THE CITY COUNCIL OF DODOMA

THE UNITED REPUBLIC OF TANZANIA
PRESIDENT’S OFFICE – REGIONAL ADMINISTRATION AND LOCAL GOVERNMENT
THE CITY COUNCIL OF DODOMA

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2018
# Statement of Financial Position

AS AT 30th JUNE, 2018

<table>
<thead>
<tr>
<th>Notes</th>
<th>2017/2018</th>
<th>2016/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>TZS</td>
<td>TZS</td>
</tr>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>21</td>
<td>13,485,287,725</td>
</tr>
<tr>
<td>Receivables and prepayments</td>
<td>22</td>
<td>8,299,298,595</td>
</tr>
<tr>
<td>Inventories</td>
<td>23</td>
<td>621,174,754</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other financial assets</td>
<td>24</td>
<td>92,400,000</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>29</td>
<td>408,936,735,328</td>
</tr>
<tr>
<td>Working in Progress</td>
<td>30</td>
<td>3,491,287,788</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>28</td>
<td>51,999,121</td>
</tr>
<tr>
<td>Investment property</td>
<td>25</td>
<td>5,742,000,000</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>418,314,422,237</td>
<td>419,937,423,814</td>
</tr>
<tr>
<td></td>
<td>440,720,183,311</td>
<td>428,613,862,828</td>
</tr>
<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td>32</td>
<td>15,236,380,988</td>
</tr>
<tr>
<td>Deferred income (Recurrent)</td>
<td>11</td>
<td>569,183,658</td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred income (Capital)</td>
<td>39</td>
<td>21,970,833,267</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td>37,776,397,913</td>
<td>58,743,772,643</td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td>402,943,785,399</td>
<td>369,870,090,185</td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accumulated surplus/(deficit)</td>
<td></td>
<td>402,943,785,399</td>
</tr>
<tr>
<td><strong>TOTAL NET ASSETS</strong></td>
<td>402,943,785,399</td>
<td>369,870,090,185</td>
</tr>
</tbody>
</table>

All Investment Properties are from the former CDA.

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Mr Godwin E. Kunambi  
City Director  
The City Council of Dodoma  
Date: 17th December 2018

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Prof. Davis G. Mwamfupe  
City Lord Mayor  
The City Council of Dodoma  
Date: 17th December 2018

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**DODOMA**
# Statement of Financial Performance

**For the Year Ended 30 June 2018**

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Notes</th>
<th>2017/2018</th>
<th>2016/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td></td>
<td>TZS</td>
<td>TZS</td>
</tr>
<tr>
<td>Local taxes</td>
<td>9</td>
<td>2,732,212,413</td>
<td>1,588,448,335</td>
</tr>
<tr>
<td>Fees, fines, penalties and licenses</td>
<td>10</td>
<td>3,404,088,462</td>
<td>3,258,918,667</td>
</tr>
<tr>
<td>Amortisation of recurrent grants</td>
<td>11</td>
<td>49,683,013,845</td>
<td>51,409,713,446</td>
</tr>
<tr>
<td>Revenue from exchange transactions</td>
<td>13</td>
<td>24,186,186,053</td>
<td>111,994,589</td>
</tr>
<tr>
<td>Other Own Revenue</td>
<td>16</td>
<td>108,659,000</td>
<td>-</td>
</tr>
<tr>
<td>Amortisation of capital grant</td>
<td>29</td>
<td>5,500,142,402</td>
<td>8,992,652,731</td>
</tr>
<tr>
<td>Amortisation of Intangible assets</td>
<td>28</td>
<td>47,719,094</td>
<td>10,698,116</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td></td>
<td><strong>85,662,021,270</strong></td>
<td><strong>65,372,425,884</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th>Notes</th>
<th>2017/2018</th>
<th>2016/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages, Salaries and employee benefits</td>
<td>17</td>
<td>43,628,413,063</td>
<td>45,458,460,125</td>
</tr>
<tr>
<td>Supplies and consumables used</td>
<td>18</td>
<td>16,762,641,755</td>
<td>3,315,776,837</td>
</tr>
<tr>
<td>Maintenance expenses</td>
<td>19</td>
<td>732,762,921</td>
<td>575,805,686</td>
</tr>
<tr>
<td>Transfers to Other Government Entities</td>
<td>20</td>
<td>4,057,487,225</td>
<td>6,946,085,110</td>
</tr>
<tr>
<td>Depreciation of Intangible assets</td>
<td>28</td>
<td>47,719,094</td>
<td>10,698,116</td>
</tr>
<tr>
<td>Depreciation of Property, Plant and Equipment</td>
<td>29</td>
<td>5,500,142,402</td>
<td>8,992,652,731</td>
</tr>
<tr>
<td>Depreciation of Property, Plant and Equipment - Own Source</td>
<td>29</td>
<td>366,575,625</td>
<td>24,756,451</td>
</tr>
<tr>
<td>Depreciation for investment property</td>
<td>25</td>
<td>261,000,000</td>
<td>-</td>
</tr>
<tr>
<td>Loss on disposal of Bus stand</td>
<td>31</td>
<td>1,367,578,816</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td></td>
<td><strong>72,724,320,901</strong></td>
<td><strong>65,324,235,056</strong></td>
</tr>
</tbody>
</table>

**Surplus/(deficit) during the year**

<table>
<thead>
<tr>
<th></th>
<th>2017/2018</th>
<th>2016/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surplus/(deficit) during the year</td>
<td>12,937,700,369</td>
<td>48,190,828</td>
</tr>
</tbody>
</table>

**Revaluation surplus**

**Total Surplus/(deficit) during the year**

<table>
<thead>
<tr>
<th></th>
<th>2017/2018</th>
<th>2016/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Surplus/(deficit) during the year</td>
<td>12,937,700,369</td>
<td>48,190,828</td>
</tr>
</tbody>
</table>

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Mr Godwin E. Kunambi  
City Director  
The City Council of Dodoma  
Date: 17th December 2018

Prof. Davis G. Mwamfupe  
City Lord Mayor  
The City Council of Dodoma  
Date: 17th December 2018
## Statement of Changes in Net Assets

**For the Year Ended 30 June 2018**

<table>
<thead>
<tr>
<th>Description</th>
<th>Note</th>
<th>Accumulated surplus/deficit TZS</th>
<th>Revaluation surplus TZS</th>
<th>Total TZS</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 01 July 2017 (Adjusted)</td>
<td></td>
<td>369,870,090.185</td>
<td></td>
<td>369,870,090,185</td>
</tr>
<tr>
<td>Surplus/(deficit) for the year</td>
<td></td>
<td>-</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Previous Overstated Surplus</td>
<td></td>
<td>-</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>At 01 July 2017 (Adjusted)</td>
<td></td>
<td>369,870,090.185</td>
<td></td>
<td>369,870,090,185</td>
</tr>
<tr>
<td>Adjustment for transfer</td>
<td></td>
<td>20,135,994,845</td>
<td></td>
<td>20,135,994,845</td>
</tr>
<tr>
<td>Surplus/(deficit) for the year</td>
<td></td>
<td>12,937,700,369</td>
<td></td>
<td>12,937,700,369</td>
</tr>
<tr>
<td>At 30th June 2018</td>
<td></td>
<td>402,943,785,399</td>
<td></td>
<td>402,943,785,399</td>
</tr>
</tbody>
</table>

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Mr. Godwin E. Kunambi  
City Director  
The City Council of Dodoma  
Date: 17th December 2018.

Prof. Davis G. Mwamfupe  
City Lord Mayor  
The City Council of Dodoma  
Date: 17th December 2018.

**Director**  
CITY COUNCIL OF DODOMA  
P. O. BOX 1249  
DODOMA
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

<table>
<thead>
<tr>
<th>Note</th>
<th>Description</th>
<th>2017/2018 (TZS)</th>
<th>2016/2017 (TZS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>Local Taxes</td>
<td>2,633,056,989</td>
<td>1,350,624,537</td>
</tr>
<tr>
<td>10</td>
<td>Fees, fines, penalties and licenses</td>
<td>3,404,088,462</td>
<td>3,148,904,118</td>
</tr>
<tr>
<td>11</td>
<td>Exchequers/transfers/subsidies from/(to) other Government entities</td>
<td>48,701,882,495</td>
<td>51,380,148,735</td>
</tr>
<tr>
<td>12</td>
<td>Exchequers/transfers from former CDA</td>
<td>5,347,151,422</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Revenue from exchange transactions</td>
<td>18,912,486,000</td>
<td>111,994,589</td>
</tr>
<tr>
<td>16</td>
<td>Other revenue</td>
<td>106,859,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>79,107,124,367</strong></td>
<td><strong>55,991,671,979</strong></td>
</tr>
<tr>
<td>17</td>
<td>Wages, salaries and employee benefits</td>
<td>44,254,624,373</td>
<td>43,309,565,712</td>
</tr>
<tr>
<td>18</td>
<td>Supplies and consumables</td>
<td>18,458,020,268</td>
<td>3,315,776,837</td>
</tr>
<tr>
<td>19</td>
<td>Maintenance expenses</td>
<td>704,244,060</td>
<td>578,805,686</td>
</tr>
<tr>
<td>20</td>
<td>Grants and other transfer payments</td>
<td>4,357,231,427</td>
<td>6,946,085,110</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>67,774,120,127</strong></td>
<td><strong>54,147,233,345</strong></td>
</tr>
<tr>
<td></td>
<td>Net cash generated from operating activities</td>
<td><strong>11,333,004,240</strong></td>
<td><strong>1,844,438,633</strong></td>
</tr>
<tr>
<td>44</td>
<td>Purchase of property, plant and equipment</td>
<td>(6,190,902,133)</td>
<td>(5,262,842,579)</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>(6,190,902,133)</strong></td>
<td><strong>(5,262,842,579)</strong></td>
</tr>
<tr>
<td>39</td>
<td>Net cash from investing activities</td>
<td><strong>(6,190,902,133)</strong></td>
<td><strong>(5,262,842,579)</strong></td>
</tr>
<tr>
<td>39</td>
<td>Net cash used in financing activities</td>
<td><strong>2,727,907,845</strong></td>
<td><strong>5,262,842,579</strong></td>
</tr>
<tr>
<td></td>
<td>Net increase in cash and cash equivalents</td>
<td><strong>2,727,907,845</strong></td>
<td><strong>5,262,842,579</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>7,870,009,952</td>
<td>1,825,352,315</td>
</tr>
<tr>
<td>21</td>
<td>Cash and cash equivalents at beginning of period</td>
<td>5,615,277,773</td>
<td>3,789,925,458</td>
</tr>
<tr>
<td>21</td>
<td>Cash and cash equivalents at end of period</td>
<td>13,485,287,725</td>
<td>5,615,277,773</td>
</tr>
</tbody>
</table>

Adjustment to the comparative recurrent grant has been done by additional of TZS 39,507,565,712. of Personnal Emolments which were not included in cash flow statement.

[Signatures]

Mr Godwin E. Kunambi  
City Director  
The City Council of Dodoma  
Date: 17th December 2018

Prof. Davis G. Mwamfupe  
City Lord Mayor  
The City Council of Dodoma  
Date: 17th December 2018
Unqualified Opinion
I have audited the accompanying financial statements of Dodoma City Council, which comprise the statement of financial position as at 30th June, 2018 and the statement of financial performance, the statement of changes in net assets/equity the cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies set out from page 28 to 69.

In my opinion, the accompanying financial statements present fairly in all material respects, the financial position of Dodoma City Council as at 30th June, 2018, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) Accrual basis of accounting and in the manner required by the Local Government Finances Act 1982, revised 2000.

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

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

Emphasis of Matter
Without qualifying my opinion, I draw the attention of the users of this report on the following matter to the financial statement:

Outstanding litigation claims against the Council
Included in note 64 to the financial statements is an amount relating to pending legal cases amounting to TZS 884,968,398 at various stages which were filed in the court. The Council did not carry out an assessment to establish whether this claim could crystallize and therefore make appropriate provision in the financial statements. In the event that this case is ruled against the Council, it may have significant financial impact on the financial statements.

Prof. Musa Juma Assad,
Controller and Auditor General
31st March, 2019

National Audit Office of Tanzania,
P.O. Box 950,
41104 Tambukareli,