

OFFICE OF THE AUDITOR GENERAL



THE REPUBLIC OF UGANDA

ANNUAL REPORT OF THE AUDITOR GENERAL

FOR THE YEAR ENDED 30TH JUNE, 2007

VOLUME 3

LOCAL GOVERNMENTS

TABLE OF CONTENTS

1.0	Introduction.....	1
2.0	Scope Audit And Special Investigations.....	1
2.1	Number Of Entities To Be Audited 2006/2007	1
2.2	Scope Of Financial Audits	2
2.3	Responsibilities for the Financial Statements	2
2.4	Representation by Management/Accounting Officers	4
3.0	Status Of Completion Of Audits Of Local Authorities.....	4
4.0	Summary Of Audit Opinions Issued.....	5
5.0	Status Of Audit Reports Considered By Oversight Committee	5
6.0	Status Of Audit Implementation Of Audit Recommendations And Resolution Of Audit Issues Raised In Past Audit Reports, Across The Higher Local Government.....	6
7.0	Cross Cutting Issues	6
7.1	Under Collection of Local Revenues.....	6
7.2	Excess Expenditure Without Authority	7
7.3	Administrative Advances Unaccounted.....	7
7.4	Unvouched Expenditures	7
7.5	Irregular Procurements.....	8
7.6	Non-Remittance And Purported Remittance Of Taxes To URA	8
7.7	Non-Remittance Of Unspent Conditional Grants Ministry Of Finance.	8
7.8	Diversion of Funds	9
7.9	No Board of Survey Report	9
7.10	Lack of Depreciation Policy and Non-depreciation of fixed assets in Urban Authorities.....	9
7.11	Late submission of accounts	10
8.0	Specific Opinion Sections On Higher Local Governments	10
8.1	Kabarole District.....	10
8.2	Kasese District	11
8.3	Hoima District.....	11
8.4	Masindi District	12

8.5	Bundibugyo District	13
8.6	Kibaale District.....	13
8.7	Kamwenge District	14
8.8	Kyenjojo District.....	14
8.9	Buliisa District.....	15
8.10	Fort Portal Municipal	15
8.11	Kasese Town Council.....	16
8.12	Katwe-Kabatoro Town Council	16
8.13	Hoima Town Council	17
8.14	Kigorobyia Town Council	17
8.15	Masindi Town Council.....	18
8.16	Bundibugyo Town Council.....	18
8.17	Kibaale Town Council	19
8.18	Kamwengye Town Council.....	19
8.19	Kyenjojo Town Council	20
8.20	Hima Town Council	20
8.21	Kagadi Town Council	21
8.22	Buliisa Town Council	21
9.1	Masaka District	21
9.2	Rakai District	22
9.3	Mubende District.....	23
9.4	Kiboga District	24
9.5	Kalangala District	25
9.6	Sembabule District	25
9.7	Mityana District.....	26
9.8	Lyantonde District.....	26
9.9	Masaka Municipal Council	27
9.10	Kalisizo Town Council	27
9.11	Lukaya Town Council	28
9.12	Rakai Town Council.....	28
9.13	Kyotera Town Council.....	29

9.14	Lyantonde Town Council	30
9.15	Mubende Town Council	30
9.16	Mityana Town Council	31
9.17	Kiboga TC	31
9.18	Kalangala Town Council	32
9.19	Sembabule Town Council	32
10.1	Mbarara District	33
10.2	Bushenyi District	34
10.3	Kabale District	34
10.4	Rukungiri District	34
10.5	Ntungamo District	35
10.6	Kanungu District	35
10.7	Kisoro District	36
10.8	Kiruhura District	36
10.9	Isingiro District	36
10.10	Ibanda District	37
10.11	Mbarara Municipal Council	37
10.12	Ibanda Town Council	37
10.13	Bushenyi-Ishaka TC	37
10.14	Kabwohe-Intendero TC	38
10.15	Kabale Municipal Council	38
10.16	Kisoro Town Council	39
10.17	Rukungiri Town Council	39
10.18	Ntungamo Town Council	39
10.19	Kanungu Town Council	39
10.20	Isingiro Town Council	40
10.21	Kiruhura Town Council	40
10.22	Kihihi Town Council	40
11.	Arua Branch	40
11.1	Nebbi District	40
11.2	Arua District	41

11.3	Koboko District.....	41
11.4	Yumbe District	41
11.5	Moyo District.....	42
11.6	Adjumani District.....	42
11.7	Terego-Maracha District.....	43
11.8	Nebbi Town Council	44
11.9	Pakwach TC.....	44
11.10	Paidha Town Council.....	44
11.11	Arua MC.....	44
11.12	Koboko Town Council.....	45
11.13	Yumbe Town Council	45
11.14	Moyo Town Council.....	45
11.15	Adjumani Town Council.....	46
12.1	Gulu District.....	47
12.2	Lira District	47
12.3	Kitgum District	47
12.4	Apac District.....	48
12.5	Pader District	49
12.6	Oyam District	49
12.7	Amolatar District	50
12.8	Dokolo District.....	50
12.9	Amuru District.....	50
12.10	Gulu Municipal Council	51
12.11	Lira Municipal Council	52
12.12	Kitgum Town Council	53
12.13	Apac Town Council	53
12.14	Pader Town Council	54
12.15	Amolatar Town Council	54
12.16	Amuru Town Council.....	55
12.17	Dokolo Town Council	55
12.18	Kalongo Town Council.....	56

12.19	Oyam Town Council.....	56
13.1	Kampala City Council	57
14.1	Mpigi District.....	57
14.2	Luwero District.....	57
14.3	Mukono District.....	58
14.4	Nakasongola District	59
14.5	Wakiso District	60
14.6	Nakaseke District	60
14.7	Mpigi Town Council	61
14.8	Entebbe Municipal Council	61
14.9	Luwero Town Council	62
14.10	Bombo Town Council	62
14.11	Wobulenzi Town Council	62
14.12	Mukono Town Council	63
14.13	Nakasongola Town Council.....	63
14.14	Kira Town Council.....	64
14.15	Nkokonjeru Town Council.....	64
14.16	Wakiso Town Council	65
14.17	Nansana Town Council.....	65
14.18	Nakaseke-Butalangu TC	65
14.19	Kakiri Town Council	66
15.1	Jinja District.....	66
15.2	Iganga District	66
15.3	Kamuli District.....	67
15.4	Bugiri District	67
15.5	Kayunga District.....	68
15.6	Mayuge District	69
15.7	Kaliro District	69
15.8	Jinja Municipal Council.....	70
15.9	Namutumba District.....	70
15.10	Buwenge Town Council	70

15.11	Iganga Town Council	71
15.12	Kamuli Town Council	71
15.13	Bugiri Town Council	71
15.14	Busembatya Town Council	72
15.15	Kaliro Town Council	72
15.16	Kayunga Town Council.....	72
15.17	Njeru Town Council	72
15.18	Lugazi Town Council	72
15.19	Mayuge Town Council.....	72
15.20	Namutumba Town Council	73
16.1	Busia District	73
16.2	Kapchorwa District	74
16.3	Mbale District.....	74
16.4	Pallisa District	75
16.5	Tororo District.....	75
16.6	Sironko District.....	76
16.7	Manafwa District	77
16.8	Butaleja District.....	77
16.9	Bukwo District.....	78
16.10	Budaka District	78
16.11	Bududa District.....	79
16.12	Busia Town Council.....	79
16.13	Kapchorwa Town Council	80
16.14	Mbale Municipal Council	81
16.15	Paliisa Town Council	82
16.16	Tororo Municipal Council	82
16.17	Sironko Town Council	83
16.18	Manafwa Town Council	84
16.19	Butaleja Town Council.....	85
16.20	Bukwo Town Council.....	85
16.21	Budaka Town Council.....	85

16.22	Malaba Town Council	86
16.23	Bududa Town Council	87
16.24	Nagongera Town Council	88
16.25	Busolwe Town Council	88
17.1	Kumi District	89
17.2	Soroti District	89
17.3	Moroto District	90
17.4	Kotido District	91
17.5	Katakwi District	91
17.6	Kaberaido District	92
17.7	Nakapiripirit District.....	92
17.8	Amuria District	93
17.9	Kaabong District	93
17.10	Bukedea District	94
17.11	Abim District.....	94
17.12	Kumi Town Council	95
17.13	Soroti Municipal Council	96
17.14	Moroto Municipal Council.....	96
17.15	Kotido Town Council	97
17.16	Katakwi Town Council.....	97
17.17	Kaberaido Town Council	98
17.18	Nakapiripirit Town Council.....	98
17.19	Kaabong Town Council.....	99
17.20	Amuria Town Council	99
17.21	Bukedea Town Council.....	100
17.22	Abim Town Council	100

ANNUAL REPORT OF THE AUDITOR GENERAL ON LOCAL GOVERNMENTS

1.0 INTRODUCTION

The office of the Auditor General is established by Article 163 of the Constitution of Uganda (1995) as amended. Article 163 (3) of the Constitution as amplified by Section 33 of the Public Finance and Accountability Act (2003), Section 88 of the Local Government Act (2007) and other various Acts of Parliament that establish Commissions and State Corporations, give the Auditor General the mandate to audit all the public accounts of Uganda and make an annual report on them to Parliament.

Article 163(3), (7) and (4) specifically provide respectively that, "the Auditor General shall audit and report on the public accounts of Uganda and of all Public offices including the Courts the central and Local Government Administrations, Universities and Public Institutions of like nature and any public corporation or other bodies or organizations established by an Act of Parliament; that the AG shall conduct financial and Value for Money audits in respect of any project involving public funds; and that the president shall require the Auditor General to audit the accounts of any body or organization envisaged; and that the Auditor General shall submit to Parliament annually a report of the accounts audited for the financial year immediately preceding.

2.0 SCOPE AUDIT AND SPECIAL INVESTIGATIONS.

2.1 Number Of Entities To Be Audited 2006/2007

The Directorate of Audit of Local Authorities of the Office of the Auditor General (DA LA) is responsible for conducting financial audits into all the Local Authorities. For the Financial year 2006/2007 the Local Authorities to be audited were:-

• District Councils	80
• Municipal Councils	13
• Town Councils	91
• Sub-counties and Divisions of Urban Councils	<u>897</u>
Total Entities	<u>1,081</u>

2.2 Scope Of Financial Audits

The scope of the Auditor General’s work in conducting financial audits is to audit and report to Parliament by expressing an independent opinion as to whether or not the financial statements, in all material respects, fairly present the results of the operations of the Local Authorities specified in accordance with Generally Accepted Auditing Standards and in the manner required by the various Acts, statutes and Regulations guiding the entities (Local Authorities) as well as the compliance with the relevant Laws and Regulations applicable to the financial domain of the authorities.

An opinion will also be expressed as to whether or not anything came to the auditors’ attention that causes them to believe that material non-compliance with Laws and regulations relating to financial matters had occurred.

2.3 Responsibilities for the Financial Statements

In conducting the audits on Local Authorities the Chief Administrative Officers, Town Clerks, Assistant Town Clerks of Divisions and Sub-county Chiefs (called Accounting Officers) and the Auditor General’s responsibilities are clearly spelt out.

2.3.1 Accounting Officers Responsibilities For The Financial Statements.

The accounting Officers of the various Local Authorities are responsible for the preparation of the financial statements which give a true and fair view of the state of affairs and operating results of their entities in accordance with Generally accepted Auditing Standards and the various Acts and Regulations guiding the Local Authorities. The Accounting Officers responsibility also includes designing, implementing and maintaining internal

controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether caused by fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in their circumstances.

2.3.2 Auditor General's Responsibilities When Conducting An Audit On The Financial Statements.

The responsibility of the Auditor General is to express an independent opinion on the financial statements based on the audit. The auditor conducts the audits in accordance with International Standards on Auditing (ISAs). These Standards require that ethical requirements are complied with and the audit is planned and performed to obtain reasonable assurance as to whether the financial statements are free from material misstatements.

The audit includes obtaining on test basis sufficient and appropriate evidence supporting the amounts and disclosures in the financial statements to provide a basis for making an opinion. It also includes an assessment of the accounting policies used and significant estimates made by management as well as an evaluation of the overall presentation of the financial statements.

The audit procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatements of the financial statements caused by fraud or error. In making risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances.

After conducting audits based on the scope of the auditors responsibility as stated in the immediately preceding paragraphs, the auditors report to management in writing any significant findings of weaknesses or matters based on their observations on the Internal controls structure and on other areas that come to the notice of the auditors which they consider should be brought to managements attention. This is embodied in a management letter.

2.4 Representation by Management/Accounting Officers

As part of the audit, the auditors will request management of the audited Local Authorities to provide written confirmations of their oral representations or assertions that they received from the management during the audit about the accounts and financial statements of their entities. This management representation is addressed to the auditors.

3.0 STATUS OF COMPLETION OF AUDITS OF LOCAL AUTHORITIES.

In the Financial year ended 30th June 2007, the Auditor General was required to audit and report on a total of 1081 accounts of Local Authorities. I was able to audit 155 Higher Local Governments (HLG) in time while the audits of outstanding accounts of 29 HLGs are still being processes at the regional offices.

I have audited 400 accounts of Lower Local Governments for the year 2004/05, which are being processed at the headquarters while 497 units are still undergoing audit process at the branch offices. The Accounts for Lower Local Governments (LLGs) for the financial year 2006/7 have not been audited yet. The audits of lower local government (Urban Divisions and Sub-counties) are in arrears by 3 years: i.e. 2004/5; 2005/6; 2006/7. See table 3.1 below for details.

Table 3.1

Councils	Year	Total Number of Accounts	Accounts Audited	Audits under Progress	Outstanding
Districts and Urban Authorities	2006/07	184	155	29	-
	2006/07	897	-	-	897
Sub-counties and Divisions	2005/06	897	-	-	897
	2004/05	897	400	497	-

4.0 SUMMARY OF AUDIT OPINIONS ISSUED

For the reports I issued on Local Authorities accounts for the financial year 2006/07 a summary of the opinions is as in table 4.1 below:

Table 4.1

Type of Council	Total Audit Units	Unqualified opinion	Qualified Opinion	Adverse	Disclaimer
Higher	184	8	126	5	16

See appendix 13 for details of types of opinions issued of each Local Authority.

5.0 STATUS OF AUDIT REPORTS CONSIDERED BY OVERSIGHT COMMITTEE

The audit reports of local authorities are considered by two oversight bodies i.e. the District Public Accounts committee (In accordance with the local Government Act) and Parliamentary Local Government Public Accounts Committee (In Accordance with Article 164(3) of the constitution).

The update on the status of consideration of Auditor General's report by the District Public Accounts Committee is yet to be established. The difficulty to have this information available is due to the fact that the Districts PACs rarely, if any, call the staff of Auditor General's Office to guide them in their discussions unlike the Parliamentary PAC. Efforts are now being made to sensitize the Districts PACs under funding from USAID under the Millenniums Challenge Account in the Financial Year 2007/8.

As for the Parliamentary PAC, currently backlogs from 2001/2 to 2005/6 are being handled concurrently. It should be noted that, so far, the Parliamentary PAC are handling only the District and Municipality level reports.

6.0 STATUS OF AUDIT IMPLEMENTATION OF AUDIT RECOMMENDATIONS AND RESOLUTION OF AUDIT ISSUES RAISED IN PAST AUDIT REPORTS, ACROSS THE HIGHER LOCAL GOVERNMENT

Tracking the status of implementation of audit recommendations is an exercise which I have been retaining in management letters for management attention. However, arising from the fact that a number of our current audit findings are actually repeat findings, it has become imperative that these matters are extracted from the management letters and reflected in my main report to Parliament. The details of these will be reflected in my subsequent reports.

7.0 CROSS CUTTING ISSUES

The issues under this sub-heading reflect common findings across local governments. These may require a generalized nationwide approach to handle them ranging from designing appropriate policy or reforms targeting the cause of the problems. Below are the key findings:

7.1 Under Collection of Local Revenues

It was noted that most of the Local Authorities did not collect a substantial part, if not all, of the approved budgeted Local Revenue. Moreover, they did not fill arrears of revenue return to the Executive Committee as required by the Local Government Financial and Accounting Regulations. No explanations of the cause of under collection and how to improve future local revenue collection were given. The under collection of revenue impairs the implementation of the planned service delivery and any other planned developments.

Various District and Urban Councils under collected local revenues amounting to Shs. 2,689,409,371. However, contrary to regulations management failed to present returns to the executive committees for appropriate action. Details are as in Appendix I

7.2 Excess Expenditure Without Authority

It was also noted that most of the Local Authorities tended to spend more than the approved budgeted expenditure contrary to the Local Government Act and the Regulations. Further, no authority was sought for the excess spending. Excess expenditure is illegal, reallocates resources from some items to others, displays financial indiscipline and impairs planned level of service delivery and other planned developments. Excess expenditure of Shs. 8,430,127,922 was noted in various District and Urban Councils. Details are as in Appendix II

7.3 Administrative Advances Unaccounted

A lot of funds were advanced to the officials/staff of the Local Authorities to implement activities for the Local Councils. It has been noted in most Local Authorities that substantial amount of these official/Administrative advances were not accounted for by the end of the financial year as required by the Local Government Financial and Accounting Regulations. The unaccounted for official /administrative advances present a risk of loss of funds and may result into misappropriation or diversion of funds.

Contrary to the Local Government regulations that require administrative advances to be accounted for during the year to which they, related advances amounting to Shs 9,919,655,269 remained outstanding at the year end in some District and Urban Councils. Details are as in Appendix III.

7.4 Unvouched Expenditures

It was noted that a number of expenditures totaling to Shs. 2,408,627,971 were either not supported by expenditure vouchers or did not have appropriate accountability documents attached to the vouchers. The genuineness and purpose of such expenditures could not be established or verified. Such expenditures are doubtful and suspect of fraud. Details are as in Appendix IV.

7.5 Irregular Procurements

A number of Local Authorities procured some items and services worth Shs 2,070,903,970 without competitive bidding and or without following the procurement procedures contrary to the Public Procurement and Disposal of Public Assets Act (PPDA Act). I could therefore not confirm that value for money was obtained through the procurements. Details are as in Appendix V.

7.6 Non-Remittance And Purported Remittance Of Taxes To URA

Local Authorities are required by the Income Tax Laws to deduct PAY As You Earn (PAYE) and Withholding Taxes (WHT) from their employees salaries and their suppliers respectively. They are required to periodically remit the amounts to Uganda Revenue Authority (URA). However, in a number of Local Authorities such taxes were not remitted. In some cases the Local Authorities purport to have remitted the taxes to URA when they did not. The acknowledgement receipts from URA were not attached to the purported remittance documents. Such non-remittance of taxes are illegal and may attract penalties from URA to the Local Authorities. In addition, the purported remittances could be veiling fraudulent cases and need to be expeditiously authenticated.

Test checks revealed that a sum of Shs. 381,314,680 was deducted in respect of withholding tax and Pay As You Earn (PAYE) but was not remitted as required while a sum of Shs. 622,481,188 purportedly remitted to URA did not have acknowledgement receipts. Details are as in Appendix VI and VII.

7.7 Non-Remittance Of Unspent Conditional Grants Ministry Of Finance.

The Public Finance and Accountability Act (PFAA) requires that any conditional grant fund that is not utilized by the end of the financial year shall be returned to the consolidated fund. It was noted that most of the Local Authorities were not remitting the unspent balances of the conditional grant funds to the Ministry of Finance. Such practice may make the Ministry to withhold funds of the concerned local authorities which in turn may

affect their service delivery and development activities. A sum of Shs. 454,384,874 in respect of unspent conditional grant at the end of year by various Districts and Urban Council were not returned to the consolidated funds as required. Details are as in Appendix VIII.

7.8 Diversion of Funds

It was noted in a number of Local Authorities that specific conditional grants funds were being diverted for undertaking other non conditional activities. In some cases funds were diverted for unintended purposes of the Local Authorities. Diversion of funds are irregular and reduce available funds for implementing planned, critical or priority activities. A sum of Shs.562, 110,526 in respect of conditional grants were without authority diverted to finance general administrative expenses of a recurrent nature. Details are as in Appendix IX.

7.9 No Board of Survey Report

In a number of Local Authorities the Board of Survey was not constituted at the end of the financial year as required contrary to the Law. Accordingly, no Board of Survey reports were produced to establish the assets of the Local Authorities concerned at the end of the financial year. Hence, it was difficult to confirm or verify the accuracy of the cash balances at the end of the year of Shs. 6, 124,034,518 of the stock of stores items as well as the other physical assets in the balance sheets.

Details are as in Appendix X.

7.10 Lack of Depreciation Policy and Non-depreciation of fixed assets in Urban Authorities

In most of the Urban Authorities/Councils it was noted that there was no clear depreciation policy. The rate of depreciation for a fixed asset, the determined useful life of the asset, the depreciation method etc were not specified. For those Urban Authorities which tried to depreciate their fixed assets the depreciation rates, method, the useful life of the asset etc were arbitrarily determined. A number of the Urban Authorities did not attempt to

depreciate their fixed assets. The values of their fixed assets, as stated in their balance sheets, were overstated by the accumulated depreciation not deducted. A standard depreciation policy for urban authorities country-wide should be worked out to address this weakness.

Although the Local Government Financial and Accounting regulations require Urban Councils to depreciate their fixed assets, most of them did not because they do not have a depreciation policy. Shs.39,969,888,853 reflected as fixed assets in the various balance sheets of the various districts are amounts which reflect a mixture of depreciated and undepreciated assets. The amounts are itemized in Appendix XI.

7.11 Late submission of accounts

For the financial year 2006/2007 only 119 out of 184 (i.e. 65%) of the Higher Local Authorities submitted their accounts for audit to the Auditor General within the statutory time limit of 4 months after the end of the Financial year. Accounts submitted late will be audited late and the audit reports will be submitted to Parliament late. Accounting Officers must endeavour to submit their accounts within the statutory time limit. Details are as in Appendix XII.

8.0 SPECIFIC OPINION SECTIONS ON HIGHER LOCAL GOVERNMENTS

8. Fort Portal Branch

8.1 Kabarole District

Basis of Opinion

- Administrative advances of Shs 157,010,847 were not accounted for at the end of the year and the ledgers were not properly kept contrary to the Local Government Financial and Accounting Regulations.

- Shs 5,000,000 was paid to a local Radio as part payment of a purportedly accrued debt of Shs 102,756,081. There was, however, no documentation to support the debt.
- I was unable to confirm whether funds amounting to Shs 417,251,566 were received by health units, as the bank statements of the units were not availed for audit.

Opinion: Except for

8.2 Kasese District

Basis of Opinion

- Administrative advances amounting to Shs 303,031,485 and personal advances of Shs. 15,632,449 remained outstanding at the close of the financial year contrary to the Local Government Financial and Accounting Regulations.
- Vouchers for a sum of Shs 36,994,100 were not availed for audit, while legal costs amounting to Shs 34,107,500 were wasteful as costs were incurred as a result of avoidable decisions or actions.
- Funds totaling to Shs 111,305,625 advanced to contractors were not secured by use of bank guarantees or performance bonds.

Opinion:-Qualified-Except for

8.3 Hoima District

Basis of Opinion

- Weaknesses were noted in the internal controls over management of counterfoil receipts. There is a risk that revenue could be lost through fraudulent misuse of the receipts.
- Advance ledgers were not kept up-to-date. It was not possible to verify the outstanding advances of Shs 43,977,756 shown in the balance sheet.
- There was under collection of approved budgeted local revenue of Shs. 396,869,718. Management should find ways to collect all the approved revenue.

- Payment vouchers for a total of Shs 73,825,868 were not available; I was unable to ascertain whether the funds were appropriately spent.

Previous year administrative advances of Shs 32,679,500 remained outstanding even at the close of the succeeding year.

- There was unauthorized excess expenditure of Shs. 1,045,358,640 on various items far above the budgetary provisions contrary to the Local Government Financial and Accounting Regulations.
- Contrary to the Local Government Financial and Accounting Regulations and the International Accounting Standards the cash flow statement was not prepared.

Opinion:-Qualified-Except for

8.4 Masindi District

Basis of Opinion

- Shs 98,200,001 administrative advances were not accounted for at the year end contrary to the Local Government Financial and Accounting Regulations, while an advance loss of Shs.79,940,600 remained un cleared.
- The PPDA regulations were flouted during the procurement of the LC V Chairman's vehicle that cost Shs.91,973,250.
- Vouchers for a sum of Shs.65, 720,364 were not availed for audit. It was not possible to verify the purpose and authenticity of the transactions.
- Taxes amounting to Shs.151, 180,298 in respect of PAYE and VAT were not remitted to the URA as no acknowledgement receipts were seen.

Opinion:-Qualified-Except for

8.5 Bundibugyo District

Basis of Opinion

- Payments totaling to Shs 353,190,975 lacked supporting documents, while Shs 532,858,559 was unaccounted for by the end of the year.
- Funds amounting to Shs 169,608,687 were diverted from various accounts to cater for activities that were not related to the programmes for which the funds had been allocated.
- Apparent fraudulent payments of Shs. 1,004,014,062 were made in respect of construction of structures under the School Facilities Grant (Shs. 390,100,350) and directly debited to the bank account (Shs 613,913,712).
- The outstanding amount of Shs 187,362,283 in advances of Shs. 163,936,620 (administrative) and Shs. 23,425,663 (personal) from the previous year was again disclosed as the advance figure for the current year, yet amounts of Shs. 233,125,693 administrative advances released to staff during the year remained unaccounted for and was not included in the financial statements.

Opinion:-Disclaimer

8.6 Kibaale District

Basis of Opinion

- Administrative advances of Shs 162,674,435 remained unaccounted for at the close of the financial year contrary to the Local Government Financial and Accounting Regulations.
- There were no clear guidelines pertaining to the vehicle loan scheme under which Shs 100,000,000 was advanced to the Executive and Senior Staff of the District. There is risk that public funds may be lost under such a scheme.

Opinion:-Qualified-Except for

8.7 Kamwenge District

Basis of Opinion

- Advances of Shs. 77,406,884 could not be verified as the records were poorly kept.
- A car loan scheme account with a closing balance of Shs. 1,878,943 and transactions of Shs. 10,685,000 during the year was not disclosed in the financial statements.
- A grant of Shs 533,438,553 received from the Centre for graduated tax compensation was recorded twice and adjustments were not made to the financial statements.

Opinion:-Qualified-Except for

8.8 Kyenjojo District

Basis of Opinion

- A total of Shs 133,254,448 in advances (Shs. 77,503,889 administrative) and (Shs. 55,750,559 personal), remained outstanding at the end of the year contrary to the Local Government Financial and Accounting Regulations.
- A sum of Shs 36,334,241 was advanced to senior staff in respect of salary advances beyond the limits allowed by regulations making recovery difficult. Some of the advances were made even when the previous advances were not yet recovered completely.
- An over expenditure of Shs. 792,627,862 was incurred without authority in excess of budgetary provisions contrary to the Local Government Financial and Accounting Regulations.

Opinion:-Qualified-Except for

8.9 Buliisa District

Basis of Opinion

- Cash and bank balances amounting to Shs. 211,429,819 were left unutilized at the end of the financial year due to delayed implementation of activities in Works and Technical Services; and the Education departments.
- The District incurred unauthorized expenditure of Shs 162,006,987 in excess of budgetary provisions during the financial year.

Opinion:-Qualified-Except for

8.10 Fort Portal Municipal

Basis of Opinion

- Revenue amounting to Shs 3,029,900 collected in cash by the Municipal Council remained un-banked to facilitate practice of teeming and lading contrary to the Local Government Financial and Accounting Regulations.
- Shs 1,083,326 was drawn from the Municipal Council's bank account by the bank without authorization.
- Shs 2,670,000 deducted as Pay As You Earn from the Mayor's emoluments during the year was not remitted to Uganda Revenue Authority. This may attract penalties resulting in loss to the Council.
- A cash flow statement was not presented as required by the Local Government Financial and Accounting Regulations and the International Accounting Standards.

Opinion:-Qualified-Except for

8.11 Kasese Town Council

Basis of Opinion

- Shs 2,064,475 of withholding tax was not remitted to Uganda Revenue Authority, contrary to the Law. This may attract penalties resulting in loss to the council.
- Shs 48,369,878 administrative advances was not accounted for at the end of the year contrary to the Local Government Financial and Accounting Regulations.
- Fixed assets of Shs. 2,389,438,826 were not depreciated contrary to the Local Government Financial and Accounting Regulations and the International Accounting Standards. The assets were therefore overstated in the balance sheet.

Opinion:-Qualified-Except for

8.12 Katwe-Kabatoro Town Council

Basis of Opinion

- Shs 42,147,405 administrative advances were not accounted for at the end of the year contrary to the Local Government Financial and Accounting Regulations. There is risk of loss of funds in advances.
- The balance of Shs 3,825,657 in the schedule of personal advances was not in agreement with the balance of Shs 2,966,656 reflected in the balance sheet, with a difference of Shs 859,001.
- Fixed assets shown at Shs. 366,076,318 were not depreciated contrary to the Local Government Financial and Accounting Regulations and the International Accounting Standards. The assets were therefore overstated in the balance sheet.

Opinion:-Qualified-Except for

8.13 Hoima Town Council

Basis of Opinion

- Shs 934,935,204 was shown in the balance sheet as the value of the Council's fixed assets. However, the fixed assets were overstated as they had not been depreciated as required by the Regulations and the Accounting Standards.
- Shs 57,712,816 outstanding advances (Shs. 48,519,380 administrative and Shs. 9,193,436 personal) were not accounted for and or recovered at the close of the financial year contrary to the Local Government Financial and Accounting Regulations.
- The Council's debtors' position increased from Shs 595,808,614 at the close of the previous year to Shs 681,084,664 at the close of the current financial year, indicating laxity in follow up of debtors, and likely loss of Council funds through bad debtors.
- An over expenditure of Shs. 34,700,226 was incurred in excess of the approved budgetary provision of the engineering department and no authority was availed for audit.

Opinion:-Qualified-Except for

8.14 Kigorobyia Town Council

Basis of Opinion

- Fixed assets shown in the balance sheet of Shs 175,647,847 were not depreciated contrary to the Local Government Financial and Accounting Regulations and the Accounting Standards. The value of the Town Council's fixed assets was therefore overstated.

Opinion:-Qualified-Except for

8.15 Masindi Town Council

Basis of Opinion

- Personal advances Shs. 14,093,313 and administrative advances Shs. 68,285,963 amounting to Shs 82,379,276 remained outstanding by the close of the financial year contrary to the Local Government Financial and Accounting Regulations. There is a risk of non-recovery of advances resulting into losses to the Council.
- A contract was awarded to a firm for garbage collection, street sweeping and open space maintenance for three years under which a sum of Shs 48,995,000 has so far been paid. The award of the contract did not follow the procurement procedures.
- Fixed assets of the Council amounting to Shs. 1,520,839,808 were not depreciated contrary to the Local Government Financial and Accounting Regulation. The assets were overstated in the financial statements.
- Excess expenditure of Shs. 60,600,251 was incurred on various expenditure items without authority far above the approved budgetary provisions.

Opinion:-Qualified-Except for

8.16 Bundibugyo Town Council

Basis of Opinion

- Shs 6,014,000 was paid out for works that were not certified. This payment was for no work done and did not follow proper procedures.
- Shs 2,900,000 drawn from the Salaries account to pay for road related activities during the year was not refunded contrary to the Local Government Financial and Accounting Regulations.

Opinion:-Qualified-Except for

8.17 Kibaale Town Council

Basis of Opinion

- Shs 3,204,600 administrative advances remained outstanding at the end of the financial year contrary to the Local Government Financial and Accounting Regulations.
- A sum of Shs 4,250,000 in taxes was not remitted to Uganda Revenue Authority, contravening tax laws. This may attract penalties resulting in losses to the Council.
- Contrary to the Local Government Financial and Accounting Regulations and the International Accounting Standards fixed assets of Shs. 398,346,311 were not depreciated. The values of the assets in the accounts were overstated as a result.

Opinion:-Qualified-Except for

8.18 Kamwengye Town Council

Basis of Opinion

- Of Shs 4,150,257 outstanding debtors, Shs 3,708,957 was from the previous years, indicating possibilities of non-recovery and subsequent loss to the Council.
- Shs 13,408,000 administrative advances to staff remained unaccounted for at end of the year contrary to the Regulations. I was unable to ascertain whether the funds were put to proper use.
- Over expenditure of Shs. 15,254,815 was incurred on various items without authority in excess of approved budgetary provisions contrary to the Local Government Financial and Accounting Regulations.
- Fixed assets of Shs. 339,045,696 were not depreciated as required by the Local Government Accounting and Financial Regulations; and the International Accounting Standards. The assets were overstated in the balance sheet.

Opinion:-Qualified-Except for

8.19 Kyenjojo Town Council

Basis of Opinion

- Revenue receipts were for a total of Shs 53,254,895, while bank statements pertaining to banking of revenues amounted to Shs 22,989,615. Some revenue was spent at source or not banked contrary to the Local Government Financial and Accounting Regulations.
- The Town Council incurred unauthorized expenditure amounting to Shs 47,970,145 during the year.
- Payment vouchers for a sum of Shs 3,637,150 were not availed for audit verification. The genuineness of the expenditures and their purposes could not be verified.
- Contrary to the Regulation and the Accounting Standards fixed assets of Shs. 542,283,554 were not depreciated. The assets were therefore overstated in the accounts.

Opinion:-Qualified-Except for

8.20 Hima Town Council

Basis of Opinion

- There was over expenditure of Shs. 39,253,566 incurred on various expenditure items in excess of approved budgetary provisions contrary to the Local Government Financial and Accounting Regulations.
- Contrary to the regulations and International Accounting Standards fixed assets of Shs. 83,024,762 in the balance sheet were not depreciated. The assets were therefore overstated in the balance sheet.
- Contrary to the Local Government Financial and Accounting Regulation, administrative advances of Shs. 10,634,464 were not accounted for by the year end.

Opinion:-Qualified-Except for

8.21 Kagadi Town Council

Basis of Opinion

- Fixed assets shown as Shs. 152,669,364 in the balance sheet were not depreciated contrary to the Local Government Financial and Accounting Regulations and the International Accounting Standards. The assets were therefore overstated in the accounts.

Opinion:-Qualified-Except for

8.22 Buliisa Town Council

Basis of Opinion

- Fixed assets of Shs. 129,305,000 were not depreciated contrary to the Local Government Financial and Accounting Regulations. The assets were overstated in the balance sheet.

Opinion:-Qualified-Except for

9. Masaka Branch

9.1 Masaka District

Basis of Opinion

- Included in the cash and bank balances of Shs.575, 460,053 were un-utilized bank balances of conditional grants of Shs.72, 388,738 relating to salaries that were not returned to the treasury contrary to the law. Further the balance sheet figure does not agree with the supporting explanatory note/schedule which showed Shs. 518,728,191.

- The District Council budgeted to receive government grants totaling to Shs.18, 548,583,130. However, during the financial year it actually received shs.25, 450,424,983 occasioning an over performance of Shs.7, 901,841,853. However authority for the revision increasing the budget was not available.
- Contrary to the standing order that requires government departments not to engage private legal practitioners, on any legal issues without seeking advice from the Attorney General, the district incurred Shs. 8,794,279 on legal expenses that should have been avoided.
- Management failed to deduct Shs.5,203,840 in respect of Pay As You Earn (PAYE) and 6% Withholding Tax due to Uganda Revenue Authority from various staff and suppliers. Instead it settled those using District funds. This is against the Law and also impairs service delivery.
- An excess expenditure of Shs.1, 435,101,237 on works budget provision was incurred without authority contrary to the requirements of the Laws and Financial Regulations.

Opinion:-Qualified-Except for

9.2 Rakai District

Basis of Opinion

- The loss of cash Shs.12,674,000 has been in the accounts for several years. There seemed to be no vigorous effort made to recover this amount. No write off procedures have been tried. The loss was not disclosed separately in the balance sheet and ledgers relating to the loss were not availed for review.
- Shs. 13,408, 207 was not included in the bank/cash balances in the balance sheet. This understated the bank/cash balance in the balance sheet. Besides a cash flow statement was not presented to support the cash and bank balance of shs.203, 410,000= shown in the balance sheet.
- The Council budgeted to collect Shs.7, 478,426,000 from its revenue sources. However, only Shs.5, 631,571,000 was collected resulting into a shortfall of

Shs.1, 846,855,000. More effort and better ways should be made to collect all the approved budgeted revenue.

- Advances totaling to Shs.9, 775,000 remained outstanding at the end of the financial year under review contrary to the Financial and Accounting Regulations. Shs. 6,536,000 related to administrative advances while Shs. 3,239,000 related to personal advances. These advances have been featuring in Council books for several years and may never be refunded.
- Expenditure of Shs.102, 799,838 incurred in respect of various activities was incompletely vouched contrary to the Financial and Accounting Regulations. The purpose and authenticity of the expenditures could be established.

Opinion:-Qualified-Except for

9.3 Mubende District

Basis of Opinion

- According to the revised revenue estimates the administration estimated to collect revenue of Shs.14, 360,321,459 during the year. However only Shs.13, 571,850,070 was collected resulting into a shortfall of Shs.788, 471,389 largely from donors and NGOs.
- The district administration had outstanding commitments of Shs.278, 313,845 of which Shs.165, 779,497 was in respect of contractors. These unpaid bills can attract litigation giving rise to penalties, fines and legal costs.
- Contrary to conditional grant guidelines, treasury accounting instructions and the financial regulations, funds totaling to Shs.103,429,527 remained un utilized at the close of the financial year under review and were not returned to the consolidated fund as required by the law.
- Contrary to the regulations and accounting standards cash flow statement, comparative figures of the previous year and significant accounting policies and explanatory notes were not presented.

- It was discovered during the year under review, that there were stocks of obsolete receipt books in the stores which could be mis-used to collect un- authorized revenues.

Opinion:-Qualified-Except for

9.4 Kiboga District

Basis of Opinion

- Included in the cash and bank balances of Shs.530,869,475 for the financial year under review were un utilized conditional grants of shs.65,078,023 relating to salaries which was not returned to the Treasury as required contrary to the Laws.
- Nugatory expenditure of Shs.46, 383,245 was incurred in respect of a legal suit for the District's failure to settle a balance of payment of Shs. 58,387,315 to a contractor which could have been avoided.
- The District budgeted to collect revenue totaling to Shs.9, 437,909,042 from various sources but collected Shs. 9,019,508,893 resulting into a short fall of Shs.418, 400,149. The district work plans were not completely executed as planned due to this short fall.
- An excess expenditure of Shs.252, 115,451 was incurred on the health and environment budget provision without authority contrary to the regulations.
- The financial statements presented did not show comparative figures for the previous year nor were significant accounting policies and explanatory notes given contrary to accounting standards.

Opinion:-Qualified-Except for

9.5 Kalangala District

Basis of Opinion

- A total of Shs. 24,752,480 remained outstanding at the close of the financial year in respect of staff loans. This was operated as loan funds where interest was being charged on each amount lent out to staff. It was not explained whether the Council had the mandate to run a loan scheme.
- Departmental administrative advances amounting to Shs. 75,389,506 remained unaccounted for by the end of the financial year contrary to the financial regulations that require all advances to be retired by the end of the financial year.
- Significant accounting policies and explanatory notes were not presented along with the financial statements contrary to the regulations and the accounting standards.
- A cash flow statement was not presented contrary to International Accounting Standards and the Local Government Financial and Accounting Regulations.

Opinion:-Qualified-Except for

9.6 Sembabule District

Basis of Opinion

- The Council estimated to collect Shs. 12,170,366,190 from its revenue sources. However, only Shs. 10,615,834,029 was collected resulting into a shortfall of Shs. 1,554,532,161.
- A total of Shs. 82,702,959 administrative advances paid to various officers, individuals and firms in respect of goods and services to be supplied, as well as repair and maintenance of vehicles remained unaccounted for at the year end contrary to the Financial and Accounting Regulations.

- A total of Shs. 7,000,000 incurred on a law suit for failure to pay a supplier for supply of graduated tax tickets and stationery during the financial year 2004/2005 was nugatory expenditure as it could have been avoided.
- A total of Shs. 13,374,235 received and committed during financial year 2005/2006 towards the purchase of drugs and assistance to NGO's hospital was diverted during 2006/2007 financial year without authority contrary to the financial and accounting regulations.
- Payment vouchers amounting to Shs. 14,839,000 were missing at the time of audit. The authenticity and purpose of the expenditures could not be verified.
- Included in bank balance at the year end of Shs. 696,220,543 were unpaid salaries of Shs. 15,862,415 which were not returned to the consolidated fund as required by law.

Opinion:-Qualified-Except for

9.7 Mityana District

Audit currently in process at Branch

9.8 Lyantonde District

Basis of Opinion

- The district budgeted to collect Shs.4, 829,035,035 from its sources of revenue. However, only Shs.2, 398,698,000 was collected resulting into a revenue shortfall of Shs.2, 430,337,000. This greatly affected service delivery in the District. The Council should find the means and ways to collect all the approved budgeted revenue.

Opinion:-Qualified-Except for

9.9 Masaka Municipal Council

Basis of Opinion

- Management diverted a sum of Shs. 10,651,250 from Central Government conditional grants to settle outstanding obligations with Uganda Revenue Authority (VAT, PAYE and Withholding Tax). This contravenes the financial regulations and impairs service delivery.
- The standing orders require Government Departments not to engage private legal practitioners, on any legal issues without first seeking advice of the Attorney General. However, contrary to the above requirements, the Council incurred Shs. 25,933,960 on legal expenses, without seeking Attorney General's advice.
- The above amount advanced in the financial year 2005/06 to staffs who were interdicted from the Municipal Council remained outstanding at the end of the financial year. The Shs. 23,630,700 stands to be lost if action is not taken to recover the amount.
- Sundry debtors' Shs. 262,314,461 were in respect of various people and organizations who were contracted to collect revenue in the financial year 2005/06 and had not paid to the Council. Its recovery appears remote.
- A financial loss of Shs. 59,076,614 was noted arising out of an abandoned road rehabilitation contract.

Opinion:-Qualified-Except for

9.10 Kalisizo Town Council

Basis of Opinion

- It was noted that revenue of Shs. 42,246,446 was budgeted for, but not collected as expected and no budget revision was seen.
- The amount of Shs. 8,017,730 was spent above the approved budget allocation of various expenditure items without appropriate authority.

- Expenditure totaling to Shs. 27,218,900 was incompletely vouched contrary to the Local government Financial and Accounting Regulations.
- Detailed analysis of revenue and expenditure statement was not presented contrary to Local Government Financial and Accounting Regulations.

Opinion:-Qualified-Except for

9.11 Lukaya Town Council

Basis of Opinion

- Included in the cash at bank of Shs. 86,425,392 at the end of year is a sum of Shs. 61,547,319 for conditional grants which were retained and utilized without relevant authority. Besides a cash flow statement was not prepared contrary to the International Accounting Standards and the Local Government Financial and Accounting Regulations.
- Included in the fixed assets of Shs. 640,817,405 was work in progress (construction of office block) of Shs. 43,343,258 which was depreciated by 14,447,753 contrary to International Accounting Standards. In any case the depreciation policy was not availed for audit verification.

Opinion:-Qualified-Except for

9.12 Rakai Town Council

Basis of Opinion

- The Council expected to collect Shs. 232,578,714 from all its sources. Only Shs. 125,771,365 was however collected causing a short fall of Shs. 106,806,349. More effort should be exerted and better ways designed to collect all the approved revenues.
- A sum of Shs. 4,518,000 was diverted without authority from LGDP II to cater for travel expenses of two top officers of Council to Mwanza- Tanzania. This is irregular and impairs service delivery.

- Council did not institute a Board of Survey to verify cash balances of Shs. 9,914,986 as at 30th June, 2007, contrary to the financial regulations.
- A sum of Shs. 4,025,000 was paid to an individual in respect of Civil Suit against the Council without authority from the Attorney General contrary to Standing Orders. Besides the expenditure could have been avoided if Council honored her obligations in time which was the matter of the civil suit rendering the expenditure nugatory.

Opinion:-Qualified-Except for

9.13 Kyotera Town Council

Basis of Opinion

- The Council expected to collect Shs. 461,961,172 from its revenue sources, however, only Shs. 261,479,276 was collected resulting into a shortfall of Shs. 200,481,986. Effort should be made to collect all approved revenue.
- Included in the current asset is a cash loss of Shs. 49,347,622 that was caused by Council officials 10 years ago and has not been made good. The hope of recovery is remote.
- A total Shs. 6,200,700 paid to various officers, individuals and firms for various expenses remained incompletely vouched, contrary to the Local Government Financial and Accounting Regulations section 109(2). The genuineness of these expenditures could not be ascertained.
- A total Shs. 8,460,200 was paid in respect of allowances and legal fees to Council officials and a Law firm without clearance from the Attorney General, contrary to Standing Orders The expenditure incurred was nugatory in nature as it could have been avoided.
- Included in the cash and Bank balances at the year end of Shs. 56,954,836 is unspent balance of salaries of Shs. 28,527,745 which was not returned to the consolidated fund as required by Law.

- Inaccurate account balances relating to debtors and sundry creditors were brought forward understating debtors by 97,702,703 and creditors by Shs. 22,333,471 which management did not adjust.

Opinion:-Qualified-Except for

9.14 Lyantonde Town Council

Audit currently in process at Branch

9.15 Mubende Town Council

Basis of Opinion

- Mubende Town Council budgeted to collect Shs. 615,022,181 from all its revenue sources. However, the actual revenue collected was Shs. 560,989,314 hence making a net shortfall of Shs. 66,154,960. More effort and better ways of collecting revenue should be devised to collect substantially all the approved local revenue.
- A scrutiny of final accounts for the financial year under review revealed that, capital outlay stood at Shs. 918,473,923. However, contrary to the financial regulations, the above assets were not depreciated as required by the Regulations and the Accounting Standards.
- The council incurred nugatory expenditure of Shs. 11,588,600 on legal costs arising out of criminal trespass which could have been avoided.

Opinion:-Qualified-Except for

9.16 Mityana Town Council

Basis of Opinion

- The Council budgeted to collect Shs. 788,563,018 from all its sources of revenue. However, Shs. 733,444,136 was collected representing 91.7%. This resulted in a shortfall of Shs. 65,118,882.
- Shs. 55,754,120 was paid to casual employees during the financial year under review without any appointment letters.
- Expenditure totaling to Shs 15,517,000 was incompletely vouched contrary to the financial and accounting regulations. The authenticity and purpose of the expenditure could not be verified.
- The council had debtors amounting to Shs. 99,876,374 by the close of the financial year under review, however most of these debtors date back for many years and appear unrecoverable. The debtors were therefore overstated to this extent.

Opinion:-Qualified-Except for

9.17 Kiboga TC

Basis of Opinion

- Debtors balance of Shs.36, 483,846 includes an amount brought forward of Shs.28, 372,846 from the previous years. There was no evidence that effort was being made to recover these amounts.
- The council budgeted to collect Shs.322, 653,372 from the local revenue as well as grants from central government. However Shs.270, 325,040 was realized occasioning a shortfall of Shs.43, 328,334=. Ways and means should be devised to collect all the budgeted approved revenue.
- The Town Council had accumulated unpaid bills totaling Shs.24, 909,302 by the end of the financial year 2006/07. This may lead to litigation attracting penalties, fines and legal costs resulting into loss to the council.

- The amount of Shs.4,200,000 incurred on purchasing land for an access road in respect of a plot that was located right on the high way was unnecessary and therefore wasteful.
- The Council did not depreciate its fixed assets shown as Shs.472, 350,539 contrary to the regulations and accounting standards. There was also no depreciation policy in place in the Council.

Opinion:-Qualified-Except for

9.18 Kalangala Town Council

Basis of Opinion

- Although the estimated revenue budget was Shs. 267,128,525 only Shs. 229,070,486 was realized representing 86% revenue budget performance. There was therefore a shortfall of Shs. 38,057,839. More effort should be exerted and better ways of collecting all the approved revenue should be devised.

Opinion: Qualified-Except for

9.19 Sembabule Town Council

Basis of Opinion

- The Council expected to collect Shs. 16,512,000 from all its local sources. However, only Shs. 5,940,000 was collected resulting into a shortfall of Shs. 10,512,000 and there was no revision in the budget.
- Depreciation of Shs. 5,634,927 was applied on work in Progress contrary to International Accounting Standards that require only completed projects with known costs to be depreciated.
- A total of Shs. 3,200,000 was irregularly paid from LGDP Funds to Lower Councils towards desilting wells.
- Board of Survey had been not instituted by 15/07/07 as required by Law.

- A sum of Shs. 22,150,000 advanced to a private firm for water connections was not accounted for contrary to regulations.
- Authority for excess expenditure incurred on two programmes amounting to Shs. 8,383,874 was not seen. Excess expenditure above the approved budgetary provisions without authority is against the Local Government Financial and Accounting Regulations.

Opinion:-Qualified-Except for

10. Mbarara Branch

10.1 Mbarara District

Basis of Opinion

- Contrary to procurement regulations the District awarded contracts for construction of primary schools amounting to Shs. 203,349,009 basing on a tender board minute whose authority had expired. The Council could not have obtained value for money from the transaction.
- Included in the cash and cash equivalents of Shs. 1,240,913,100 was unutilized balances of conditional grants such as salaries of Shs. 52,229,038 which was not returned to the Treasury contrary to the Law. This may attract penalty from the Ministry of Finance resulting into loss to the Council.
- Administrative advances amounting to Shs. 29,121,541 was not accounted for at the year end contrary to the regulations. Such advances may be misappropriated or spent on unintended purposes.

Opinion: Qualified-Except for

10.2 Bushenyi District

Basis of Opinion

- A sum of Shs. 466,299,674 advanced to cater for NAADS activities at sub counties (Shs. 433,660,000) and other activities (Shs.32, 639,674) remained unaccounted for at the end of the year contrary to the regulations.
- Cash and cash equivalent of Shs.906, 940,721 could not be independently verified for lack of a board of survey report although the board was constituted and facilitated.
- Although the estimated revenue budget was shs.33, 448,991,148= the actual revenue realized was Shs. 31,179,130,459 occasioning a short fall of Shs. 2,269,860,689. However there was no explanatory note for the under performance.

Opinion:-Qualified-Except for

10.3 Kabale District

Audit currently in process at Branch

10.4 Rukungiri District

Basis of Opinion

- Expenditure for Shs.10, 177,100 was incompletely vouched as no supporting documents (LPOs, delivery note, and invoices, Goods received notes etc) were availed for audit. The authenticity and purpose of the expenditure could no be verified.
- Shs.42.410.700 advanced to different officials to carry out several activities were not accounted for at the year end contrary to the Local Government Financial and Accounting Regulations.
- There was revenue shortfall of Shs.1,280,132,013 in respect of local revenue (Shs.36,803,917), government grants (Shs.987,963,880) and donor grants (Shs.180,644,717) and no explanatory note was given for the short fall.

Opinion:-Except for

10.5 Ntungamo District

Audit currently in process at Branch

10.6 Kanungu District

Basis of Opinion

- The District Administration, during the financial year, spent Shs.112, 000,000 to co-fund the extension of the electricity line, and Shs.16, 708,000 to form Kanungu power company. Documentation pertaining to the transactions was not availed for audit. The authenticity of the expenditure could not be verified.
- Shs. 73,400,000 was re-allocated from the Primary Health Care drugs vote funded by a conditional grant to other programs which was irregular and impaired primary health care service delivery.
- Management spent Shs.17, 955,638 on the councilors in excess of the statutory provision. This impaired delivery of other services
- The revenue budget under performed by Shs. 782,609,525 largely on government transfers and donor funds. The causes of the shortfall were not explained in the explanatory notes to the financial statements.
- Included in the cash and bank balances of Shs.59,689,627= are unspent conditional grants on education (Shs.27,747,335=); salaries (Shs.1,014,367=) etc which were not returned to the Treasury contrary to the law.

Opinion: Qualified-Except for

10.7 Kisoro District

Basis of Opinion

- A sum of Shs.33,085,000 incurred in respect of sitting allowance to various committees and boards, did not have minutes as evidence to confirm the various sittings for which the allowance was paid.
- Shs.52, 748,480 paid out of various officers during the financial year under review remained un-accounted for at the year end contrary to regulations.
- The cash and bank balance of Shs.177,035,665 was not supported by a board of survey report and cash flow statement contrary to regulations and accounting standards.

Opinion: Qualified-Except for

10.8 Kiruhura District

Basis of Opinion

- Shs.405, 866,946 were funds held as deposits but the amount was never reflected in the balance sheet. The total balance sheet liability figures were understated by the amount. It is also not clear as to why these funds were never remitted to the beneficiaries.
- Cash and bank balance of Shs.1, 399,517,120 was not supported by an explanatory note, cash flow statement or board of survey report. Its existence and composition could not be confirmed.
- A sum of Shs. 41,006,000 advanced to various officials remained unaccounted for at the year end contrary to the financial regulations.

Opinion: Qualified-Except for

10.9 Isingiro District

Audit currently in process at Branch

10.10 Ibanda District

Audit currently in process at Branch

10.11 Mbarara Municipal Council

Basis of Opinion

- A 99 years lease of land for plot 79-95 acquired at (Shs. 2,200,000) was omitted from the fixed assets. Besides its land title had not been availed for audit. Fixed assets were understated by the amount omitted.
- Included in the outstanding loans of Shs.182, 891,928 was a loan of (Shs.138, 000,000) whose source was not disclosed. It could not be established whether the loan was genuine or not.
- The estimated approved revenue budget was Shs.5, 017,362,692= and the actual revenue realized amounted to Shs.4, 947,582,252= occasioning a shortfall of Shs.69, 780,710=. No explanation was given for the shortfall.

Opinion: Qualified-Except for

10.12 Ibanda Town Council

Audit currently in process at Branch

10.13 Bushenyi-Ishaka TC

Audit currently in process at Branch

10.14 Kabwohe-Intendero TC

Basis of Opinion

- Included in the fixed assets was land worth Shs.66, 365,290 reported at the beginning of the year. However, details of location, valuation and ownership of the land could not be confirmed from the Council record.
- Administrative advances of Shs. 307,384,108 paid out to various officers during the financial year under review remained unaccounted for at the year end contrary to the Financial Regulations.
- Included in the cash and bank balances of Shs.87,283,854 are unspent balances of conditional grants for feeder roads (Shs.4,144,464) and road resealing (Shs.64,008,600) which were not returned to the Treasury as required by law.
- Included in deposits of Shs.33, 055,574 were tax arrears of Shs.31, 855,574 that were not remitted to the URA contrary to the law. This may attract penalties resulting in losses to the Council.
- Contrary to regulations and accounting standards, comparative figures of the previous year on revenue and expenditure statement and cash flow statement were not presented.

Opinion: Qualified-Except for

10.15 Kabale Municipal Council

Basis of Opinion

- Fixed assets of Shs.3, 215,975,000 shown at historical costs in the balance sheet were not depreciated contrary to regulations and accounting standards. The fixed assets figures were therefore overstated to the extent of not providing for depreciation.
- Expenditures of Shs.26, 258,500 lacked vouchers and other accountability documents. The authenticity and purpose of the expenditures could not be verified.

Opinion: Qualified-Except for

10.16 Kisoro Town Council

Basis of Opinion

- A total of Shs.16, 492,271 incurred on various expenditure items was not supported by appropriate documents. The genuineness and purpose of the expenditure could not be ascertained.
- Contrary to regulations a sum of Shs.23, 614,240 was not remitted to the lower councils (villages and wards) of the town council in respect of the share of the revenue.
- Contrary to the regulations and the accounting standards fixed assets shown at historical cost of Shs.731, 994,152 were not depreciated. The actual values of the fixed assets were overstated by the depreciation not taken.

Opinion: Qualified-Except for

10.17 Rukungiri Town Council

Audit currently in process at Branch

10.18 Ntungamo Town Council

Audit currently in process at Branch

10.19 Kanungu Town Council

Basis of Opinion

- Shs.43, 514,390 was paid to creditors. However, creditors' ledgers were not maintained despite my previous recommendation to have them kept. Hence non-existing creditors may have been paid or creditors may have been overpaid and or incorrect creditors may have been paid.

Opinion: Qualified-Except for

10.20 Isingiro Town Council

Audit currently in process at Branch

10.21 Kiruhura Town Council

Audit currently in process at Branch

10.22 Kihihi Town Council

Basis of Opinion

- A total of Shs.13, 340,000 was incurred on councilors allowances against a statutory budget provision of Shs.4, 751,024 thereby causing an excess expenditure of Shs.8, 588,976. Further, excess expenditure of Shs.21, 958,191 was incurred on other various programmes without authority.
- Revenue budget registered a shortfall of Shs.38, 427,583 and no explanation was given for the shortfall.
- Contrary to the financial regulations and accounting standards comparative figures of the previous year, the cash flow statement, significant accounting policies and explanatory notes were not presented along with Financial Statements.

Opinion: Qualified-Except for

11. ARUA BRANCH

11.1 Nebbi District

Audit currently in process at Branch

11.2 Arua District

Basis of Opinion

- Irregular payments of Shs. 46,308,342 were incurred on unbudgeted for expenditure and other irregularities. Most of the payments were for fully funded workshops, purchase of beers at office functions and unbudgeted for items.
- Payments worth Shs. 72,495,883 lacked appropriate accountability supporting documents. Their authenticity could not be verified.
- Administrative/official advances of Shs. 97,439,670 were not accounted for at the year end contrary to regulations. The advances could have been misappropriated by the officials or used for unintended purposes.
- A sum of Shs. 59,885,392 was doubtful expenditure because the payments did not have sufficient and reliable supporting documents.
- Procurement procedures were not followed in respect to stores items worth Shs. 17,181,967. Best value for money was not obtained as the procurement was not subjected to competition.
- Expenditures of Shs. 7,531,000 incurred were fraudulent and the amounts are recoverable.
- Shortfall in local revenue collection amounted to Shs 20,095,678=. No explanation was given for the shortfall to improve future revenue collection.

Opinion: Qualified-Except for

11.3 Koboko District

Audit currently in process at Branch

11.4 Yumbe District

Audit currently in process at Branch

11.5 Moyo District

Basis of Opinion

- Administrative advances worth Shs.102, 381,285 remained unaccounted for by the end of the financial year contrary to the regulations. The funds could be misappropriated or spent on purposes not intended.
- A total of Shs.160, 778,308 was not remitted to the sub-counties as required by law. This makes the operations of sub-counties in service delivery difficult.
- Included in the cash and cash equivalents of Shs.728, 882,129 were unspent balances of salaries of Shs.93, 914,268 that were not returned to the Treasury contrary to the law.
- A sum of Shs.7.531, 942,204 was transferred from the general account to user accounts without audit warrants contrary to the law. The amounts transferred could have been in excess of budget provisions or diversion of funds.

Opinion: Qualified-Except for

11.6 Adjumani District

Basis of Opinion

- The revenue budget under performed by Shs 6,045,898,399. No explanation was given for the shortfall to help in improving future revenue collection.
- Included in the cash and bank balances of shs.367, 185,424= were unspent balances of conditional grants, such as salaries (Shs. 206,941,565); rural water and feeder roads funds (Shs. 80,188,289) which were not returned to the treasury contrary to the laws. This could attract penalties from the Ministry of finance resulting in loss to the Council.
- Administrative advances of Shs.23, 025,900 remained unaccounted for by the end of the financial year contrary to the regulations. Such advances may be misappropriated by the officials and or used for unintended purposes.

- A total of Shs.228, 653,590 was not remitted to the sub-counties (Shs.120, 010,443) and other directorates (Shs.108, 643,147) as required by law. This could impair service delivery at the sub-counties and the other Directorates.
- Vouched Expenditures totaling to Shs. 72,953,146 remained un accounted for by the end of the financial year contrary to the Financial Regulations. The amount should not have been treated as expenses in the accounts to overstate the expenditure figure in the income statement.
- An excess expenditure of Shs.82, 714,200 was incurred on Council emoluments contrary to the regulations. This could impair service delivery as funds are diverted from other service sectors to cater for councilors emoluments.

Opinion: Qualified-Except for

11.7 Terego-Maracha District

Basis of Opinion

- Included in the bank balance on the operational accounts was unutilized amount relating to salaries of Shs.8, 320,239 which were not returned to the Treasury contrary to the law. This may attract penalty from the Ministry of Finance resulting in loss to the Council
- The District estimated to collect Shs.81, 850,000 from its local revenue sources but actually collected Shs.8, 510,000 realizing a revenue shortfall of Shs.73, 340,000. No explanation was given as required to guide in improving future revenue collection.
- Expenditure amounting to Shs.137, 152,269 incurred on various items were not accounted for contrary to the regulations; the amount could be misappropriated or spent on unbudgeted items.
- Ledgers for expenditure and revenue, and the revenue register were not maintained while the asset register was poorly maintained.
- Excess expenditure of Shs. 173,706,277 above approved budgetary provisions items without authority contrary to the Local Government Financial and Accounting Regulations.

Opinion: Qualified-Except for

11.8 Nebbi Town Council

Audit currently in process at Branch

11.9 Pakwach TC

Audit currently in process at Branch

11.10 Paidha Town Council

Audit currently in process at Branch

11.11 Arua MC

Basis of Opinion

- A sum of Shs. 628,830,899 was transferred from the general fund collection account to the various operational accounts without audit warrants contrary to the law. The transfers could be in excess of budget provisions or diversion of funds.
- Expenditure on various items totaling to Shs.177, 985,432 did not have supporting documents. Moreover out of this amount expenditure voucher of Shs.175, 866,210 were completely missing. The authenticity and purpose of the expenditures could not be verified.
- Administrative advances of Shs.122, 875,047 disbursed for various activities were not accounted for by the end of the financial year contrary to the regulations. Such advances may be misappropriated or used for unbudgeted purposes.

- Of Cash and Bank balances of Shs.298, 170,890; Shs.47, 575,237 in respect of salary was not returned to the Treasury at the end of the financial year as required by law. This may attract penalty from the Ministry of Finance.
- There was revenue shortfall of Shs.61, 448,537 No explanation was given for the shortfall to help in the future improved collection of revenue.
- Procurement of stores items of Shs.23, 692,600 did not follow PPDA procedures contrary to the Law. Stores items may not have been obtained from the cheapest source as no competition was encouraged in the process.

Opinion: Qualified-Except for

11.12 Koboko Town Council

Audit currently in process at Branch

11.13 Yumbe Town Council

Audit currently in process at Branch

11.14 Moyo Town Council

Basis of Opinion

- Cash and Bank balances of Shs.70, 151,317 were reflected in the final accounts. However, no Board of Survey was conducted as required by the regulations to verify the accuracy of the figure.
- Administrative advances to various officials amounting to Shs.35, 615,825 were not accounted for during the year contrary to the regulations. Such advances could be misappropriated by the officials or spent on unintended purposes.

- Creditors amounting to Shs.125,251,501 owed in the previous years have remained unsettled to date risking further costs if legal measures are taken by the creditors to recover their funds.
- Revenue budget under performed by Shs.148, 252,109. No explanation was given for the shortfall.
- Expenditure vouchers for Shs.9, 455,921 were missing. The purpose and authenticity of the expenditure could not be confirmed.
- Shs. 16,000,000 was incurred on extending water to an area outside the jurisdiction of the Town Council. This made the payment irregular and wasteful as it was not spent on the purpose of the Town Council.

Opinion: Qualified-Except for

11.15 Adjumani Town Council

Basis of Opinion

- Deposits of Shs.2, 383,779 remained un-discharged at year end. This is a liability to the Council and is likely to attract legal charges that may result into a loss to the Council.
- The revenue budget under performed by Shs.36, 572,452. There was no explanation given as required for future improvement of revenue collection.
- Funds totaling to Shs.5, 112,500 remained unaccounted for by the end of the financial year. This could lead to loss of funds or may be diverted to unbudgeted activities.
- Included in the bank balance of Shs.63,871,186 were un-utilized balances of conditional grants of Shs.47,598,086 in respect of road funds that were not returned to the Treasury contrary to the law.

Opinion: Qualified-Except for

12. Gulu Branch

12.1 Gulu District

Basis of Opinion

- Shs. 165,673,312 was paid to complete rehabilitation of two roads which, however, remained incomplete.
- Management of personal advances remained poor as reflected in recovering only 19% (Shs. 3,595,368) of advances leaving Shs. 15,121,001 outstanding contrary to Local Government Financial and Accounting Regulations. This exposes the council to the possibility of losses arising from bad debts.

Opinion: Qualified-Except for

12.2 Lira District

Basis of Opinion

- Management of administrative advances remained poor as reflected in non recovery of Shs. 103,568,922 over due balances from previous years. Further, Shs. 120,180,240 administrative advances in respect of PAF activities to various officers remained unaccounted for by the end of the financial year contrary to the Local Government Financial and Accounting Regulations.

Opinion: Qualified-Except for

12.3 Kitgum District

Basis of Opinion

- Management failed to present arrears of revenue return on uncollected local revenue of Shs. 142,603,000 to the Executive Committee for appropriate action as required by section 54 of Local Government Financial and Accounting Regulations 1998.

- Management of administrative and personal advances remained poor as reflected in non recovery of Shs. 749,549,370 contrary to the Local Government Financial and Accounting Regulations. This exposes the Council to possibility of losses arising from bad debts.
- Shs. 58,863,839 was diverted from LGDP account purportedly under unspecified court order effected direct by a bank deduction. No details nor payment voucher were generated by management to support the payments.
- Shs. 51,013,200 advanced in respect of PAF activities to various officers remained unaccounted for but were incorrectly presented as expenditures in the accounts.
- Shs. 49,954,546 spent on the rehabilitation of twenty (20) boreholes, was paid in the names of a Contractor yet the actual work was either done by the Community or the District Water Department officials, who merely replaced spares without doing the main de-silting work.

Opinion: Adverse

12.4 Apac District

- The management of advances remained poor as reflected in non recovery of Shs. 503,629,859 both administrative (Shs. 475,243,293) and personal advances (Shs. 28,386,566) contrary to the Local Government Accounting and Financial Regulations. This also exposes the council to the risk of losses from bad debts.
- Shs. 62,890,264 paid to various officers to finance Council activities remained unaccounted for but the amount was incorrectly presented as expenditures in the accounts.

Opinion: Qualified-Except for

12.5 Pader District

Basis of Opinion

- The financial statements presented revealed numerous misstatements with respect to various accounts balance amounting to Shs. 429,739,967.
- Managements diverted Shs. 181,238,000 from Primary Health Care and Rural Water account to finance general administrative expenses.
- Expenditures amounting to Shs. 224,740,409 were incurred but no payment vouchers were generated by management to support the payment contrary to section 109 of Local Government Financial and Accounting Regulations 1998.
- Shs. 278,978,146 administrative advances in respect of Council activities to various officers remained unaccounted for but was incorrectly presented as expenses in the accounts.
- Total excess expenditures amounting to Shs. 1,713,217,320 were incurred on ten programs in violation of budget controls and no relevant authority was sought in accordance with Local Government Act.
- Management failed to present arrears of revenue return on uncollected local revenue of Shs. 166,212,465 to the Executive Committee for appropriate action as required by Section 54 of Local Government Financial and Accounting Regulations 1998.

Opinion: Adverse

12.6 Oyam District

Opinion: Un-qualified

12.7 Amolatar District

Basis of Opinion

- Shs. 37,900,602 advanced in respect of PAF and other activities to various officers remained unaccounted for but the amount was incorrectly presented as expenditure in accounts.

Opinion: Qualified-Except for

12.8 Dokolo District

Basis of Opinion

- There was no Board of Survey report to verify the cash component of the cash and bank balance of Shs. 316,168,308.
- Shs. 48,692,700 paid in respect of PAF activities to various officers remained unaccounted for and the amount was incorrectly presented as expenditures in the accounts.
- Excess expenditures amounting to Shs. 13,598,271 were incurred on five programs in violation of budget controls and without the relevant authority as required by the Local Government Act.
- Management failed to present arrears of revenue return on uncollected local revenue of Shs.8, 968,840 to the Executive Committee for appropriate action as required by section 54 of Local Government Financial and Accounting Regulations 1998.

Opinion: Adverse

12.9 Amuru District

Basis of Opinion

- Shs. 33,741,709 was diverted from teachers salary account and used to pay non teaching employees of the District contrary to the regulations regarding utilization of conditional grants.

- Payments amounting to Shs. 215,134,945 to Uganda Revenue Authority (URA) was not supported by official acknowledgement receipt. The authenticity and genuineness of the transaction could not be verified.
- Excess expenditures amounting to Shs. 304,744,104 were incurred on 22 programs in violation of budgetary provisions without the relevant authority in accordance with Local Government Act.
- Shs. 59,760,272 administrative advances for Council activities to various officers remained unaccounted for but was incorrectly presented as expenses in the accounts; while Shs. 22,130,000 were irregularly and inappropriately expended by management.
- Shs.149, 921,277 expended had no accountability documents attached to the payment vouchers to support and confirm the genuineness of the payments; and Shs. 12,974,784 payments were effected without payment vouchers and accountability supporting documents.
- The District procured items in total disregard of PPDA Regulations. Analysis of the prices of the items showed loss of Shs. 35,475,759 due to inflation of the prices of the items including purchase of expired drugs of Shs. 2,400,000 from un-recommended institution.
- There was no Board of Survey report to verify the cash component of the cash and bank balance of Shs. 764,826,055.

Opinion: Disclaimer

12.10 Gulu Municipal Council

Basis of Opinion

- Shs. 18,945,000 administrative advances in respect of Council activities to various officers remained unaccounted for but was incorrectly presented as expenses in the accounts.
- Of the Shs. 105,359,150 incurred on procurement of road equipment, Shs. 90,448,400 was spent without following the PPDA Regulations and Shs. 14,910,250 was paid in

cash to the contractor contrary to the Local Government Financial and Accounting Regulations.

- Management failed to present arrears of revenue return on uncollected local revenue of Shs. 94,181,466 to the Executive Committee for appropriate action as required by Section 54 of Local Government Financial and Accounting Regulations 1998.
- Management of personal advances and debtors remained poor as reflected in non recovery of over due advances totaling to Shs. 130,416,384 and non-recovery of debtors Shs. 188,783,594 contrary to the Local Government Financial and Accounting Regulations 1998. This exposes Council to the risk of losses from bad debts.
- Management of creditors was poor as reflected in non settlement of over due creditors and non-remittance of deposits to the tune of Shs. 302,091,079. This potentially exposes Council to litigation costs from legal suits.

Opinion: Qualified-Except for

12.11 Lira Municipal Council

Basis of Opinion

- Excess expenditures amounting to Shs. 858,013,875 were incurred on nine programs in violation of budget controls and without the relevant authority in accordance with Local Government Act.
- Management failed to present arrears of revenue return on uncollected local revenue of Shs. 374,825,757 to the Executive Committee for appropriate action as required by section 54 of Local Government Financial and Accounting Regulations 1998.
- Management of personal advances remained poor as reflected in non recovery of Shs. 83,387,337 contrary to Local Government Financial and Accounting Regulations 1998. This exposes the Council to the risk of losses arising from bad debts.
- Shs. 57,133,899 cash withdrawn by Uganda Revenue Authority in respect of PAYE from the Council account was not backed by official receipt but merely certified by a staff of URA.

Opinion: Qualified-Except for

12.12 Kitgum Town Council

Basis of Opinion

- Shs. 94,443,151 paid in respect of PAF activities to various officers remained unaccounted for but the amount was incorrectly presented as expenditures in the accounts.
- Shs. 45,533,885 paid to a contractor constructing the Council office block was in excess of the official contract sum agreed. This amount is therefore recoverable from the contractor.
- Management failed to present arrears of revenue return on uncollected local revenue of Shs. 479,561,337 to the Executive Committee for appropriate action as required by section 54 of Local Government Financial and Accounting Regulations 1998.
- Management of personal advances remained poor as reflected in non recovery of Shs. 64,067,531 contrary to the Local Government Financial and Accounting Regulations 1998. This exposes the Council to the possibility of losses arising from bad debts.

Opinion: Adverse

12.13 Apac Town Council

Basis of Opinion

- There was no board of survey report to verify the cash and bank balance of Shs. 77,481,955 and stores of Shs. 5,676,000.
- Management failed to present arrears of revenue return on uncollected local revenue of Shs. 184,189,384 to the Executive Committee for appropriate action as required by section 54 of Local Government Financial and Accounting Regulations 1998.
- Excess expenditures amounting to Shs. 24,737,960 were incurred on six programs in violation of budget controls and without the relevant authority as required by the Local Government Act.

Opinion: Qualified-Except for

12.14 Pader Town Council

Basis of Opinion

- Shs. 38,660,580 administrative advances in respect of Council activities to various officers remained unaccounted for but was incorrectly presented as expenses in the accounts.
- Shs. 6,300,000 were spent on procurement of items contrary to Public Procurement and Disposal of Public Assets Regulations 2003.
- Expenditures amounting to Shs. 2,281,000 were incurred but no payment vouchers were generated by management to support the payment contrary to section 109 of the Local Government Financial and Accounting Regulations 1998.
- Excess expenditures amounting to Shs. 5,620,940 were incurred on four items in violation of budget provisions and without seeking the relevant authority in accordance with Local Government Act.
- Management failed to present arrears of revenue return on uncollected local revenue of Shs. 60,164,673 to the Executive Committee for appropriate action as required by section 54 of Local Government Financial and Accounting Regulation 1998.
- Management of Debtors remained poor as reflected in non recovery of over due debts totaling to Shs. 6,374,100 contrary to the Local Government Financial Accounting Regulations 1998. This exposes the Council to possibility of losses from bad debts.

Opinion: Qualified-Except for

12.15 Amolatar Town Council

Basis of Opinion

- Shs. 3,300,000 paid to an officer to finance Council activities remained unaccounted for but was incorrectly presented as expenses in the account.
- Management failed to present arrears of revenue return on uncollected local revenue of Shs. 3,373,000 to the Executive Committee for appropriate action as required by section 54 of Local Government Financial and Accounting Regulations 1998.

- There was no board of survey report to verify the cash component of the cash and bank balance of Shs. 43,526,963.

Opinion: Qualified-Except for

12.16 Amuru Town Council

Basis of Opinion

- Shs. 3,286,000 administrative in respect of Council activities to various officers remained unaccounted for but was incorrectly presented as expenses in the accounts.
- Management failed to present arrears of revenue return on uncollected local revenue of Shs. 49,628,037 to the Executive Committee for appropriate action as required by section 54 of Local Government Financial and Accounting Regulations 1998.
- There was no board of survey report to verify the cash component of cash and bank balance of Shs. 66,166,979

Opinion: Qualified-Except for

12.17 Dokolo Town Council

Basis of Opinion

- Management diverted Shs. 15,000,000 from the Town Council to purchase a vehicle for Chairman LC V of Dokolo District.
- Shs. 1,474,000 administrative advances in respect of Council activities to various officers remained unaccounted for but was incorrectly presented as expenses in the accounts; and Shs. 914,000 expenditure incurred was a double payment since the workshop activity was fully funded by organizers.
- Total excess expenditures amounting to Shs. 16,700,000 were incurred on two items in violation of budget controls and no relevant authority was sought in accordance with the Local Government Act.

- There was no board of survey report to verify the cash component of cash and bank balance of Shs. 98,554,308.

Opinion: Qualified-Except for

12.18 Kalongo Town Council

Basis of Opinion

- There was no board of survey report to verify the cash component of the cash and bank balance of Shs. 63,661,521.
- Management did not submit for audit corrected copy of final financial statements of the Town Council for the Financial Year 2006/2007 contrary to section 151 of Local Government Financial and Accounting Regulations 1998.
- Administrative advances of Shs. 26,195,140 paid to various officers to finance Council activities remained unaccounted for and the amounts were also incorrectly presented as expenses in the accounts.
- Management failed to present arrears of revenue return of uncollected local revenue of Shs. 28,363,755 to the Executive Committee for appropriate action as required by section 54 of Local Government Financial and Accounting Regulations 1998.
- Items worth Shs. 4,000,000 were procured without following tendering procedures contrary to the Public Procurement and Disposal of Public Assets Act, 2003.

Opinion: Disclaimer

12.19 Oyam Town Council

Basis of Opinion

- There was no board of survey report to verify the cash component of the cash and bank balance of Shs. 103,880,177.
- Management failed to present arrears of revenue return of uncollected local revenue of Shs. 60,956,130 to the Executive Committee for appropriate action as required by Section 54 of Local Government Financial and Accounting Regulations 1998.

- Excess expenditure amounting to Shs. 12,554,300 were incurred on four programs in violation of budgetary provisions and without the relevant authority contrary to the Local Government Act.

Opinion: Qualified-Except for

13. Kampala City Council Branch

13.1 Kampala City Council

Audit currently in process

14. Kampala Branch

14.1 Mpigi District

Basis of Opinion

- Shs. 14,467,673 were written off as bad debts without the authority of the Minister of Local Government contrary to Local Government Financial and Accounting Regulations 1998. This means any debt could be written off including those that are still recoverable. This could cause loss to the council.

Opinion: Qualified-Except for

14.2 Luwero District

Basis of Opinion

- PAYE purportedly remitted to URA amounting to Shs. 86,945,915 was not supported by official receipt from Uganda Revenue Authority. The authenticity of the transactions could not be verified.

- Administrative advances of Shs. 33,205,200 paid for Council activities to various officers remained unaccounted at the end of the year contrary to the financial regulation. However, the amount was also incorrectly treated as expenses in the accounts.
- The District suffered a loss of Shs. 19,962,950 caused by actions of two district officials. Management did not recover the loss in accordance with section 169 of Local Government Financial and Accounting Regulations 1998. Unless the officials are made to make good the loss the District will lose the amount.

Opinion: Qualified-Except for

14.3 Mukono District

Basis of Opinion

- Management did not avail ledgers, abstracts, bank reconciliation statements, and bank account balances for audit. The correctness of the figures reported in the balance sheet could not be confirmed.
- The records of salary expenditures amounting to Shs. 16,145,947,657 were not availed for audit. The genuineness and correctness of this expenditure could not be confirmed.
- Expenditures of Shs. 693,248,301 were not supported by appropriate accountability documentation contrary to the Local Government Financial and Accounting Regulations 1998. The genuineness and purpose of the expenditures could not be confirmed.
- Shs. 362,646,599 were spent on procurement of drugs (Shs. 323,306,673) and other items (Shs.39, 339,926). However, there was no evidence of the receipt or issues of the items in stores records contrary to chapter 6 section 6.3 of Local Government Financial and Accounting Regulations 1998. The transactions appear doubtful since the deliveries and issues of the items were not recorded and independently verified.
- Administrative advances of Shs. 314,439,626 for Council activities to various officers were not accounted for at the end of the financial year contrary to the financial and Accounting Regulations. In addition the amounts were wrongly treated as expenses in the accounts thus increasing the figure for expenditure in the income statement.

- Management failed to present arrears of revenue return arising from uncollected local revenue of Shs. 150,643,540 to the Executive Committee for appropriate action as required by section 54 of Local Government Financial and Accounting Regulations 1998. The ways and means to improve future local revenue collection have not been indicated.
- Shs. 68,565,600 were paid as sitting allowances to the District Executive Committee members though they are not entitled to such allowances in accordance with Local Government Act. They are entitled to salaries as they have full time offices at their District headquarters. The expenditure is wasteful and recoverable.

Opinion: Disclaimer

14.4 Nakasongola District

Basis of Opinion

- The figures in the financial statements were not in agreement with the underlying records. The figures were overstated by Shs. 650,526,905. The accuracy of the figures in the financial statements could not be relied on.
- Expenditures amounting to Shs. 129,765,423 lacked payment vouchers to support them contrary to section 109 of the Local Government Financial and Accounting Regulations 1998. The genuineness and purpose of the expenditures could not be verified.
- Administrative advances of Shs. 84,061,598 for Council activities to various officers were not accounted for at the year end contrary to Financial Regulations. Further, the amounts were incorrectly treated in the accounts as expenses thus overstating the expenditure figure in the final accounts. The funds could have been misappropriated by the officials.
- The Bank balance in the financial statement is understated by Shs. 49,617,779. This understated total assets figure in the final accounts.
- Consultancy for Kakooge water centre worth Shs. 39,000,000 was procured without following tendering procedures contrary to the Public Procurement and Disposal of

Public Assets Act, 2003. Best value for money may not have been obtained as the transaction was not subjected to competition.

- There was no board of survey report to confirm the correctness of the cash balance of Shs. 4,346,164.

Opinion: Disclaimer

14.5 Wakiso District

Basis of Opinion

- Administrative advances of Shs. 10,702,000 for Council activities to various officers were not accounted for by the end of the year contrary to the Financial and Accounting Regulations. In addition the amount was incorrectly treated as expenses in the accounts. This overstates the expenditure figure in the balance sheet.
- Withholding tax amounting to Shs. 5,874,000 purportedly remitted to Uganda Revenue Authority (URA) was not supported by official acknowledgement receipt from URA. The authenticity of the transaction could not be verified. The amount may not have been received by URA.

Opinion: Qualified-Except for

14.6 Nakaseke District

Basis of Opinion

- Administrative advances of Shs. 37,467,748 for Council activities to various officers were not accounted for at the end of the year contrary to the Financial and Accounting Regulations. In addition the amount was treated as expenses in the accounts. This overstated the expenditures figure in the financial statements.

Opinion: Qualified-Except for

14.7 Mpigi Town Council

Basis of Opinion

- The financial statements are grossly misstated on various account balances: local revenue was overstated by Shs. 35,868,907; Government grants was overstated by Shs. 44,131,093; creditors were understated by Shs. 13,497,709; Works and Technical Services were understated by Shs. 4,141,922; while the bank balance as per cash book differs with the balance sheet by Shs. 21,650,005. The financial statements as a whole were inconsistent with the primary underlying ledger records.
- The genuineness and the completeness of the fixed assets reported in the balance sheet could not be verified as the fixed asset register was not availed for audit. The value of the fixed assets could have been understated or overstated.

Opinion: Adverse

14.8 Entebbe Municipal Council

Basis of Opinion

- The fixed assets amounting to Shs. 6,160,173,838 in the balance sheet were overstated by the amount of accumulated depreciation not deducted on some assets as required by Local Government Financial and Accounting Regulations 1998.
- Shs. 15,636,533 paid for council activities to various officers remained unaccounted for at the end of the year contrary to financial regulations. Further, the amounts were wrongly treated in the final accounts as expenditures thus overstating the expenditure figure.

Opinion: Qualified-Except for

14.9 Luwero Town Council

Basis of Opinion

- Debtors' management remained poor. Shs. 58,327,570 from previous year was not recovered throughout the financial year contrary to good practice. This exposes the Council to possibility of losses arising from bad debts and withholds funds that could be used for increased service delivery.

Opinion: Qualified-Except for

14.10 Bombo Town Council

Basis of Opinion

- The fixed assets figure of Shs. 245,370,641 appearing in the balance sheet was overstated as the fixed assets of the Council were not depreciated.
- Administrative advances of Shs. 15,929,513 paid for Council activities to various officers remained unaccounted for contrary to the financial regulations and the amounts were also incorrectly presented as expense in the accounts.

Opinion: Qualified-Except for

14.11 Wobulenzi Town Council

Basis of Opinion

- Debtors and personal advances management remained poor. Debtors amounting to Shs. 48,700,000 and a personal advance of Shs.9, 296,640 from previous year remained un-recovered throughout the financial year contrary to good practice. This could expose the Council to possibility of losses arising from bad debts.
- The previous year balance of creditors figure was misstated by Shs. 20,144,283. This also caused the balance sheet figure to be misstated.
- Unspent balance on Urban Water and Roads conditional grants amounting to Shs. 8,932,693 was not returned to the Ministry of Finance Planning and Economic

Development at the end of the financial year in accordance with the Public Finance and Accountability Act Section 19(1) 2003. This could attract penalty from the Ministry on the Council.

Opinion: Qualified-Except for

14.12 Mukono Town Council

Basis of Opinion

- The correctness of local revenue amounting to Shs. 440,801,012 could not be confirmed because the primary records were not availed for audit.
- Ledgers in respect of advances of Shs. 25,067,000, sundry debtors of Shs. 22,597,206 and creditors amounting to Shs. 50,638,059 were not availed for audit. The existence and correctness of the amounts could not be verified.
- Expenditures of Shs. 134,177,626 on civil works and Shs. 85,000,000 for road construction were not subjected to the procedures prescribed by the Public Procurement and Disposal of Assets Act, 2003. The Council could not have obtained value for money in the transactions.
- Shs. 91,216,059 expenditures were not supported by appropriate accountability documentation contrary to the Local Government Financial and Accounting Regulations 1998. The genuineness and purpose of the expenditures could not be verified.

Opinion: Qualified-Except for

14.13 Nakasongola Town Council

Basis of Opinion

- Shs. 9,351,000 were written off as bad debts without the authority of the Minister of Local Government contrary to Local Government Financial and Accounting Regulations 1998. Recoverable debts could have been deliberately written-off.
- Deductions amounting to Shs, 3,586,267 in respect of PAYE and Withholding taxes were not remitted to Uganda Revenue Authority contrary to Income Tax Act. Further,

Shs. 950,765= due for remittance to NSSF were not remitted. Council may suffer avoidable expenses arising from fines and other litigation costs.

Opinion: Qualified-Except for

14.14 Kira Town Council

Opinion: Unqualified

14.15 Nkokonjeru Town Council

Basis of Opinion

- Subsidiary ledgers in respect of sundry debtors of Shs. 33,350,295 and creditors amounting to Shs. 33,350,841 were not availed for audit. It was not possible to confirm the accuracy of the figures as indicated in the balance sheet.
- Expenditures of Shs. 65,834,871 on civil works did not follow the PPDA procedures contrary to the Public Procurement and Disposal of Public Assets Act, 2003. The best value for money through competitive bidding was not obtained.
- Expenditures Shs. 17,452,693 were not supported by appropriate accountability documentation contrary to the Local Government Financial and Accounting Regulations (1998). The genuineness and purpose of the expenditures could not be verified.
- The fixed assets amounting to Shs. 274,928,038 in the balance sheet have never been depreciated over their useful lives as required by Local Government Financial and Accounting Regulations (1998). The assets were therefore overstated by the amount of accumulated depreciation not deducted.
- The bank and cash balance as per financial statements differed with the Board of Survey report. The correctness of the cash and bank balance in the financial statements could not be confirmed.

Opinion: Disclaimer

14.16 Wakiso Town Council

Basis of Opinion

- Debtors' management remained poor. Shs. 29,324,000 remained un-recovered in the financial year contrary to the Local Government Financial and Accounting Regulations (1998). This exposes the Council to the possibility of losses arising from bad debts.
- Withholding tax amounting to Shs. 5,643,673 purportedly paid to Uganda Revenue Authority (URA) was not supported by official acknowledgment receipt. The authenticity of the transactions could not be verified.
- Administrative advances of Shs. 1,926,000 paid for council activities to various officers remained unaccounted for at the end of the year contrary to the Regulations. Further, the amount was incorrectly treated as expenses in the accounts thus overstating the figure of the expenditures in the balance sheet.

Opinion: Qualified-Except for

14.17 Nansana Town Council

Opinion: Unqualified

14.18 Nakaseke-Butalangu TC

Basis of Opinion

- The fixed assets figure of Shs. 39,267,935 appearing in the balance sheet is overstated by the amount of depreciation not deducted.
- A total of Shs. 1,356,779 paid as acting allowance to various staff of the council lacked authority of the District Service Commission.
- A sum of Shs. 1,200,000 paid to Uganda Revenue Authority as fine for failure to remit taxes in the statutory period was a nugatory expenditure which could have been avoided.

Opinion: Qualified-Except for

14.19 Kakiri Town Council

Opinion: Unqualified

15. Jinja Branch

15.1 Jinja District

Basis of Opinion

- Shs. 270,469,451 conditional grants not used by the end of the financial year by the District were not returned to the Ministry of Finance Planning and Economic Development contrary to Public Finance and Accountability Act. This could attract penalty from the Ministry resulting in withholding of grants to the District.
- Management failed to present arrears of revenue return arising from uncollected land premium and ground rent of Shs. 44,719,173 to the Executive Committee for appropriate action as required by section 54 of Local Government Financial and Accounting Regulations 1998. No ways and means for better Local Revenue collection has been indicated to improve future revenue collection.

Opinion: Qualified-Except for

15.2 Iganga District

Basis of Opinion

- Purchase of construction materials of Shs. 6,003,000 were neither receipted nor issued from the stores according to the stores records. The transactions appear doubtful since their deliveries and issues were not independently recorded and verified.
- Shs. 4,800,000 was spent on purchase of computers without following procurement procedures contrary to Public Procurement and Disposal of Public Assets Act, 2003. Better value for money could be obtained if the PPDA Procedures were followed.

- Management of Personal advances remained poor. Two staff owed Shs. 3,577,920 for several years and the money has not been recovered contrary to Local Government Financial Accounting Regulations 1998. This exposes the Council to possibility of losses from bad debts.

Opinion: Qualified-Except for

15.3 Kamuli District

Basis of Opinion

- Shs.102,814,145 conditional funds un-utilized by the District were not returned to the Ministry of Finance Planning and Economic Development contrary to Public Finance and Accountability Act Section 19(1) 2003. This could attract penalties from the Ministry.
- Management of Personal advances remained poor. Advances were given before retiring the previous advances contrary to the regulations. Shs. 57,055,678 was not recovered during the financial year contrary to the Local Government Financial and Accounting Regulations (1998). This exposes the Council to the possibility of losses arising from bad debts.
- Shs.3, 758,000 cash balance on a closed School Facilities Grant bank account was missing. It has not been explained. There is risk of the council losing the amount due to fraud.

Opinion: Qualified-Except for

15.4 Bugiri District

Basis of Opinion

- Expenditures of Shs. 8,635,850 were not supported by appropriate accountability documentation. The genuineness and purpose of the expenditures could not be verified.

- Shs. 20,000,000 paid to a firm lacked expenditure voucher to support the payment contrary to section 109 of Local Government Financial and Accounting Regulations 1998. The genuineness and purpose of the expenditure could not be verified.
- Management made an advance payment of Shs. 16,000,000 (64% of contract price) without performance bond. This put the Council to the risk of financial loss if the contractor fails to perform the contract.
- Management failed to deduct withholding tax amounting to Shs. 3,127,425 on invoices exceeding shillings one million. This caused loss of revenue to Uganda Revenue Authority (URA) contrary to the Income Tax Act 1997. This may attract penalty in form of fines causing loss to the Council.

Opinion: Qualified-Except for

15.5 Kayunga District

Basis of Opinion

- Shs. 15,161,025 paid to Uganda Revenue Authority in respect of PAYE were not supported by official receipt from URA. This makes the transaction doubtful as the authenticity could not be verified.
- Administrative advances of Shs. 2,500,000 to various officers to finance Council activities were not accounted for contrary to the regulations. In addition, the amount was wrongly treated in the accounts as expenditures. This overstated the expenditure figure in the accounts. Such advances may be misappropriated or used for unintended purposes.
- Purchase of stationeries of Shs. 6,259,800 had no records of receipts and issues in the stores. The transactions relating to the stationeries appeared doubtful.
- Shs. 2,000,000 was made as part settlement of debt on fuel of Shs. 14,207,299 purportedly incurred far back in 2003. There were no documents to confirm the genuineness and existence of such debt owed by the Council.

Opinion: Qualified-Except for

15.6 Mayuge District

Basis of Opinion

- Administrative advances of Shs. 26,171,600 were not accounted for at end of the year contrary to Local Government Financial and Accounting Regulations 1998. The advances may have been misappropriated by the officials or used for unintended purposes.
- Value Added Tax amounting to Shs. 15,886,480 was erroneously charged by Council on water works contrary to VAT Act. This overpayment overstated the expenditure on water works. It should be recovered from the payee.

Opinion: Qualified-Except for

15.7 Kaliro District

Basis of Opinion

- Administrative advances of Shs. 12,749,000 paid to two officers to produce bid documents and newsletter were not accounted for contrary to the regulation. Further, the amounts were wrongly treated in the accounts as expenditures, hence, overstating the expenditure figure in the accounts. Such advances may be misappropriated or expended on unintended purpose.
- Value Added tax amounting to Shs. 22,047,570 was erroneously charged by management on water works contrary to VAT Act. This overstated the expenditure on water works. The amount should be recovered.

Opinion: Qualified-Except for

15.8 Jinja Municipal Council

Basis of Opinion

- Value Added tax amounting to Shs. 2,641,952 was wrongly charged by the Council on purchase of stationery from a firm which is not VAT registered contrary to the VAT Act. This is an overpayment which should be recovered.
- Management of administrative and personal advances remained poor Advances were given to persons who had not retired the previous leading to non recovery of Shs. 51,280,177. This stretches recovery of the advances beyond one financial year contrary to Local Government Financial and Accounting Regulations 1998. The practice exposes the Council to possibility of losses arising from bad debts.

Opinion: Qualified-Except for

15.9 Namutumba District

Basis of Opinion

- Shs. 14,059,218 was unclaimed salaries returned to Ministry of Finance Planning and Economic Development in accordance with Public Finance and Accountability Act section 19(1) 2003. However, the transaction was not supported by official acknowledgement receipt from the Ministry and therefore its authenticity could not be confirmed.
- Purchase of computers of Shs. 11,497,000 did not follow the procurement procedures contrary to the Public Procurement and Disposal of Public Assets Act, 2003. Best value for money could not have been obtained as the procurement was not subjected to competition.

Opinion: Qualified-Except for

15.10 Buwenge Town Council

Audit currently in process at Branch

15.11 Iganga Town Council

Audit currently in process at Branch

15.12 Kamuli Town Council

Basis of Opinion

- Management exhibited laxity in the collection of ground rent culminating into uncollected arrears amounting to Shs. 97,774,623. The recoverability of the bulk of this revenue appears remote as it has been outstanding for sometime now.
- Ledger records to confirm the correctness of receivables amounting to Shs. 76,600,332 were not availed for audit verification. The accuracy of the receivables could not be confirmed.
- There was misposting of expenditures from the ledgers to the final accounts leading to misstatement of the final accounts by Shs. 46,955,152.
- Shs. 14,273,500= was paid out to facilitate meetings of Council and other committees. However, there were no minutes to confirm that these meetings actually took place to warrant those payments. The genuineness of the expenditure could not be verified.

Opinion: Qualified-Except for

15.13 Bugiri Town Council

Basis of Opinion

- Management of personal advances was poor. Shs. 58,391,221 is over due including those from previous years. This is contrary to the Local Government Financial and Accounting Regulations 1998. It exposes the Council to possibility of losses arising from bad debts if recoveries of the personal advances are not affected.

Opinion: Qualified-Except for

15.14 Busembatya Town Council

Audit currently in process at Branch

15.15 Kaliro Town Council

Opinion: Unqualified

15.16 Kayunga Town Council

Opinion: Unqualified

15.17 Njeru Town Council

Audit currently in process

15.18 Lugazi Town Council

Basis of Opinion

- Shs. 25,716,500 donor funds were withdrawn from a bank account. The vouchers to support the payment were missing contrary to section 109 of Local Government Financial and Accounting Regulations 1998. The transaction appears fraudulent as its genuineness and purpose could not be verified.

Opinion: Qualified-Except for

15.19 Mayuge Town Council

Audit currently in process at Branch

15.20 Namutumba Town Council

Audit currently in process at Branch

16. Mbale Branch

16.1 Busia District

Basis of Opinion

- The District made transfers from general fund collection account to operation accounts amounting to Shs. 2,331,518,278 without audit warrants contrary to section 83(2) of Local Government Act 1997 as amended. The transfers could have been made in excess of budgetary provisions or for unintended areas.
- Excess expenditures amounting to Shs. 1,047,686,641 were incurred on a number of items in violation of budgetary provisions and without the relevant authority contrary to the Local Government Act.
- Salary expenditures amounting to Shs. 223,840,403 were not supported by adequate accountability documentation. The genuineness of the expenditures could not be confirmed.
- Management failed to present arrears of revenue return of Shs. 271,297,130 to the Executive Committee for appropriate action as required by section 54 of Local Government Financial and Accounting Regulations 1998. No explanation was given for the shortfall together with the ways and means to improve future revenue collection.
- Revenue receipted totaling to Shs. 78,793,617 could not be traced to any bank records as required by the Financial Regulations. The revenue could have been used at source irregularly before being banked or misappropriated.
- Administrative advances of Shs. 60,107,108 to various officers to finance Council activities had doubtful accountabilities (Shs. 55,035,108) and were not accounted for (Shs. 5,072,000). The advances with doubtful accountabilities could have been

misappropriated and those unaccounted for may have been misappropriated or spent on unintended purposes.

Opinion: Disclaimer

16.2 Kapchorwa District

Basis of Opinion

- The District made transfers from general fund collection account to operation accounts amounting to Shs. 8,102,660,878 without audit warrants contrary to section 83(2) of Local Government Act 1997 as amended. The transfer could have been in excess of budgetary provisions or unintended purposes.
- Excess expenditures amounting to Shs. 628,166,499 were incurred on a number of items in violation of budgetary provisions and without the relevant authority in accordance with Local Government Act.
- Administrative advances of Shs. 17,789,510 to various officers to finance Council activities did not have genuine accountabilities (Shs. 5,688,100) and were not accounted for (Shs. 12,101,400). The funds could have been misappropriated or used for unintended purposes.
- Purchase of stationeries and equipments of Shs. 16,052,300 were not taken on charge in stores records. The transactions appear doubtful since their deliveries were not independently verified.

Opinion: Qualified-Except for

16.3 Mbale District

Audit currently in process at Branch

16.4 Pallisa District

Basis of Opinion

- Expenditure of Shs. 97,931,227 on various activities had no payment vouchers and other accountability documents to support them contrary to section 109 of Local Government Financial and Accounting Regulations 1998. The genuineness and purpose of the expenditure could not be verified.
- Administrative advances of Shs. 90,319,600 paid to various officers to finance Council activities were not accounted for at the end of the year contrary to the Regulations. In addition, the amount was wrongly treated in the accounts as expenses. Such advances may be misappropriated or used for unintended purposes.
- The District suffered a loss of Shs. 59,563,200 due to actions of the District officials who wrongfully dismissed some District Executives. The concerned District Executives sued court ordered for payment of compensation. They were paid. Management put in no effort to recover the loss in accordance with section 169 of Local Government Financial and Accounting Regulations 1998. The expenditure was nugatory as it could have been avoided.
- Shs. 13,970,000 spent on legal representation were not supported by appropriate accountability documentation. The genuineness of the expenditures could not be verified.

Opinion: Qualified-Except for

16.5 Tororo District

Basis of Opinion

- Grant amounting to Shs. 994,408,438 were purportedly remitted to NGO hospitals and primary schools. However, the payments were not supported by official acknowledgement receipts. The transactions appear not to be authentic.

- Expenditures of Shs. 137,699,659 were not supported by payment vouchers contrary to section 109 of Local Government Financial and Accounting Regulations 1998. The genuineness and purpose of the expenditures could not be verified.
- Management failed to present arrears of revenue return of Shs. 178,628,914 to the Executive Committee for appropriate action as required by section 54 of Local Government Financial and Accounting Regulations 1998. No explanation was given for the shortfall to improve future collection of revenue.
- Administrative advance of Shs. 68,626,480 to various officers to finance Council activities were not accounted for at the end of the year contrary to the financial regulations. However, the amounts were wrongfully treated as expense in the accounts thus overstating the expenditure figures in the final accounts.
- Shs. 26,665,632 purportedly remitted to Uganda Revenue Authority (URA) in respect of PAYE and Withholding Tax were not supported by official receipt from URA. The authenticity of the transaction could not be verified.

Opinion: Qualified-Except for

16.6 Sironko District

Basis of Opinion

- The district made transfer from general fund collection account to operation accounts amounting to Shs. 2,770,558,253 without audit warrants contrary to section 83(2) of Local Government Act 1997. The transfer could be in excess of approved budgetary provisions or diversion of funds to unintended areas.
- Administrative advances of Shs. 126,713,787 to various officers to finance Council activities were not accounted for at end of the year contrary to Financial Regulations. Further, the amounts were wrongly treated in the accounts as expenses thus overstating the expenditure figure in the final accounts.
- Shs. 191,050,821 purportedly remitted to the sub-county Councils were not supported by official acknowledgement receipts from the sub-counties. The transactions appear doubtful as their authenticity could not be verified.

- Expenditures of Shs. 170,837,771 were not supported by payment vouchers contrary to section 109 of Local Government Financial and Accounting Regulations 1998. The authenticity and purpose of the expenditures could not be verified.
- Shs. 120,016,852 conditional grants un-utilized by the District at the year end were not returned to the Ministry of Finance Planning and Economic Development contrary to the Public Finance and Accountability Act Section 19(1) 2003. The Ministry may suspend funding to the Council as a result.
- Shs. 22,762,071 purportedly remitted to Uganda Revenue Authority in respect of PAYE and Withholding Tax were not supported by official receipt from URA. The authenticity of the transaction could not be verified.

Opinion: Qualified-Except for

16.7 Manafwa District

Audit currently in process at Branch

16.8 Butaleja District

Basis of Opinion

- Expenditures of Shs. 78,206,038 on Education and Health departments were not supported by payment vouchers contrary to section 209 of Local Government Financial and Accounting Regulations 1998. The authenticity of the expenditures could not be verified.
- Management did not maintain revenue register to provide supporting evidence for revenue reported in the accounts. The completeness of the Local revenue reported in the financial statements could not be confirmed.
- Shs. 11,472,450 were purportedly remitted to Primary Schools but were not supported by official acknowledgement receipts from the schools. The genuineness of the transaction could not be verified.

Opinion: Qualified-Except for

16.9 Bukwo District

Basis of Opinion

- The Council exceeded the statutory limit of expenditure on Councilor activities by Shs. 165,184,930 without authority from the Minister of Local Government.
- Expenditures of Shs. 37,791,410 on various activities were not supported by appropriate accountability documentation. The genuineness and purpose of the expenditures could not be verified.
- There was no board of survey report to verify the cash component of the cash and bank balance of Shs. 37,416,681. The actual or correct amount of cash could not be confirmed.
- Administrative advances of Shs. 3,105,000 to various officers to finance Council activities were not accounted for at the end of the year contrary to the Financial Regulations. There is a risk that such advances may be misappropriated by the officials or spent on unintended purposes. Further, the amounts were wrongly treated as expenditures in the figure in the final accounts.

Opinion: Qualified-Except for

16.10 Budaka District

Basis of Opinion

- The expenditures of Shs. 88,930,040 lacked appropriate supporting documents. The genuineness and purpose of the expenditure could not be verified..
- Expenditure amounting to Shs. 43,010,904 were not verified as the payment vouchers were said to have been taken by the office of Inspector General of Government (IGG).
- Council did not maintain contracts Register contrary to the Public Procurement and Disposal of Public Assets Act, 2003 and Local Government Financial and Accounting Regulations 1998.

Opinion: Qualified-Except for

16.11 Bududa District

Basis of Opinion

- The management did not avail for audit financial records such as abstracts, ledgers, revenue registers, contract registers, approved work plan for SFG, Rural Water and sanitation; and contract documents. Hence, the correctness of the figures in the financial statements could not be confirmed with the underlying records.
- The District made transfers from general fund collection account to operation account amounting to Shs. 5,863,669,783 without audit warrants contrary to section 83(2) of the Local Government Act 1997. The transfer could have been in excess of approved budgetary provision or diversion of funds to unintended areas.
- Shs. 179,285,667 conditional grants un-utilized by the District at the end of the year were not returned to the Ministry of Finance Planning and Economic Development contrary to the Public Finance and Accountability Act Section 19(1) 2003. The District could be penalized by the Ministry for non-compliance.
- There was no board of survey report to verify the cash component of the cash and bank balance of Shs. 273,682,465. The actual cash balance could not be verified.
- Expenditures of Shs. 78,748,965 either lacked the supporting payment vouchers or were not supported by appropriate accountability documentation contrary to section 109 of Local Government Financial and Accounting Regulations 1998. The authenticity and purpose of the expenditures could not be verified.

Opinion: Disclaimer

16.12 Busia Town Council

Basis of Opinion

- The fixed assets amounting to Shs. 2,306,384,394 appearing in the balance sheet were not depreciated and were overstated by the amount of accumulated depreciation not deducted since their acquisition contrary to the requirements of the Local Government Financial and Accounting Regulations 1998.

- Management failed to present arrears of revenue return totaling to Shs. 132,072,748, to the Executive Committee for appropriate action as required by section 54 of Local Government Financial and Accounting Regulations 1998. No explanation was given for the shortfall in revenue collection.
- There was no board of survey report to verify the stock and stores worth Shs. 38,823,071 included in the balance sheet. The accuracy of the stores value could not be confirmed.

Opinion: Qualified-Except for

16.13 Kapchorwa Town Council

Basis of Opinion

- Conditional Grants amounting to Shs. 20,916,038 were diverted and spent on other operational activities in contravention of conditional fund guidelines. Hence funds for delivering given services were diverted and effective service deliveries were impaired.
- The fixed assets appearing in the balance sheet were misstated by exclusion of assets acquired during the year of Shs. 25,575,000. Further, the assets have been misstated by non-deduction of depreciation in accordance with Local Government Financial and Accounting Regulations 1998.
- Expenditures of Shs. 5,381,000 on various activities were not supported by appropriate accountability documentation. The geniuses and purpose of the expenditures could not be verified.
- There was no board of survey report to confirm the correctness of the cash balance of Shs. 4,882,594 as shown in the balance sheet.

Opinion: Qualified-Except for

16.14 Mbale Municipal Council

Basis of Opinion

- The management did not avail for audit the subsidiary ledgers and supporting documents in respect of Personal advances, Debtors, Sundry creditors, General fund account, deposits and crown agents. The accuracy of the figures in the financial statements could not be confirmed with the underlying records.
- The fixed assets amounting to Shs. 13,544,732,658 in the balance sheet were overstated by the amount of accumulated depreciated not deducted over their useful lives since their acquisition as required by the Local Government Financial and Accounting Regulations 1998.
- The financial statement figures were misstated by Shs. 658,775,936 (in reserves) and by Shs. 383,438,754 (in capital grants). This makes the whole set of the financial statements to be misstated.
- There was no board of survey report to verify the cash component of the cash and bank balance of Shs. 260,918,150. The actual balance of cash could not be confirmed.
- Shs. 148,434,597 paid to Uganda Revenue Authority in respect of PAYE and Withholding tax were not supported by official receipt from URA. The genuineness of the transaction could not be confirmed.
- Shs. 103,747,820 conditional funds un-utilized by District were not returned at the end of the financial year to the Ministry of Finance Planning and Economic Development contrary to Public Finance and Accountability Act Section 19(1) 2003. The Ministry may penalize the district for non compliance.
- Administrative advances of Shs. 62,253,700 to various officers to finance Council activities were not accounted for at the end of year as required by the financial Regulations. Further, the amounts were wrongfully treated in the final accounts as expenses. This overstated the expenditure figure in the final accounts.
- Expenditures of Shs. 51,232,320 were not supported by payment vouchers contrary to section 109 of Local Government Financial and Accounting Regulations 1998. The genuineness and purpose of the expenditures could not be verified.

- Drugs purchased of Shs. 22,849,517 had no receipt, nor issues records in the stores ledgers. The transactions appear doubtful since the deliveries of the items were not independently recorded and verified.

Opinion: Disclaimer

16.15 Paliisa Town Council

Basis of Opinion

- Management did not avail for audit, the records of revenue collection relating to the water supply contract. The revenue figure in the financial statements may have been understated.
- Council did not share revenue amounting to Shs. 105,512,980 with Lower Local council contrary to Section 86 of Local Government Act 1997 as amended.
- Conditional Grants amounting to Shs. 14,654,000 for urban Water (Shs. 10,354,000) and Urban Roads (Shs. 4,300,000) were diverted and spent on other un-related operational activities of the Council in contravention of conditional grant guidelines.
- Expenditures of Shs. 27,437,240 on various activities were not supported by appropriate accountability documentation. The genuineness and purpose of the expenditures could not be verified.

Opinion: Qualified-Except for

16.16 Tororo Municipal Council

Basis of Opinion

- The financial statements were not presented in conformity with the requirements of chapter five of Local Government Financial and Accounting Regulations 1998; and no budget performance statement was prepared.
- The fixed assets amounting to Shs. 4,581,734,067 appearing in the balance sheet were not depreciated and were overstated by the amount of accumulated depreciation not

deducted since their acquisition, contrary to the requirements of the Local Government Financial and Accounting Regulations 1998.

- Administrative advances of Shs. 135,442,784 to various officers to finance Council activities were not accounted for at the year end contrary to the Regulations. Further, the amounts were treated as expenditures in the final accounts thus overstating the expenditures figure in the income statement. The advances could have been misappropriated.
- Shs. 53,487,480 paid to Uganda Revenue Authority (URA) in respect of PAYE and Withholding Tax were not supported by official receipt from the URA. The genuineness of the transaction could not be verified.
- Purchase of drugs and other equipments worth Shs. 53,194,405 were not taken on charge in stores records. The transactions appear doubtful since their deliveries were not independently verified.
- Procurement of Shs. 33,343,737 for Health Department of the Council did not follow Procurement procedures contrary to the Public Procurement and Disposal of Public Assets Act, 2003. Best value for money was not obtained as the transaction was not subjected to competitive bidding.

Opinion: Disclaimer

16.17 Sironko Town Council

Basis of Opinion

- The fixed assets amounting to Shs. 446,890,978 appearing in the balance sheet were not depreciated. They were overstated by the amount of accumulated depreciation not deducted as required by Local Government Financial and Accounting Regulations 1998.
- Administrative advances of Shs. 6,322,000 to various officers to finance Council activities were not unaccounted for at the year end. The advances could have been misappropriated by the officials or used for unintended purposes. Further, the amounts were wrongly treated in the accounts as expenditures thus overstating the expenditure figure in the final accounts.

- Land was purchased at Shs. 17,750,000 without being valued and without title to support ownership. The Council stands to lose if it does not obtain the title.
- The balance sheet is misstated by Shs. 10,300,000 in respect of revenue received in advance. The revenue was treated as current assets instead of current liability.

Opinion: Qualified-Except for

16.18 Manafwa Town Council

Basis of Opinion

- Management did not maintain revenue register to show details of revenue collected. In addition, revenue amounting to Shs.121, 537,330 were not receipted and the receipt books were not availed for audit. The completeness and accuracy of Local Revenue reported in the financial statements could not be confirmed.
- Management did not prepare the financial statements on accrual basis as required; contrary to the requirements of Chapter 5 of Local Government Financial and Accounting Regulations 1998.
- Administrative advances of Shs. 55,658,842 to various officers to finance Council activities remained unaccounted for at the year end contrary to financial regulations. Further, the amounts were wrongly treated in the final accounts as expenditures.
- Procurements of Shs. 38,187,069 of civil works (Shs. 34,411,069) and other items (Shs. 3,776,000) did not follow procurement procedures contrary to the Public Procurement and Disposal of Public Assets Act, 2003. Value for money was not obtained as no competition was encouraged.
- Expenditure of Shs. 10,996,850 on various activities appear fraudulent as they were supported by inappropriate and suspect accountability documentation.
- Expenditure of Shs. 6,690,500 were not supported by payment vouchers contrary to section 109 of Local Government Financial and Accounting Regulations 1998. They are doubtful as their authenticity and purpose could not be verified.

- No board of survey report was availed to confirm the correctness of the cash component of the bank and cash balance of Shs. 15,065,815 appearing in the final accounts.
- The surplus reported under income and expenditure statement was overstated by Shs. 12,308,230 due to overstatements in the LGDP, Unconditional grant and Graduated tax compensation figures.

Opinion: Disclaimer

16.19 Butaleja Town Council

Opinion: Unqualified

16.20 Bukwo Town Council

Basis of Opinion

- The Council spent Shs. 8,554,000 on a contract in opening and periodic maintenance of roads. It was observed that some of the roads were too narrow while others were not actually opened. No proper value for money was obtained as the Council lost money in shoddy work.
- Administrative advances of Shs. 1,621,850 to various officers to finance Council activities were not accounted for by the end of the year contrary to the Local Government Financial and Accounting Regulations.

Opinion: Qualified-Except for

16.21 Budaka Town Council

Basis of Opinion

- Shs. 5,562,700 was diverted from Local Government Development Programme (LGDP) and spent on non Local Government Development Programme matters.

- Council did not share revenue amounting to Shs. 14,113,000 with Lower Local Council contrary to section 86 of Local Government Act 1997, as amended.

Opinion: Qualified-Except for

16.22 Malaba Town Council

Basis of Opinion

- Management did not maintain revenue register to show details of revenue collected. There was no record of the revenue reported in the final accounts. The completeness and correctness of the local revenue reported in the financial statements could not be confirmed.
- Expenditures amounting to Shs. 189,395,300 were not verified as the payment vouchers were taken by the office of Inspector General of government (IGG) and the Inspector from the Ministry of Local Government.
- Administrative advances of Shs. 56,387,200 to various officers to finance council activities were not accounted for at the end of the year contrary to financial regulations. In addition the amounts were wrongly treated in the accounts as expenditures. This overstated the expenditures figure in the final accounts.
- Shs. 12,305,000 revenue collected by the Commercial officer from business licenses was not accounted for as the amount was not remitted to the cash office. Further, a cash shortage of Shs. 2,867,520 was revealed following a board of survey.
- Shs. 11,968,636 purportedly paid to Uganda Revenue Authority in respect of PAYE and Withholding Tax were not supported by official receipt from the URA. The payments appear doubtful as the genuineness of the transaction could not be confirmed. In addition, Shs. 2,614,700 taxes was not remitted to URA. This may attract penalties.
- Expenditures of Shs. 8,432,240 on various activities were not supported by appropriate accountability documentation. The genuineness and purpose of the expenditures could not be verified.
- Goods purchased at Shs. 7,096,500 had no records of receipts, nor issues in the stores contrary to section 81(4) and 91(c) of Local Government Financial and Accounting

Regulations 1998. The transactions appear doubtful in the absence of independently verified deliveries and issues.

- LGDP Grants amounting to Shs. 8,000,000 were diverted and spent on other unrelated operational activities of the Council in contravention of LGDP fund guidelines. Diversion of funds impairs service delivery that is already planned to be rendered.
- Council was denied a share of the Central Government grants by Tororo District Administration of Shs. 3,612,496. The management of the Council failed to capture Tororo District Council as debtor in its books.

Opinion: Disclaimer

16.23 Bududa Town Council

Basis of Opinion

- Administrative advances of Shs. 29,355,300 to various officers to finance Council activities remained unaccounted for at the year end contrary to the regulations. In addition the amounts were wrongly treated as expenditures in the final accounts thus overstating the expenditure figure.
- There was no board of survey report to confirm the correctness of the cash component of the bank and cash balance of Shs. 27,406,762.
- Shs. 15,283,709 was spent on procurement of works services without following procurement procedures contrary to the Public Procurement and Disposal of Public Assets Act, 2003. No best value for money was obtained as competition was not encouraged.
- Stationeries of Shs. 4,377,060 purchased were not receipted and issued (recorded) in the stores contrary to section 81(4) and 91 (c) of Local Government Financial and Accounting Regulations 1998. The transactions appear doubtful as the deliveries and issues were not verified.
- Management failed to present arrears of revenue return of uncollected local revenue of Shs. 4,783,566 to the Executive Committee for appropriate action as required by Section 54 of Local Government Financial and Accounting Regulations 1998. No

explanations as to the shortfall in revenue together with the ways and means to improve future local revenue collection were given.

Opinion: Qualified-Except for

16.24 Nagongera Town Council

Basis of Opinion

- Management failed to present arrears of revenue return arising from uncollected local revenue of Shs. 42,137,910 to Executive Committee for appropriate action as required by section 54 of Local Government Financial and Accounting Regulations 1998. No explanation was given for the shortfall with the ways and means to improve collection of Local Revenues in the future.
- Administrative advances of Shs. 5,425,000 to various officers to finance Council activities remained unaccounted for at the end of the year. The amounts were incorrectly treated as expenditures in the accounts thus overstating the expenditure figure in the final accounts.
- The Council was denied a share of their Central Government grants by Tororo District Council amounting to Shs. 3,540,600. However, management failed to capture Tororo District Council as a Debtor thus understating the Debtors figure in the final accounts.

Opinion: Qualified-Except for

16.25 Busolwe Town Council

Opinion: Unqualified

17. Soroti Branch

17.1 Kumi District

Basis of Opinion

- Administrative advances of Shs. 441,994,020 paid to various officers to finance Council activities remained unaccounted for at the year end contrary to the Regulations; and the amounts were also incorrectly presented as expenses in the accounts.
- Shs. 135,053,019 spent on various activities were not supported by appropriate accountability documentation as such the genuiness and purpose of the expenditures could not be verified.
- Shs. 46,142,600 from Sight Savers donation was diverted from comprehensive eye program account to fund other activities with little relevance to sight saving as per approved work plan.
- Expenditures amounting to Shs. 11,601,442 were incurred but the vouchers to support the payment were missing contrary to Section 109 of Local Government Financial and Accounting Regulations 1998.

Opinion: Qualified-Except for

17.2 Soroti District

Basis of Opinion

- Management did not submit final financial statements of the District for the financial year 2006/2007 for audit contrary to Section 151 of Local Government Financial and Accounting Regulations 1998.
- Shs. 284,857,463 spent on various activities were not supported by appropriate accountability documentation as such the genuiness and purpose of the expenditures could not be verified.

- Shs. 71,619,398 deducted as PAYE and Withholding Taxes were not remitted to URA contrary to Income Tax Act. This may attract penalties resulting in losses to the Council.
- Shs. 264,150,733 received from Ministry of Finance Planning and Economic Development and transferred to Health Centre; and Shs. 12,986,254 disbursed to Primary schools remained un-accounted for by the end of the financial year contrary to the Financial Regulations.

Opinion: Disclaimer

17.3 Moroto District

Basis of Opinion

- The management maintained incomplete financial records as reflected in absence of revenue registers, debtors and advances ledgers, and none balancing of cashbooks in respect of some programs; not maintaining revenue and expenditure abstracts in compliance with the chart of accounts and postings to general fund accounts not being referenced in the various operation cash books.
- Administrative advances of Shs. 510,148,884 paid to various officers to finance council activities remained unaccounted for and the amounts were also incorrectly presented as expenses in the accounts.
- Shs. 211,507,020 was spent on construction and supply of goods and services. However, the bid documents, technical evaluation committee minutes and contract award minutes were not availed to verify compliance with Public Procurement and Disposal of Public Assets Act, 2003.

Opinion: Disclaimer

17.4 Kotido District

Basis of Opinion

- Shs. 883,282,525 was spent on construction and supply of goods and services. However, bid documents, technical evaluation committee minutes and contract award minutes were not available to verify compliance with Public Procurement and Disposal of Public Assets Act, 2003.
- Administrative advances of Shs. 307,972,691 paid to various officers to finance Council activities remained unaccounted for and the amounts were also incorrectly presented as expenses in the accounts.
- Shs. 64,000,000= was diverted from School Facilities Grant (SFG) account to finance unspecified activity and no documents were available to specify how the funds were used. This is against the rules for utilizing conditional grants.
- Revenues from boarded off District assets amounting to Shs. 24,014,000 were also not collected from beneficiaries for undisclosed reasons.
- Shs. 19,117,007 paid to Uganda Revenue Authority in respect of PAYE and Withholding tax were not backed by official acknowledgement receipt. It was not possible to establish whether the amount was actually remitted to the URA.

Opinion: Qualified-Except for

17.5 Katakwi District

Basis of Opinion

- Administrative advances of Shs. 63,521,861 paid to various officers to finance Council activities remained unaccounted for at year end contrary to the Regulations; and the amounts were incorrectly presented as expenses in the accounts.

Opinion: Qualified-Except for

17.6 Kaberamaido District

Basis of Opinion

- Administrative advances of Shs. 402,399,347 paid to various officers to finance council activities remained unaccounted for and the amounts were also incorrectly presented as expenses in the accounts.
- There was no board of survey report to verify the cash component of the cash and bank balance of Shs. 531,438,758.
- Shs. 135,768,520 was spent on construction, and supply of goods and services. However, the bid documents, technical evaluation committee minutes and contract award minutes were not availed to verify compliance with Public Procurement and Disposal of Public Assets Act, 2003.
- Shs. 12,891,600 paid to Uganda Revenue Authority in respect of PAYE and Withholding Tax were not backed by official acknowledgement receipt. It was not possible to verify whether URA actually received the amount.

Opinion: Qualified-Except for

17.7 Nakapiripirit District

Basis of Opinion

- Administrative advances of Shs. 2,195,905,013 paid to officers to finance various Council activities remained unaccounted for at the year end contrary to the Local Government Financial and Accounting Regulations; and amounts were incorrectly presented as expenses in the accounts.

Opinion: Disclaimer

17.8 Amuria District

Basis of Opinion

- Shs. 55,442,547 were spent on purchase of items. There was no evidence of their receipt nor issues in stores records. The transactions appeared doubtful since their deliveries were not independently verified.
- Shs. 35,312,670 spent on various activities were not supported by appropriate accountability documentation. The genuineness and purpose of the expenditures could not be verified.
- Shs. 25,706,686 paid to Uganda Revenue Authority in respect of PAYE and Withholding tax were not backed by official acknowledgement receipt except that the payment vouchers were merely stamped by Domestic Tax Department which appeared not to be authentic.
- Administrative advances of Shs. 29,663,662 paid to various officers to finance Council activities remained unaccounted for at the year end contrary to the Regulations; and the amounts were incorrectly presented as expenses in the accounts.

Opinion: Qualified-Except for

17.9 Kaabong District

Basis of Opinion

- Administrative advances of Shs. 204,180,327 paid to various officers to finance Council activities remained unaccounted for at the year end contrary to the Regulations; and the amounts were also incorrectly presented as expenses in the accounts.
- Expenditures amounting to Shs. 171,204,008 were incurred but the vouchers to support the payments were missing contrary to section 109 of Local Government Financial and Accounting Regulations 1998.
- Shs. 115,972,706 was spent on contract for rehabilitation of office block, Maternity ward and Health Staff Houses but the contract award minutes were not availed to verify compliance with Public Procurement and Disposal of Public Assets Act.

- Shs. 35,644,132 deducted as PAYE and Withholding taxes were not remitted to URA contrary to Income Tax Act. This is likely to attract penalties resulting in losses to the Council.

Opinion: Qualified-Except for

17.10 Bukedea District

Basis of Opinion

- Administrative advances Shs. 648,183,268 paid to various officers to finance Council activities remained unaccounted for at the year end contrary to the Financial Regulations; and the amounts was also incorrectly presented as expenses in the accounts.
- Shs. 45,276,442 were spent on purchase of items. There was no evidence of their receipt nor issues in stores records. The transactions appeared doubtful since their deliveries were not independently verified.

Opinion: Qualified-Except for

17.11 Abim District

Basis of Opinion

- Administrative advances of Shs. 330,577,245 paid to various officers to finance Council activities remained unaccounted for and the amounts were incorrectly presented as expenses in the accounts.
- There was no board of survey report to verify the cash component of the cash and bank balance of Shs. 266,382,962.
- Shs. 35,495,000 were spent on purchase of stationery items yet there was no evidence of their receipt nor issues in stores records. The transactions appear doubtful since their deliveries were not independently verified.

- Expenditure amounting to Shs. 20,961,796 were incurred but the vouchers to support the payment were missing contrary to section 109 of Local Government Financial and Accounting Regulations 1998.
- Shs. 6,084,454 paid to Uganda Revenue Authority in respect of PAYE and Withholding tax were not backed by official acknowledgement receipt. It was difficult to establish whether the amount was actually received by the URA.

Opinion: Qualified-Except for

17.12 Kumi Town Council

Basis of Opinion

- Details of grant release of Shs. 283,119,683 were not availed for audit. I could not satisfy myself that there was no diversion of funds during the use of the grant released.
- Administrative advances of Shs. 27,432,835 paid to various officers to finance Council activities remained unaccounted for and the amounts were also incorrectly presented as expenses in the accounts.
- Shs. 15,495,500 were transferred from government grant account to other accounts. These transfers were not supported by payment vouchers contrary to section 109 of Local Government Financial and Accounting Regulations 1998.
- Shs. 10,137,565 spent on various activities were not supported by appropriate accountability documentation as such the genuiness and purpose of the expenditures could not be verified.
- Management denied revenue to Government of Shs. 2,728,199 by not deducting Withholding tax from Contractors contrary to the Income Tax Act.

Opinion: Qualified-Except for

17.13 Soroti Municipal Council

Basis of Opinion

- Shs. 56,925,507 spent on various activities were not supported by appropriate accountability documentation as such the genuineness and purpose of the expenditures could not be verified.
- Administrative advance of Shs. 40,425,973 paid to an officer to finance Council activities remained unaccounted for at the year end contrary to the Regulations and the amount was also incorrectly presented as expenses in the accounts.
- Shs. 8,508,031 paid to Uganda Revenue Authority in respect of PAYE and Withholding Tax were not remitted contrary to Income Tax Act. This may attract penalties resulting into a loss to the Council.

Opinion: Qualified-Except for

17.14 Moroto Municipal Council

Basis of Opinion

- Management did not submit final financial statements of the Municipal Council for the Financial Year 2006/2007 for audit contrary to section 151 of Local Government Financial and Accounting Regulations 1998.
- The management did not maintain complete financial records such as revenue registers, Asset registers, contract registers, debtors and advances ledgers. Revenue and expenditure abstracts were not maintained in compliance with the chart of accounts. Postings to general fund accounts were not referenced in the various operations cash books. Hence the balances constituting the financial statements could not be relied on.
- Administrative advances of Shs. 61,423,800 paid to various officers to finance Council activities remained unaccounted for and the amounts were also incorrectly presented as expenses in the accounts.
- Shs. 14,386,841 were spent on construction of public library and drainage channel. However, the bid documents, technical evaluation committee minutes and contract

award minutes were not available to verify compliance with Public Procurement and Disposal of Public Assets Act, 2003.

Opinion: Disclaimer

17.15 Kotido Town Council

Basis of Opinion

- Administrative advances Shs. 56,915,737 paid to various officers to finance Council activities remained unaccounted for and the amounts were also incorrectly presented as expenses in the accounts.
- Expenditures amounting to Shs. 15,560,000 were incurred but the vouchers to support the payment were missing contrary to section 109 of Local Government Financial and Accounting Regulations 1998.
- There was no board of survey report to verify the cash component of the cash and bank balance of Shs. 77, 200,769.

Opinion: Qualified-Except for

17.16 Katakwi Town Council

Basis of Opinion

- Administrative advances of Shs. 33,484,837 paid to various officers to finance Council activities remained unaccounted for and the amounts were also incorrectly presented as expenses in the accounts.
- Shs. 18,926,411 was spent on road works without following tendering procedures contrary to the Public Procurement and Disposal of Public Assets Act, 2003.
- Shs. 4,523,885 paid to Uganda Revenue Authority in respect of PAYE and Withholding Tax were not remitted contrary to Income Tax Act. This may attract penalties resulting in losses to the Council

Opinion: Qualified-Except for

17.17 Kaberamaido Town Council

Basis of Opinion

- Expenditures amounting to Shs. 15,495,500 were incurred but the vouchers to support the payments were missing contrary to Section 109 of Local Government Financial and Accounting Regulations.
- Administrative advances of Shs. 11,754,400 paid to various officers to finance council activities remained unaccounted for at the year end contrary to the Regulations and the amounts were also incorrectly presented as expenses in the accounts.
- Shs. 3,183,652 paid to Uganda Revenue Authority in respect of PAYE and Withholding tax were not remitted contrary to Income Tax Act. This may attract penalties resulting into a loss to the council.
- Shs. 2,029,997 was withdrawn from urban road bank account and its utilization cannot be traced on any Council documents.
- Shs. 27,600,000 spent on supply of computers and grading a road lacked contract award minutes to verify compliance with Public Procurement and Disposal of Public Assets Act, 2003.

Opinion: Qualified-Except for

17.18 Nakapiripirit Town Council

Basis of Opinion

- Shs. 40,500,000 spent on procurement of advisory services in NAADS and survey of Council plots lacked contract award minutes to verify compliance with Public Procurement and Disposal of Public Assets Act, 2003.
- Administrative advances of Shs. 32,931,900 paid to various officers to finance Council activities remained unaccounted for and the amounts were also incorrectly presented as expenses in the accounts.

Opinion: Qualified-Except for

17.19 Kaabong Town Council

Basis of Opinion

- Administrative advances of Shs. 26,007,048 paid to various officers to finance Council activities remained unaccounted for and the amounts were also incorrectly presented as expenses in the accounts.
- Shs. 22,400,000 spent on establishing tree wood, surveying and valuing appear doubtful as the tree wood contract agreement was not completed and the payee for surveying of Shs. 17,400,000 is different from the contractor who entered the contract.
- Shs. 6,772,658 paid to Uganda Revenue Authority in respect of PAYE and Withholding tax were not remitted contrary to Income Tax Act. This may attract penalties resulting into losses to the Council.

Opinion: Qualified-Except for

17.20 Amuria Town Council

Basis of Opinion

- Excess expenditures amounting to Shs. 18,766,000 were incurred on sixteen items in violation of the budget provisions and without the relevant authority contrary to the Local Government Act.
- Management failed to present arrears of revenue return of uncollected local revenue of Shs. 16,725,500 to the Executive Committee for appropriate action as required by section 54 of Local Government Financial and Accounting Regulations 1998.
- Shs. 9,472,090 were spent on purchase of items yet there was no evidence of their receipt nor issues in stores records. The transactions appear doubtful as their deliveries were not independently verified.
- Shs. 7,174,750 spent on various activities were not supported by appropriate accountability documentation as such the genuineness' and purpose of the expenditures could not be verified.

- Administrative advances of Shs. 4,729,000 paid to various officers to finance Council activities remained unaccounted for at the year end contrary to the Regulations and the amount was incorrectly presented as expenses in the accounts.

Opinion: Qualified-Except for

17.21 Bukedea Town Council

Basis of Opinion

- Shs. 17,748,686 paid to various officers to finance Council activities remained unaccounted for and the amounts were also incorrectly presented as expenses in the accounts.
- Shs. 2,814,000 spent on various workshops were not supported by appropriate accountability documentations. The genuineness of the expenditures could not be verified.

Opinion: Qualified-Except for

17.22 Abim Town Council

Basis of Opinion

- Shs. 70,599,200 were spent on supply of vehicle and furniture. However, the bid documents, technical evaluation committee minutes and contract award minutes were not availed to verify compliance with Public Procurement and Disposal of Public Assets Act, 2003.
- Administrative advances of Shs. 3,577,985 paid to various officers to finance council activities remained unaccounted for and the amounts were also incorrectly presented as expenses in the accounts.
- Shs. 1,126,001 paid to Uganda Revenue Authority in respect of PAYE and Withholding tax were not backed by official acknowledgement receipt. It was not possible to establish whether the amount was actually received by the URA.

Opinion: Qualified-Except for

APPENDIX I**ARREARS OF REVENUE**

<u>NAME OF DA/TC</u>	<u>SHS</u>
Hoima District	396,869,718
Kiboga TC	43,328,334
Kitgum District	142,603,000
Pader District	166,212,465
Dokolo District	8,968,840
Lira MC	374,825,757
KitgumTC	479,561,337
Apac TC	184,189,384
Pader TC	60,164,673
Amolatar TC	3,373,000
Amuru TC	49,628,037
Kalongo TC	28,363,755
Oyam TC	60,956,130
Jinja District	44,719,173
Busia DA	271,297,130
Tororo DA	178,628,914
Busia TC	132,072,748
Bududa TC	4,783,566
Nagongera TC	42,137,910
Amuria TC	16,725,500
TOTALS	2,689,409,371

APPENDIX II**EXCESS EXPENDITURE**
NAME OF DA/TC**SHS**

Hoima District	1,045,358,640
Kyenjojo District	792,627,862
Buliisa District	162,006,987
Hoima TC	34,700,226
Masindi Town Council	60,600,251
Kamwengye Town Council	15,245,815
Kyenjojo Town Council	39,253,566
Masaka District	1,435,101,237
Kiboga District	252,115,451
Kalisizo Town council	8,017,730
Sembabule Town Council	8,383,874
Adjumani District	82,714,200
Terego-Maracha District	173,706,277
Pader District	1,713,217,320
Dokolo District	13,598,271
Lira MC	858,013,875
Apac TC	24,737,960
Pader TC	5,620,940
Dokolo TC	16,700,000
Oyam TC	12,554,300
Busia DA	1,047,686,641
Kapchorwa DA	628,166,499
TOTALS	8,430,127,922

APPENDIX III**ADMINISTRATIVE ADVANCES UN-ACCOUNTED FOR**

<u>NAME OF DA/TC</u>	<u>SHS</u>
Kabarole District	157,010,847
Kasese District	303,031,485
Hoima District	32,679,500
Masindi District	98,200,011
Bundibugyo District	163,936,620
Kibaale District	162,674,455
Kyenjojo District	77,503,889
Kasese TC	48,369,878
Katwe-Kabatoro TC	42,147,405
Hoima TC	48,519,380
Masindi Town Council	68,285,963
Kibaale Town Council	3,204,600
Kamwengye Town Council	13,408,000
Hima Town Council	10,634,464
Rakai District	6,536,000
Kalangala District	75,389,506
Sembabule District	82,702,959
Masaka Municipal Council	23,630,700
Sembabule Town Council	22,150,000
Mbarara District	29,121,541
Rukungiri District	42,410,700
Kiruhura District	

Kabwohe-Itendero TC	41,006,000
Arua District	307,384,108
Moyo District	97,439,670
Adjumani District	102,381,285
Arua MC	23,025,900
Moyo TC	122,875,047
Gulu District	35,615,825
Lira District	15,121,001
Kitgum District	120,180,240
Apac District	51,013,200
Pader District	475,243,293
Amuru District	278,978,146
Pader TC	59,760,272
Amolatar TC	38,660,580
Amuru TC	3,300,000
Dokolo TC	3,286,000
Kalongo TC	1,474,000
Luwero District	26,195,140
Mukono District	33,205,200
Nakasongola District	314,439,626
Wakiso District	84,061,598
Nakaseske District	10,702,000
Entebbe MC	37,467,748
Bombo TC	15,636,533
Wakiso TC	15,929,513

	1,926,000
Kayunga DA	
	2,500,000
Mayuge DA	
	26,171,600
Kaliro DA	
	12,749,000
Busia DA	
	60,107,108
Kapchorwa DA	
	17,789,510
Pallisa DA	
	90,319,600
Tororo DA	
	68,627,480
Sironko DA	
	126,713,787
Bukwo DA	
	3,105,000
Mbale MC	
	62,253,700
Tororo MC	
	135,442,784
Sironko TC	
	6,322,000
Manafwa TC	
	55,658,842
Bukwo TC	
	1,621,850
Malaba TC	
	56,387,200
Bududa TC	
	29,355,300
Nagongera TC	
	5,425,000
Kumi DA	
	441,944,020
Moroto DA	
	510,148,884
Kotido DA	
	307,972,691
Katakwi DA	
	63,521,861
Kaberamaido DA	
	402,399,347
Nakapiripirit DA	
	2,195,905,013
Amuria DA	
	29,663,662
Kaabong DA	

Bukedea DA	204,180,327
Abim DA	648,183,268
Kumi TC	330,577,245
Kotido TC	27,432,855
Katakwi TC	56,915,737
Kaberamaido TC	33,404,837
Nakapiripirit TC	11,754,000
Kaabong TC	32,931,900
Amuria TC	26,007,048
Abim TC	4,729,000
	3,577,985
TOTALS	9,919,655,269

APPENDIX IV**Unvouched Payments****SHS.**

Bundibugyo District	353,190,975
Rakai District	102,799,838
Kalisizo Town council	27,218,900
Kyotera TC	6,200,700
Mityana TC	15,517,000
Rukungiri District	10,177,100
Kabale MC	26,258,500
Arua MC	177,985,432
Pader District	224,740,409
Amuru District	149,921,277
Mukono District	693,248,301
Nakasongola District	129,765,423
MukonoTC	91,216,059
Nkokonjeru TC	17,452,693
Tororo DA	137,699,659
Bukwo DA	37,791,410
Pallisa TC	27,437,240
Malaba TC	8,432,240
Kumi DA	135,053,019
Abim DA	20,961,796
Kotido TC	15,560,000
TOTALS	2,408,627,971

APPENDIX V**PROCUREMENT IRREGULARITIES**

<u>NAME OF DA/TC</u>	<u>SHS</u>
Masindi District	91,973,250
Arua District	17,181,967
Arua MC	23,692,600
Amuru District	35,475,759
Pader TC	6,300,000
Kalongo TC	4,000,000
MukonoTC	219,177,626
Nkokonjeru TC	65,834,871
Iganga District	4,800,000
Namutumba DA	11,497,000
Tororo MC	33,343,737
Manafwa TC	38,187,069
Bududa TC	15,283,709
Moroto DA	211,507,020
Kotido DA	883,282,525
Kaberamaido DA	135,768,520
Kaabong DA	115,972,706
Katakwi TC	18,926,411
Kaberamaido TC	27,600,000
Nakapiripirit TC	40,500,000
Abim TC 70,599,200	
TOTALS	2,070,903,970

APPENDIX VI**NON -REMITTANCE OF TAXES TO URA**

<u>NAME OF COUNCIL</u>	<u>SHS</u>
Masindi District	151,180,298
Fort Portal Municipal	2,670,000
Kasese TC	2,064,475
Kibaale Town Council	4,250,000
Luwero District	89,945,915
Wakiso District	5,874,000
Nakasongola TC	3,586,267
Soroti DA	71,619,398
Kaabong DA	35,644,132
Katakwi TC	4,523,885
Kaberamaido TC	3,183,652
Kaabong TC	6,772,658
TOTALS	381,314,680

APPENDIX VII**PURPORTED REMITTANCE OF TAXES TO URA**

<u>NAME OF COUNCIL</u>	<u>SHS</u>
Amuru District	215,134,954
Lira MC	57,133,899
Kayunga DA	15,161,025
Tororo DA	26,665,632
Sironko DA	22,762,071
Mbale MC	148,434,597
Tororo MC	53,487,480
Malaba TC	11,968,636
Kotido DA	19,117,007
Kaberamaido DA	12,891,600
Amuria DA	25,706,686
Kaberamaido TC	12,891,600
Abim TC	1,126,001
TOTALS	622,481,188

APPENDIX VIII

UNSPENT BALANCES

<u>NAME OF DA/TC</u>	<u>SHS</u>
Sembabule District	15,862,415
Kyotera TC	28,527,745
Mbarara District	52,229,038
Kanungu District	1,014,367
Moyo District	93,914,268
Adjumani District	206,941,565
Terego-Maracha District	8,320,239
Arua MC	47,575,237
TOTALS	454,384,874

APPENDIX IX

DIVERSION OF FUNDS

<u>NAME OF DA/TC</u>	<u>SHS</u>
Bundibugyo District	169,608,687
Kanungu District	73,400,000
Kitgum District	58,863,839
Pader District	181,238,000
Dokolo TC	15,000,000
Kotido DA	64,000,000
TOTALS	562,110,526

APPENDIX X**BOARD OF SURVEY****NAME OF DA/TC****SHS**

Rakai TC	9,914,986
Bushenyi District	906,940,721
Kiruhura District	1,399,517,120
Kisoro District	177,035,665
Moyo TC	70,151,317
Dokolo District	316,168,308
Amuru District	764,826,055
Apac TC	77,481,955
Amolatar TC	43,526,963
Amuru TC	66,166,979
Dokolo TC	98,554,308
Kalongo TC	63,661,521
Oyam TC	103,880,177
Bukwo DA	37,791,410
Bududa DA	273,682,465
Kapchorwa TC	4,882,594
Mbale MC	260,918,150
Sironko TC	15,065,815
Bududa TC	27,406,762
Kaberamaido DA	531,438,758
Abim DA	266,382,962
Kotido TC	77,200,769
Kaberamaido TC	531,438,758
TOTALS	6,124,034,518

APPENDIX XI**NON DEPRECIATION OF ASSETS****NAME OF DA/TC****SHS**

Kasese TC	2,389,438,826
Katwe-Kabatoro TC	366,076,318
Hoima TC	934,935,204
Kigorobyia Town Council	175,647,847
Masindi Town Council	1,520,839,808
Kibaale Town Council	398,346,311
Kamwengye Town Council	339,045,696
Kyenjojo Town Council	542,283,554
Hima Town Council	83,024,762
Kagadi Town Council	152,669,364
Buliisa TC	129,305,000
Mubende TC	918,473,923
Kiboga TC	472,350,539
Kabale MC	3,215,975,000
Kisoro TC	731,994,152
Entebbe MC	6,160,173,838
Bombo TC	245,370,641
Nkokonjeru TC	274,928,038
Nansana TC	39,267,935
Busia TC	2,306,384,394
Mbale MC	13,544,732,658
Tororo MC	4,581,734,067
Sironko TC	446,890,978
TOTALS	39,969,888,853

**STATUS OF FINAL ACCOUNT SUBMISSION BY ACCOUNTING OFFICERS FOR
FINANCIAL YEAR 2006/2007.**

**A. ACCOUNTS SUBMITTED WITHIN STATUTORY TIME ie BY 31ST OCTOBER
2007**

1. Kabarole District
2. Kasese District
3. Hoima District
4. Masindi District
5. Bundibugyo District
6. Kibaale District
7. Kamwenge District
8. Kyenjojo District
9. Buliisa District
10. Fort Portal Municipal
11. Kasese TC
12. Katwe-Kabatoro TC
13. Hoima TC
14. Kigorobya Town Council
15. Masindi Town Council
16. Bundibugyo Town Council
17. Kibaale Town Council
18. Kamwengye Town Council
19. Hima Town Council
20. Kagadi Town Council
21. Mubende District
22. Kiboga District
23. Kalangala District
24. Sembabule District
25. Mityana District
26. Lyantonde/Kabula District
27. Masaka Municipal Council
28. Rakai TC
29. Mityana TC
30. Kiboga TC
31. Kalangala TC
32. Mbarara District
33. Bushenyi District
34. Kabale District
35. Rukungiri District
36. Ntungamo District
37. Kanungu District
38. Kisoro District

39. Kiruhura District
40. Isingiro District
41. Ibanda District
42. Mbarara MC
43. Kabale Municipal Council
44. Ibanda TC
45. Kabwohe-Intendero TC
46. Kisoro TC
47. Ntungamo TC
48. Kanungu TC
49. Isingiri TC
50. Kiruhura TC
51. Kihhi TC
52. Arua District
53. Moyo District
54. Adjumani District
55. Nyadri Dist.
56. Nebbi TC
57. Koboko TC
58. Pakwach TC
59. Adjumani TC
60. Gulu District
61. Lira District
62. Kitgum District
63. Apac District
64. Pader District
65. Amolatar District
66. Oyam District
67. Dokolo District
68. Kitgum Town Council
69. Apac Town Council
70. Amolatar Town Council
71. Oyam Town Council
72. Amuru Town Council
73. Dokolo Town Council
74. Kampala City Council
75. Mpigi District
76. Luwero District
77. Nakasongola District
78. Wakiso District
79. Nakaseke District
80. Entebbe Municipal Council
81. Luwero TC
82. Bombo Town Council
83. Wobulenzi Town Council
84. Mukono Town Council

85. Nakasongola TC
86. Kira Town Council
87. kakiri Town Council
88. Jinja District
89. Iganga District
90. Kayunga District
91. Mayuge District
92. Jinja MC
93. Busembatya TC
94. Namutumba District
95. Kapchorwa District
96. Pallisa District
97. Manafwa District
98. Butaleja District
99. Bukwo District
100. Budaka District
101. Mbale MC
102. Sironko TC
103. Busia TC
104. Manafwa TC
105. Butaleja TC
106. Bukwo TC
107. Budaka TC
108. Busolwe TC
109. Kumi District
110. Moroto District
111. Kotido District
112. Kaberamaido District
113. Nakapiripirit District
114. Amuria District
115. Abim District
116. Soroti Municipal Council
117. Katakwi Town Council
118. Amuria TC
119. Abim TC

B. ACCOUNTS SUBMITTED LATE ie AFTER STATUTORY TIME

1. Kyenjojo Town Council
2. Buliisa TC
3. Masaka District
4. Rakai District
5. Kalisizo TC
6. Lukaya Town Council
7. Kyotera TC
8. Lyantonde TC
9. Mubende TC
10. Sembabule TC
11. Bushenyi-Ishaka TC
12. Rukungiri TC
13. Nebbi District
14. Yumbe District
15. Koboko District
16. Paidha TC
17. Arua MC
18. Moyo TC
19. Yumbe TC
20. Gulu Municipal
21. Lira Municipal
22. Pader Town Council
23. Kalongo Town Council
24. Amuru District
25. Mukono District
26. Mpigi Town Council
27. Nkokonjeru Town Council
28. Wakiso Town Council
29. Nansana TC
30. Nakaseke -ButalanguTC
31. Kamuli District
32. Bugiri District
33. Kaliro District
34. Buwenge TC
35. Iganga TC
36. Kamuli TC
37. Bugiri TC
38. Namutumba TC
39. Kaliro TC
40. Kayunga TC
41. Njeru TC
42. Lugazi TC

43. Mayuge Town Council
44. Busia District
45. Kapchorwa TC
46. Paliisa TC
47. Sironko District
48. Mbale District
49. Tororo District
50. Tororo MC
51. Nagongera TC
52. Malaba TC
53. Bududa District
54. Bududa Town Council
55. Soroti District
56. Katakwi District
57. Kumi Town Council
58. Moroto Municipal Council
59. Kotido Town Council
60. Kaberamaido Town Council
61. Nakapiripirit Town Council
62. Kaabong District
63. Kaabong Town Council
64. Bukeda District
65. Bukeda Town Council

APPENDIX XIII

TYPES OF OPINIONS ISSUED FOR EACH LOCAL AUTHORITY FOR FINANCIAL YEAR 2006/2007

A. Councils Issued with Unqualified (Clean) opinions

1. Oyam District
2. Kira Town Council
3. Nansana Town Council
4. Kakiri Town Council
5. Kaliro Town Council
6. Kayunga Town Council
7. Butaleja Town Council
8. Busolwe Town Council

B. Councils Issued with Adverse Opinions

1. Kitgum District
2. Pader District
3. Dokolo District
4. Kitgum Town Council
5. Mpigi Town Council

C. Councils Issued with Disclaimer Opinions

1. Bundibugyo District
2. Amuru District
3. Kalongo Town Council
4. Mukono District
5. Nakasongola District
6. Nkokonjeru Town Council
7. Busia District
8. Bududa District
9. Mbale MC
10. Tororo MC
11. Manafwa TC
12. Malaba TC
13. Soroti District
14. Moroto District
15. Nakapiripirit District
16. Moroto Municipal Council

D. Councils Issued with Except for Opinions

1. Kabarole District
2. Kasese District
3. Hoima District
4. Masindi District
5. Kibaale District
6. Kamwenge District
7. Kyenjojo District
8. Buliisa District
9. Fort Portal Municipal
10. Kasese TC
11. Katwe-Kabatoro TC
12. Hoima TC
13. Kigorobyia Town Council
14. Masindi Town Council
15. Bundibugyo Town Council
16. Kibaale Town Council
17. Kamwengye Town Council
18. Kyenjojo Town Council
19. Hima Town Council
20. Kagadi Town Council
21. Buliisa TC
22. Masaka District
23. Rakai District
24. Mubende District
25. Kiboga District
26. Kalangala District
27. Sembabule District
28. Lyantonde District
29. Masaka Municipal Council
30. Kalisizo Town council
31. Lukaya Town Council
32. Rakai TC
33. Kyotera TC
34. Mubende TC
35. Mityana TC
36. Kiboga TC
37. Kalangala Town Council
38. Sembabule Town Council
39. Mbarara District
40. Bushenyi District
41. Rukungiri District
42. Kanungu District
43. Kisoro District
44. Kiruhura District
45. Mbarara MC

46. Kabwohe-Intendero TC
47. Kabale Municipal Council
48. Kisoro TC
49. Kanungu TC
50. Kihhi TC
51. Arua District
52. Moyo District
53. Adjumani District
54. Terego-Maracha District
55. Arua MC
56. Moyo TC
57. Adjumani TC
58. Gulu District
59. Lira District
60. Apac District
61. Amolatar District
62. Gulu Municipal Council
63. Lira Municipal Council
64. Apac Town Council
65. Pader Town Council
66. Amolatar Town Council
67. Amuru Town Council
68. Dokolo Town Council
69. Oyam Town Council
70. Mpiigi District
71. Luwero District
72. Wakiso District
73. Nakaseke District
74. Entebbe Municipal Council
75. Luwero TC
76. Bombo Town Council
77. Wobulenzi Town Council
78. Mukono Town Council
79. Nakasongola TC
80. Wakiso Town Council
81. Nakaseke-Butalangu TC
82. Jinja District
83. Iganga District
84. Kamuli District
85. Bugiri District
86. Kayunga District
87. Mayuge District
88. Kaliro District
89. Jinja MC
90. Namutumba District
91. Kamuli TC

92. Bugiri TC
93. Lugazi TC
94. Kapchorwa District
95. Pallisa District
96. Tororo District
97. Sironko District
98. Butaleja District
99. Bukwo District
100. Budaka District
101. Busia TC
102. Kapchorwa TC
103. Paliisa TC
104. Sironko Town Council
105. Bukwo TC
106. Budaka TC
107. Bududa TC
108. Nagongera TC
109. Kumi District
110. Kotido District
111. Katakwi District
112. Kaberamaido District
113. Amuria District
114. Kaabong District
115. Bukedea District
116. Abim District
117. Kumi Town Council
118. Soroti Municipal Council
119. Kotido Town Council
120. Katakwi Town Council
121. Kaberamaido Town Council
122. Nakapiripirit Town Council
123. Kaabong Town Council
124. Amuria TC
125. Bukedea TC
126. Abim TC