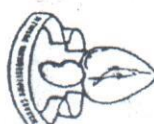




**THE UNITED REPUBLIC OF TANZANIA**  
**PRIME MINISTER'S OFFICE-REGIONAL ADMINISTRATION AND LOCAL GOVERNMENT**  
**MTWARA MIKINDANI MUNICIPAL COUNCIL**



**STATEMENT OF FINANCIAL PERFORMANCE**  
**FOR THE YEAR ENDED 30 JUNE 2015**

	Notes	2015 TZS '000	2014 TZS '000
<b>Revenue</b>			
Local taxes	9	1,673,512	1,513,994
Fees, fines, penalties and licenses	10	1,337,246	715,406
Recurrent Grants	12	12,239,737	12,025,305
Amortisation of Capital Grants	25	1,105,364	816,111
Revenue from exchange transaction	11	15,607	23,436
<b>Total</b>		<u>16,371,466</u>	<u>15,094,252</u>
<b>Expenses</b>			
Wages, salaries and employee benefits	13	10,770,361	10,602,197
Supplies and consumables used	14	1,820,681	1,834,859
Maintenance expenses	15	391,721	394,405
Grants and other transfer payments	16	807,151	1,077,755
Finance costs	17	3,829	5,586
Depreciation of property, plant and equipment	25	1,105,364	816,111
Impairment of financial assets			
		<u>14,899,107</u>	<u>14,730,913</u>
<b>Surplus during the year</b>		<u>1,472,359</u>	<u>363,339</u>

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015 TZS '000	2014 TZS '000
<b>Operating activities</b>			
Surplus before taxation		1,472,359	363,339
Adjustments for non-cash items:			
Depreciation of property, plant and equipment	25	1,105,364	816,111
Amortisation of capital grants	27	(1,105,364)	(816,111)
Loss/ (Gain) on property, plant and equipment	11	-	-
<b>Changes in working capital items:</b>			
Increase in receivables	21	(580,563)	(755,012)
Increase/(Decrease) in payables	24	16,218	443,799
(Decrease)/ Increase in employees benefits	26	(6,813)	109,779
Increase/(Decrease) in revenue grants	12	(873,119)	(412,806)
Decrease/(Increase) in inventories	22	16,131	(16,703)
Net cash (used in) /generated from operating activities		<u>44,193</u>	<u>(267,604)</u>
<b>Investing activities</b>			
Increase/decrease in other financial assets	23	(10,920)	(11,436)
Purchase of property, plant and equipment	25	(5,750,627)	(9,780,701)
Net cash used in investing activities		<u>(5,761,547)</u>	<u>(9,792,137)</u>
<b>Cash flows from financing activities</b>			
Development grants received	39	2,020,717	6,986,616
Repayment of loans		(27,764)	(36,008)
Net cash from financing activities		<u>1,992,953</u>	<u>6,950,608</u>
<b>Net (decrease) increase in cash and cash equivalents</b>		<u>(3,724,401)</u>	<u>(3,109,133)</u>

Cash and cash equivalents at beginning of period


1,416,974


2,317,841


**STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED 30 JUNE 2015**


	2015 TZS '000	2014 TZS '000
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	691,270	4,415,671
Receivables and prepayments	1,604,051	1,023,468
Inventories	12,305	28,436
	2,307,626	5,467,575
Non-current assets		
Other financial assets	45,704	34,784
Property, plant and equipment	29,350,957	24,705,695
	29,396,661	24,740,479
<b>TOTAL ASSETS</b>	<b>31,704,287</b>	<b>30,208,054</b>
<b>LIABILITIES</b>		
Current liabilities		
Payables	537,305	521,087
Long term loan (loans board)	5,221	32,586
Employees Benefits	143,114	149,927
Deferred income grant	19,786	892,905
	705,426	1,596,505
Non-current liabilities		
Long term borrowing	28,734,282	27,818,929
Deferred capital grant	28,734,282	27,819,329
	29,439,707	29,415,833
<b>TOTAL LIABILITIES</b>	<b>29,439,707</b>	<b>29,415,833</b>
<b>NET ASSETS</b>	<b>2,264,580</b>	<b>792,221</b>
accumulated surplus	2,264,580	792,221
<b>TOTAL NET ASSETS</b>	<b>2,264,580</b>	<b>792,221</b>

The financial statements were authorised for issue by the Council Management Team on 26/09/2015 and were signed on its behalf by:

Name: Donald L. Nssoko Title: Secretary (CMT) Signature: 

Name: Shitwa L. E. S Title: Chairman (CMT) Signature: 

Name: Donald L. Nssoko Title: Secretary (CMT) Signature: 

Name: Shitwa L. E. S Title: Chairman (CMT) Signature: 


**Qualified Opinion**

In my opinion, except for the effect of the matters described in the basis for qualified opinion paragraph above, the financial statements presents fairly, in all material respects, the financial position of the Mtwara Mikindani Municipal council as at 30th June 2015, its financial performance and its cash flows for the year then ended in accordance with the International Public Sector Accounting Standards (IPSASs) and part IV of the Local Government Finances Act No. 9 of 1982 (Revised 2000).

**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 Mtwara Municipal Council procurement transaction and processes have generally complied with the requirement of the Public procurement Act No. 7 of 2011 and its underlying regulations of 2013.

  
Prof. MUSA ZISSAD  
CONTROLLER AND AUDITOR GENERAL

March, 2016

