/23

## 6.0 FINANCIAL STATEMENTS

## 6.1 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Note	2023 TZS	2022 TZS
<b>ASSETS</b>			
<b>Current Asset</b>			
Cash and Cash Equivalents	62	1,535,109,362	1,500,362,847
Receivables	67	104,934,373	174,733,809
Prepayments	69	84,520,430	146,807,257
Inventories	70	253,097,206	210,418,935
Other Financial Assets	71	50,050,000	50,050,000
<b>Total Current Asset</b>		<b>2,027,711,371</b>	<b>2,082,172,848</b>
<b>Non-Current Asset</b>			
Investment Property	76	5,103,472,261	5,213,709,147
Property, Plant and Equipment	77	44,921,373,795	44,807,900,267
Work In Progress	82	9,631,388,168	8,643,520,521
<b>Total Non-Current Asset</b>		<b>59,656,234,224</b>	<b>58,665,129,935</b>
<b>TOTAL ASSETS</b>		<b>61,683,945,595</b>	<b>60,747,302,783</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables and Accruals	89	1,773,855,970	2,353,786,954
Deferred Income	93	1,570,212,005	1,966,218,880
Deposits	94	116,168,877	2,406,767,955
<b>Total Current Liabilities</b>		<b>3,460,236,852</b>	<b>6,726,773,789</b>
<b>TOTAL LIABILITIES</b>		<b>3,460,236,852</b>	<b>6,726,773,789</b>
<b>Net Assets</b>		<b>58,223,708,743</b>	<b>54,020,528,992</b>
<b>NET ASSETS/EQUITY</b>			
<b>Capital Contributed by:</b>			
Taxpayers/Share Capital		0	0
Accumulated Surpluses / Deficits		58,223,708,743	54,020,528,992
<b>TOTAL NET ASSETS/EQUITY</b>		<b>58,223,708,743</b>	<b>54,020,528,992</b>


  
Council Director

30/08/2023  
Date

DISTRICT EXECUTIVE DIRECTOR  
RUANGWA DISTRICT COUNCIL



## 6.2 STATEMENT OF FINANCIAL PERFORMANCE FOR THE PERIOD ENDED 30 JUNE 2023

		2023	2022
<i>Classification of Expenses by Nature</i>			
	Note	TZS	TZS
<b>REVENUE</b>			
Revenue			
Revenue from Exchange Transactions	17	3,550,041	1,505,748,783
Levies	18	2,256,568,077	1,618,413,563
Fees, Fines, Penalties and Forfeits	19	873,061,024	209,545,141
Social Contributions (Revenue)	20	957,701,774	694,666,243
External Assistance	25	3,411,693,684	3,419,190,130
Other Revenue	31	72,170,700	118,678,151
Subvention from other Government entities	32	24,564,387,948	23,244,870,268
Total Revenue		32,139,133,248	30,811,112,279
<b>TOTAL REVENUE</b>		32,139,133,248	30,811,112,279
<b>EXPENSES AND TRANSFERS</b>			
Expenses			
Wages, Salaries and Employee Benefits	34	17,945,848,978	16,140,529,180
Use of Goods and Service	35	4,639,762,967	2,518,968,937
Maintenance Expenses	36	555,204,328	286,829,519
Other Expenses	37	343,040,441	66,204,311
Social Benefits	38	1,565,949,509	1,343,148,502
Depreciation of Investment Property - Carried at Cost	52	110,236,886	110,236,886
Depreciation of Property, Plant and Equipment	56	2,591,198,204	1,901,467,939
Total Expenses		27,751,241,313	22,367,385,274
Transfer			
Grants and Transfers	59	19,712,182	127,263,751
Other Transfers	60	165,000,000	311,941,776
Total Transfer		184,712,182	439,205,527
<b>TOTAL EXPENSES AND TRANSFERS</b>		27,935,953,495	22,806,590,801
Surplus / Deficit		4,203,179,751	8,004,521,478

Council Director

DISTRICT EXECUTIVE DIRECTOR  
RUANGWA DISTRICT COUNCIL

Date

30/08/2023

## 6.3 CASHFLOW STATEMENT FOR THE PERIOD ENDED 30 JUNE 2023

	Notes	2023 TZS	2022 TZS
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>RECEIPTS</b>			
Tax Revenue		0	0
Subvention from other Government entities	32	23,218,522,467	22,791,816,927
Social Contributions (Revenue)	20	957,701,773	694,666,243
Revenue Grants	16	38,750,694	4,886,000
Revenue from Exchange Transactions	17	3,550,041	1,505,748,783
Other Revenue	31	72,170,700	118,678,151
Levies	18	2,256,568,077	1,618,413,563
Increase in Deposit	61	349,892,887	0
Fees, Fines, Penalties and Forfeits	19	942,860,460	85,043,472
External Assistance	25	3,411,693,684	3,419,190,130
<b>Total Receipts</b>		<b>31,251,710,783</b>	<b>30,238,443,269</b>
<b>PAYMENTS</b>			
Wages, Salaries and Employee Benefits	34	18,109,506,254	16,385,199,448
Use of Goods and Service	35	4,102,232,482	1,409,131,435
Social Benefits	38	1,565,949,509	1,343,148,502
Other Transfers	60	188,087,727	205,250,772
Other Expenses	59	343,040,441	66,204,311
Maintenance Expenses	36	555,204,328	286,829,519
Grants and Transfers	59	19,712,182	127,263,752
Decrease in Deposit	61	2,640,491,965	31,354,590
<b>Total Payments</b>		<b>27,524,224,888</b>	<b>19,854,382,329</b>
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>3,727,485,895</b>	<b>10,384,060,943</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
<b>Investing Activities</b>			
Payment for Work in Progress	106	(987,867,647)	(8,643,520,521)
Acquisition of Property, Plant and Equipment	77	(2,704,871,732)	(2,273,614,165)
<b>Total Investing Activities</b>		<b>(3,692,739,379)</b>	<b>(10,917,134,686)</b>
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>		<b>(3,692,739,379)</b>	<b>(10,917,134,686)</b>
<b>Net Increase</b>		<b>34,746,515</b>	<b>(533,073,742)</b>
Cash Surrendered to Holding Account		0	
Cash and cash equivalent at beginning of period		1,500,362,847	2,033,436,589
Cash and cash equivalent at end of period		1,535,109,362	1,500,362,847


  
Council Director

 30/8/2023  
Date

 Mfumo wa Uhasibu  
 DISTRICT EXECUTIVE DIRECTOR  
 RUANGWA DISTRICT COUNCIL

Controller and Auditor General

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THE UNITED REPUBLIC OF TANZANIA

PRESIDENT'S OFFICE - REGIONAL ADMINISTRATION AND LOCAL GOVERNMENT

RUANGWA DISTRICT COUNCIL

RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS/(DEFICIT) FOR THE PERIOD ENDED 30 JUNE 2023

	2023 TZS	2022 TZS
Surplus/ Deficit for the Period	4,203,179,751	8,004,521,478
Add/ (Less) Non-Cash Item		
Depreciation of Investment Property - Carried at Cost	110,236,886	110,236,886
Depreciation of Property, Plant and Equipment	2,591,198,204	1,901,467,939
Non-Monetary Revenue - Capital	0	(250,000,000)
Non-Monetary Revenue - Current	(911,107,912)	(139,408,242)
Use of Goods and Service	911,107,912	438,978,152
Add/ (Less) Change in Working Capital		
Deferred Income	(396,006,876)	(58,759,098)
Inventories	(42,678,271)	(37,344,131)
Other Receipt	(2,290,599,078)	(31,354,590)
Payables and Accruals	(579,930,985)	296,520,004
Prepayments	62,286,827	323,936,354
Receivables	69,799,436	(174,733,809)
Net Cash Flow from Operating Activities	3,727,485,895	10,384,060,943

Council Director

DISTRICT EXECUTIVE DIRECTOR  
RUANGWA DISTRICT COUNCIL

Date

30/08/2023

Mfumo wa Uhasibu Serikalini (MUSE)

Controller and Auditor General

AR/LGA/76-3092/2022/23