



REPUBLIC OF GHANA



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# **REPORT OF THE AUDITOR-GENERAL ON THE MANAGEMENT AND UTILISATION OF THE DISTRICT ASSEMBLIES COMMON FUND AND OTHER STATUTORY FUNDS FOR THE YEAR ENDED 31 DECEMBER 2023**

**This report has been prepared in compliance with Article 187(2) of the 1992 Constitution of Ghana and Section 13 of the Audit Service Act, 2000 (Act 584) for submission to Parliament in accordance with Section 20 of the Act.**

**Johnson Akuamoah Asiedu  
Auditor-General  
Ghana Audit Service**

**This report can be found on the Ghana Audit Service website: <https://audit.gov.gh>**

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## TRANSMITTAL LETTER

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12 June 2024

Dear Right Hon. Speaker,

### **REPORT OF THE AUDITOR-GENERAL ON THE MANAGEMENT AND UTILISATION OF THE DISTRICT ASSEMBLIES COMMON FUND AND OTHER STATUTORY FUNDS FOR THE YEAR ENDED 31 DECEMBER 2023**

Article 187 (2) of the 1992 Constitution empowers me to carry out the audit of the Public Accounts of Ghana and report thereon to Parliament.

2. I therefore have the privilege and honour to submit my report on the audit of the Management and Utilisation of the District Assemblies Common Fund (DACF) and other Statutory Funds for the financial year ended 31 December 2023. The report augments my main report on the operations of the Metropolitan, Municipal and District Assemblies (MMDAs) covering the same period.

3. The report highlights the significant unresolved and outstanding findings from routine audits carried out in 2023 under my direction and supervision.

4. The outstanding and unresolved issues were due to deficiencies and weaknesses in internal controls in the operations of the Assemblies. Irregularities such as non-compliance with existing legislative framework and instruments,

managerial lapses, and poor monitoring procedures at the Assemblies were dominant as evidenced in the Management Letters.

5. To enhance fiscal discipline, strategic allocation of resources and efficient service delivery in the public sector, I reiterate my appeal to the Honourable Minister for Local Government, Decentralisation and Rural Development to ensure that the recommendations in my reports are implemented to the latter, including taking punitive action against any official of the Assemblies whose actions or negligence resulted in the reported infractions.

6. I wish to express my profound gratitude to the Chief Executive Officers, Coordinating Directors, and staff of the respective MMDAs for the cooperation extended to my staff during the audits. I also acknowledge the immense contributions made by my staff towards the production of this report.

7. Finally, I extend my appreciation to the Public Account Committee and the House generally for the continued support for the work of the Auditor-General

Yours faithfully,



**JOHNSON AKUAMOAH ASIEDU**  
**AUDITOR-GENERAL**

**THE RIGHT HONOURABLE SPEAKER**  
**OFFICE OF PARLIAMENT**  
**PARLIAMENT HOUSE**  
**ACCRA**

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# **REPORT OF THE AUDITOR-GENERAL ON THE MANAGEMENT AND UTILISATION OF DISTRICT ASSEMBLIES COMMON FUND (DACF) AND OTHER STATUTORY FUNDS FOR THE YEAR ENDED 31 DECEMBER 2023**

## **PART I**

### **MANDATE, SCOPE AND OBJECTIVES**

#### **Introduction**

As stipulated by Article 187(2) of the 1992 Constitution of Ghana and Section 84 of the Public Financial Management (PFM) Act, 2016 (Act 921), we have audited the management and utilisation of the District Assemblies Common Fund (DACF) and other Statutory Funds of the 261 Metropolitan, Municipal and District Assemblies (MMDAs) for the year ended 31 December 2023. Included in this report, are my findings on the Office of the Administrator of DACF on management of the Common Fund.

2. The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs) and best practices considering that the Public Financial Management System of Ghana is regulated by relevant legislative and administrative guidelines such as the Public Financial Management Act, 2016 (Act 921), the Public Procurement Act, 2003 (Act 663) as amended, the Audit Service Act, 2000 (Act 584), the Public Financial Management Regulations, 2019 (L.I. 2378) and with respect to statutory funds of MMDAs, the Local Governance Act, 2016 (Act 936) and the Guidelines for Utilisation of DACF.

3. Significant irregularities emanating from our Management Letters provided the basis for this report. The issues raised during the audits were formally discussed with the Management of the Assemblies and their comments and responses have been considered before concluding this report. Findings considered in this report are only those that came to our attention during the audits and so the weaknesses identified, and recommendations made might not be exhaustive.

#### **Audit objectives.**

4. The audits were guided by Section 13 of the Audit Service Act, 2000 (Act 584) which required that we ascertain whether:

- i. The accounts have been properly kept;
- ii. All public monies collected have been fully accounted for and rules, regulations and procedures are sufficient to provide effective check on the

- assessment, collection and proper allocation of revenue;
- iii. Monies have been expended for the purposes for which they were appropriated, and expenditures made are authorised;
  - iv. Essential records were maintained, and the rules and procedures applied were sufficient to safeguard and control the Assemblies' assets; and
  - v. Programmes and activities of the Assemblies have been undertaken with due regard to economy, efficiency, and effectiveness in relation to the resources utilised and results achieved.

### **Audit Scope**

5. The audit covered the period January 2023 to December 2023. Based on the above objectives, internal controls were reviewed to assess the risks associated with the management and utilisation of statutory funds by MMDAs and to determine if there was value for money, fairness and integrity in administrative decision-making and whether disbursements of statutory funds were to the benefit of stakeholders.

## PART II

### SUMMARY OF FINDINGS AND RECOMMENDATIONS

#### Allocation of Common Fund to MMDAs

6. In compliance with Section 129 (b) of the Local Governance Act, 2016 (Act 936), the Administrator of District Assemblies Common Fund (DACF) disbursed a total amount of GH¢510,000,000.00 to the 261 Assemblies. Out of this amount, GH¢173,566,650.00 was deducted at source with the Assemblies receiving a net inflow of GH¢336,433,350.00 or 65.9 per cent. Details are provided below:

Year	Assemblies' Share	Deduction at Source	Net Cash Transfer to MMDAs	% Net Cash Transfer
2022	370,000,000.00	108,213,400.00	261,786,600.00	70.8
2023	510,000,000.00	173,566,650.00	336,433,350.00	65.9

7. The amount of GH¢173,566,650.00 deducted at source was in favour of ZoomLion Ghana Limited (ZGL) for Sanitation Improvement Packages (SIP) and fumigation services (GH¢169,384,650.00), HIV/AIDS funds (GH¢2,550,000.00) and NALAG dues (GH¢1,632,000.00).

8. Attached as Appendix 'A' is the 2023 DACF Allocations to the 261 Assemblies.

#### Irregularities

9. The Metropolitan, Municipal and District Assemblies (MMDAs) continued to record irregularities in the operations and management of DACF which were mainly due to violation of Laws, Regulations and Guidelines, and also management disregard of internal controls instituted to ensure effective and efficient utilisation of resources.

10. The irregularities noted included unsupported payments, unpresented payments vouchers, unaccounted funds, misapplication of funds, over-utilisation of Common Fund on administration expenditure, payment of judgment debts, abandoned/delayed projects, completed projects not put to use, overpayment for work done, unremitted taxes among others. In 2023, the total irregularities dropped to GH¢49,653,295.18 as against GH¢53,636,715.87 in 2022. The comparative irregularities from 2019 to 2023 are provided in the table below:



Year	Cash irregularities	Contract irregularities	Procurement/ Store irregularities	Sanitation Management Irregularities	Tax irregularities	Total GH¢
2019	33,213,320.67	86,980,848.61	4,121,790.40	-	324,886.24	124,640,845.92
2020	23,505,854.48	45,692,398.53	7,716,366.62	-	232,640.47	77,147,260.10
2021	7,511,747.85	57,601,901.48	642,269.42	-	374,447.37	66,130,366.12
2022	12,092,429.97	40,297,628.96	751,010.75	-	495,646.19	53,636,715.87
2023	11,126,045.56	37,958,000.23	193,620.26	80,500.00	295,129.13	49,653,295.18

11. The summary of the key audit findings identified, and their related recommendations are provided in the succeeding paragraphs with the details in Part III of this Report whilst Part IV of this report relates to findings and recommendations on the utilisation of District Assemblies Common Fund, Responsiveness Factor Grants (DACF-RFG). We have also attached a table of irregularities on Regional and MMDA basis labelled as Appendices 'B' to 'C' and Appendix 'D' for Irregularities relating to DACF-RFG to this Report.

#### **Cash Irregularities - GH¢11,126,045.56**

12. Cash irregularities totalling GH¢11,126,045.56 were reported in 88 Assemblies and were to the large extent due to over-utilisation of Common Fund on administrative expenditure, funds disbursed without relevant supporting documents, funds disbursed without payment vouchers, failure to allocate resources to Sub-structure, misapplication of funds, unaccounted/unjustified payments, abuse of funds among others as presented in the table below:

Irregularity	Amount	No. of MMDAs
Over-utilisation of DACF on Administration	4,879,810.28	13
Unsupported payments	3,002,325.89	29
Failure to allocate resources to Sub Structures	747,946.66	8
Unpresented payments vouchers	733,327.77	8
Unaccounted funds	358,891.90	5
Misapplication of funds	322,876.18	9
Non-release of PWD/HIV/AIDS funds by the ADACF	319,235.09	4
Unauthorised withdrawals from / Indebtedness to MPCF account	213,640.00	4
Payment of avoidable judgement debt	186,965.79	2
Failure to refund advance granted	120,000.00	2
Unjustified payment	103,206.00	1

Payment made for non-replacement of faulty HV switches	100,000.00	1
Abuse of Covid-19/PWD funds	37,820.00	2
<b>Sub-Total</b>	<b>11,126,045.56</b>	

13. We recommended refund of over-utilised DACF on administrative expenditure, misapplied funds and unauthorized withdrawal from MPCF from the IGF accounts of the Assemblies involved into the accounts of the DACF/MPCF. We also recommended the recovery of unsupported funds, funds disbursed without payment vouchers, unjustified payments, and unaccounted funds from the Coordinating Directors, Finance Officers, and other defaulting officials of the Assemblies involved as a deterrent to prevent abuse of public funds. We further recommended transfer of funds to Sub-Structures of the Assemblies to enable them effectively to carry out their mandates and ADACF notified for the release of PWD, HIV/AIDS funds not remitted.

### **Contract Irregularities**

14. Contract irregularities were made up of delay/abandoned projects, completed projects not put to use and payment for unexecuted works/defective boreholes as summarised below:

<b>Irregularity</b>	<b>No. of Projects</b>	<b>Amount</b>	<b>No. of MMDAs</b>
Delayed/abandoned projects	188	29,534,036.06	<b>69</b>
Completed projects not in use	17	6,652,105.86	<b>12</b>
Payment for unexecuted portion of works	12	1,593,605.88	<b>9</b>
Payment for defective borehole	5	111,475.00	<b>2</b>
Duplication of Payment to a contractor	1	19,332.43	<b>1</b>
Payment for works without certified progress report and IPC	1	47,445.00	<b>1</b>
<b>Sub-Total</b>		<b>37,958,000.23</b>	<b>94</b>

15. We noted that delayed/abandoned projects predominantly accounted for 72.53 percent of the contract irregularities recorded because the Assemblies continued to initiate new projects whilst ongoing ones had not been completed. As a result of limited funds and erratic inflow of DACF coupled with inefficient IGF mobilization to augment the completion of the enormous projects awarded by the Assemblies, the projects are delayed and eventually abandoned. We also noted instances of poor planning by the Assemblies in project management, as

ancillaries such as furnishing, water and electricity connection needed to put the projects to use after completion were not included in their project budgets. We further noted that Management of four Assemblies made payment for unexecuted works, without Interim Payment Certificates and defective boreholes.

16. To prevent the waste of resources resulting from investments in projects without benefits, we recommended to the Assemblies to take the necessary action and prioritise the completion of ongoing projects before new ones are awarded. We also recommended to Management of the Assemblies to provide the outstanding facilities to put the projects to use and in future, include the necessary ancillaries in their project budgets for the projects to become operational on completion for the avoidance of additional cost resulting from repairs and renovations due to deterioration. To avert loss of funds, we further recommended to the Management of the Assemblies that, the outstanding works for which payments have been made should be undertaken by the Contractor at no extra cost and also the defective boreholes should be rectified by the Contractors involved. Failing which the Coordinating Directors, Works Engineers and any responsible officer of the Assemblies involved should be held liable to refund the payments made. The Coordinating Directors, Works Engineers and any responsible officer found culpable for the payments made without progress reports and IPCs should be jointly held liable for the refund of the amount of GH¢47,445.00 into the DACF account of Adansi North Assembly.

### **Sanitation Management Irregularities**

17. The agreements on sanitation management with the Assemblies require quarterly deductions of fees by the Administrator from their Common Fund allocations to Zoomlion Ghana Ltd (ZGL), the Service Provider. We however noted that ZGL was yet to supply 24 skip trucks and 143 containers and also repair or replace 63 broken down trucks and 182 damaged containers for 68 Assemblies. The non-replacement and repairs of damaged containers and broken-down trucks mainly emanated from non-communication by the Assemblies of the outstanding commitments to ZGL in violation of the provision of the Agreements.

18. In a likewise manner, we noted an upward revision of quarterly fees made by ZGL without communications to the Assemblies contrary to the dictates of the Agreements.

19. Notwithstanding the provision of the Agreement, a total amount of GH¢80,500.00 was deducted in favour of ZGL for services not provided at Afigya Kwabre South Assembly.

20. To ensure effective sanitation management in the communities and for the avoidance of an outbreak of endemic prone-disease, we recommended to Management of the Assemblies to pursue ZGL for the supply of the outstanding refuse containers and trucks and also replace the damaged trucks and containers without further delay. We also recommended that Management of the Assemblies should adhere to the dictates of the agreements and notify ZGL of any outstanding commitments and in subsequent review of the Agreements, ensure that the services are priced individually for ease of apportioning costs to unperformed services. We further recommended that both parties should comply with the provisions of the agreements for value for money to be achieved for payments made.

### **Procurement and Store Irregularities**

21. The audit revealed payments for goods and services valued at GH¢12,430.00 without relevant store documentation to authenticate the receipt and use of store items at Mfantseman Municipal Assembly. Also, three Assemblies did not account for fuel purchased of GH¢181,190.26 with relevant documentations.

<b>Irregularity</b>	<b>Amount GH¢</b>	<b>No. Of MMDAs</b>
Payment for items not supplied	12,430.00	1
Fuel Purchases not accounted for	181,190.26	3
<b>Total</b>	<b>193,620.26</b>	

22. We therefore recommended recovery of the amount of GH¢193,620.26 from the Coordinating Directors and Finance officers of the Assemblies involved.

### **Tax Irregularities**

23. Tax irregularities related to withheld taxes not remitted to the Ghana Revenue Authority (GRA) and VAT payments not supported with the prescribed invoices or receipts as presented below:

<b>Irregularity</b>	<b>Amount (GH¢)</b>	<b>No. Of MMDAs</b>
Unremitted withheld taxes	185,207.43	13

Payment of VAT without invoices	50,848.17	9
Taxes not withheld	50,281.57	6
Penalty for non-payment of taxes	8,791.96	1
<b>Sub-Total</b>	<b>295,129.13</b>	<b>29</b>

24. We recommended that the Coordinating Directors and Finance Officers of the Assemblies involved should comply with the relevant provisions of the tax law and remit the withheld taxes to GRA and the Finance Officers be personally held liable for any penalties that may arise. We also recommended that failure to obtain VAT invoices from the suppliers to acquit VAT inclusive payments, the VAT amount of GH¢50,848.17 should be recovered from the service providers or the Finance Officers be held liable for refund of the amount. We further recommended that the Coordinating Directors and Finance Officers of the Assemblies involved should personally pay the un-withheld taxes of GH¢50,281.57 to GRA and subsequently recover same from the suppliers.

### **PART III**

#### **DETAILS OF FINDINGS AND RECOMMENDATIONS**

#### **MANAGEMENT OF THE DISTRICT ASSEMBLIES COMMON FUND BY THE ADMINISTRATOR OF DACF**

##### **Release of Common Fund**

25. The Administrator received a total amount of GH¢2,460,611,964.88 from the Ministry of Finance in 2023 for the 2022 financial year for allocation to Institutions and Programmes provided for in the Approved Formula. Whereas in 2022, the Administrator received a total amount of GH¢2,267,190,679.42 from the Ministry of Finance for 2021 financial year for allocation to Institutions and Programmes provided for in the Approved Formula. The quarterly releases from the Ministry are provided below:

<b>Year</b>	<b>2022 (GH¢)</b>	<b>2023 (GH¢)</b>
2020 Arrears	166,291,018.79	
1 <sup>st</sup> Quarter 2021	434,291,958.21	
2 <sup>nd</sup> Quarter 2021	478,316,340.00	
3 <sup>rd</sup> Quarter 2021	285,857,386.00	
4 <sup>th</sup> Quarter 2021	671,223,929.84	
1 <sup>st</sup> Quarter 2022	231,210,046.58	
1 <sup>st</sup> Quarter 2022		218,127,709.84
2 <sup>nd</sup> Quarter 2022		689,496,317.00
3 <sup>rd</sup> Quarter 2022		606,011,528.66
4 <sup>th</sup> Quarter 2022		746,610,962.50
ABFA Component		200,365,446.88
<b>Total</b>	<b>2,267,190,679.42</b>	<b>2,460,611,964.88</b>

*Quarterly DACF receipts for 2022 and 2023 Financial Year*

26. The Administrator also received investment income of GH¢901,369.86 and GH¢1,934,774.38 for the 2022 and 2023 financial years respectively, bringing the total receipts to GH¢2,254,554,300.00 in 2022 and GH¢2,462,546,739.26 in 2023 as detailed below:

	<b>2022</b>	<b>2023</b>
DACF releases by Ministry of Finance	2,253,652,930.06	2,460,611,964.88
Investment income	901,369.86	1,934,447.38
<b>Total</b>	<b>2,254,554,300.00</b>	<b>2,462,546,739.26</b>

*Total DACF inflows for 2020, 2021 and 2022*

### **Management issues**

**Failure to release funds to Ghana School Feeding Programme (GSFP) - GH¢166,228,965.57**

27. The 2021 Approved Formula for the allocation of the District Assemblies Common Fund earmarked 10.18% to the Ghana School Feeding Programme (GSFP).

28. We however noted that out of a total amount of GH¢266,228,965.57, that was appropriated to the GSFP for the four quarters of 2021, the Administrator only released GH¢100,000,000.00 to the GSFP on 02 May 2023. The details are provided below:

Date	Details	Voucher No.	Amount GH¢
01/01/2022	Opening balance		69,940,009.84
23/03/2022	1 <sup>st</sup> Quarter 2021 Appropriation	JV16	44,210,921.35
28/10/2022	2 <sup>nd</sup> Quarter 2021 Appropriation	JV40	51,989,233.94
16/12/2022	3 <sup>rd</sup> Quarter 2021 Appropriation	JV56	53,292,747.11
	4 <sup>th</sup> Quarter 2021 Appropriation	JV75	46,796,053.33
<b>Total amount due as at 31/12/2022</b>			<b>266,228,965.57</b>
<b>Amount released on 02/05/2023</b>			<b>100,000,000.00</b>
<b>Outstanding balance</b>			<b><u>166,228,965.57</u></b>

29. This irregularity would negatively affect the smooth operation of the GSFP, and the livelihood of the Caterers involved.

30. Management stated that GH¢100,000,000.00 out of the amount has been transferred and the outstanding amount of GH¢166,228,965.57 would be transferred when the DACF receives the last two quarters of 2022 from MoF.

31. We however wish to state that the DACF received the funds for the last two quarters of 2022 as at 31 December 2023 and therefore we recommended to the Administrator to immediately release the outstanding amount of GH¢166,228,965.57 to the GSFP.

32. Management responded that the remaining amount of GH¢166,228,965.57 has been encumbered by the Gender Ministry to be utilized to contract kitchens in all the schools across the country.

**Non-release of funds for 2023 District Assemblies Common Fund allocations - GH¢2,584,281,850.00**

33. Clause 2 of Article 252 of the 1992 Constitution of the Republic of Ghana provides that Parliament shall annually make provision for the allocation of not less



than five percent of the total revenues of Ghana to the District Assemblies for development, and the amount shall be paid into the District Assemblies Common Fund in quarterly instalments.

34. We however noted that the Ministry of Finance issued Release Letters, amounting to GH¢2,584,281,850.00 for the Common Fund Allocations for the first three quarters of 2023 to the Administrator, but these funds were not received as at 31 December 2023. Details are provided below:

Release letters	Quarter	Amount GH¢
B.114/DACF/23/02 of 13 October 2023	January 2023	244,904,695.00
	February 2023	208,472,383.00
	March 2023	298,309,286.00
B.114/DACF/23/03 of 7 December 2023	April 2023	264,134,202.00
	May 2023	293,673,620.00
	June 2023	412,895,390.00
B.114/DACF/23/03 of 21 December 2023	July 2023	274,471,268.00
	August 2023	291,283,884.00
	September, 2023	296,137,122.00
<b>Total</b>		<b>2,584,281,850.00</b>

35. The situation negatively impacted on the MMDAs programmes and projects resulting in delayed execution and completion of development projects.

36. We recommended to Management to liaise with the Ministry of Finance and the Controller and Accountant-General to release the outstanding funds of GH¢2,584,281,850.00 as per the Release Letters issued by of the Minister Finance.

37. Management stated that it will liaise with the Ministry of Finance/Controller and Accountant-General for the release of the outstanding amount as recommended.

#### **Non-request of medical refund from private Health Insurer - GH¢87,150.00**

38. The Office of the ADACF has a health insurance services agreement with Glico Healthcare which enjoins Glico Healthcare to pay expenditure incurred for medical procedures the purpose of which is the cure or the active and significant mitigation of the effect of any disease, illness or injury. Section 7 of Schedule III requires that claimant submit a fully completed claim form to the Insurer with supporting documents.



39. We however noted that Management of the Office of ADACF paid for medical services for its staff amounting to GH¢87,150.00 but did not submit the claims to Glico Healthcare for refund. Details are provided below:

Date	Details	PV No.	Payee	Amount GH¢
3/3/2023	Medical screening held on 28/2/2023 for staff members	68/3	Diagnostic Centre	29,400.00
8/3/2023	Medical services and Medication for DACF staff members	71/3	Health HQ	57,750.00
<b>Total</b>				<b>87,150.00</b>

40. This omission could lead to the non-maximization of all the benefits of the undersigned insurance policy to the disadvantage of the Office of the ADACF.

41. We recommended to Management to submit a claim to Glico Health Care requesting for a refund of the GH¢87,150.00 incurred on subscribers/beneficiaries.

### **Management Response**

42. Management responded that it had taken note of the recommendation and would put in claim for reimbursement of the medical expenses involved for a refund.

## **AHAFO REGION**

### **Introduction**

43. For the 2023 financial year, total allocations to the six Assemblies in the Ahafo Region were GH¢10,191,464.01. Out of this amount, GH¢3,835,445.00 was deducted at source in favour of the Assemblies' Service Providers leaving net cash transfers of

GH¢6,356,019.00 representing 62.37 percent of the total allocations shown in Appendix 'A'.

## **Cash Irregularities**

### **Failure to refund advance granted – GH¢100,000.00**

44. Section 7 of the Public Financial Management Act, 2016 (Act 921) states that, a Principal spending Officer of a covered entity shall ensure the regularity and proper use of money appropriated in the covered entity.

45. We noted that Management of Tano North Municipal Assembly sought approval from the Member of Parliament (MP) and transferred GH¢100,000.00 from the MP's common fund account on 23/02/2023 vide payment voucher number 04/02-2023 to the Assembly's common fund to meet urgent expenditures. However, Management of the Assembly has since not refunded the amount into the Member of Parliament's account even though the Assembly has received four (4) quarterly releases from Administrator of Common Fund totalling GH¢1,014,546.75 during the period.

46. The lapse had denied the MP the use of her share of the common fund.

47. We recommended that Management of the Assembly should refund the GH¢100,000.00 into the MP's Common Fund Account without further delay.

48. Management indicated that, there were no agreed upon timelines or predefined conditions for the refund between the Assembly and the MP. Therefore, the Assembly had not breached any conditions of the advance. Nevertheless, the Assembly is committed to implementing necessary measures to refund the amount into the MP's Common Fund account in the subsequent release of the DACF.

### **Unpresented payment vouchers – GH¢30,500.00**

49. Section 11 of the Audit Service Act 2000 (Act 584) states that the Auditor-General or any person authorized or appointed for the purpose by the Auditor-General shall have access to all books, records, returns, and other documents including documents in computerized and electronic form relating to or relevant to those accounts.

50. Contrary to the above, the Asunafo North Municipal Assembly did not present two (2) payment vouchers totalling GH¢30,500.00 for audit. Details are provided below:

Date	PV No.	CHQ No.	Payee	Description	Amount GH¢
22-12-23	02-12-23	000610	Afriyie Of Enterprise	Payment for supply of PWD items	29,585.00
22-12-23	03-12-23	000611	GRA	Payment of withholding Tax in favour of Afriyie Enterprise	915.00
<b>Total</b>					<b>30,500.00</b>

51. This could result in misappropriation of funds and the denial of resources for the Assembly's operations.

52. We recommended recovery of the amount of GH¢30,500.00 from the Coordinating Director and Finance Officer of the Assembly into the DACF account.

53. Management did not respond to the observation.

#### **Item not issued to beneficiary - GH¢3,846.15**

54. Section 52 of the Public Financial Management Act 2016 (Act 921) states among others that, the Principal Spending Officer is discharged of accountability of government stores where the stores have been consumed in the course of public business and records are available to show that the stores have been consumed.

55. We however noted that a deep freezer bought for a disabled person (Mr. Seth Tutu) valued at GH¢3,846.15 has not been issued to him but still in custody of the Asunafo North Municipal Assembly. Details are shown below:

Date	PV No.	Description	Amount	Remarks
16/08/23	ANMA/PWDS/1/8/22	Payment of PWDs Items	3,846.15	Deep freezer not issued to Seth Tutu of Asumura

56. The delay in distributing the deep freezer has denied Mr. Seth Tutu the use to better his living conditions.

57. We recommended to Management of Asunafo North Municipal Assembly and the District Director of Social Welfare to ensure that the deep freezer is issued to Mr. Seth Tutu without further delay failing which Management should be held liable for any losses that may arise.

58. Management responded that at the time of Audit, Mr. Seth Tutu (currently indisposed) was yet to claim the Deep Freezer, which was in the custody of the Assembly.

## **Sanitation Management Irregularities**

### **Payment for Services not Rendered**

59. Schedule I of the Fumigation and Disinfestation service agreement between the Asutifi South District Assembly and Zoomlion Ghana Limited signed on 2nd January, 2018 provides for the monthly disinfestation of public toilets and its surroundings, major drains, communal containers and final disposal sites and government apartments whereas Schedule II provides for the monthly derating of Public Markets, disinfection and disinfestation of hospitals, clinics and health centres as well as conducting public education on vector control/environmental sanitation.

60. We noted that, Zoomlion Ghana Limited received the full 4-quarterly payments totalling GH¢291,812.50 as Sanitation Improvement Package. However, the monthly certification reports indicated that, Zoomlion Ghana Limited did not conduct any disinfestation and disinfection exercise at any government apartment in the district, including the hospitals, clinics, and health centres. The company did not also conduct any public education on vector control/environmental sanitation.

61. The Assembly in effect paid Zoomlion Ghana Limited for services not rendered in accordance with the terms of the contract.

62. We recommended that Management of the Asutifi South Assembly should notify ZGL of any outstanding commitments and in subsequent review of the agreement, ensure that the services are priced individually so that the costs of unperformed services can be determined and disallowed.

63. Management responded that Payment of Zoomlion is effected from the Ministry of Local Government Decentralization and Rural Development and the Common Fund Secretariat.

## Contract Irregularities

### Abandoned / Delayed Projects - GH¢1,627,611.44

64. Section 52 of the Public Financial Management Act, 2016 (Act 921) requires Coordinating Directors as the Principal Spending Officers to institute proper control systems to prevent losses and wastage.

65. We noted that four Assemblies awarded 10 projects with a total contract sum of GH¢3,705,112.86, out of which a total amount of GH¢1,627,611.44 had been paid to the Contractors, but the projects had delayed or been abandoned at various stages of completion. Details provided below:

Assembly	Project Description	Contractor	Contract Sum	Total Payment	Expected Completion date	% completed	Status
Asunafo South District Assembly	Construction of 1No. 3-Unit Classroom block with Staff Common room and office and ancillary facility	Slyvent Company Limited	325,294.88	94,999.97	April 2023	68	Delayed
	Construction of CHPS compound with ancillary facilities	Nanyoda Constech Enterprise Limited	543,090.00	237,343.00	30th September, 2022	23	Delayed
	Construction of 1No. Police station at Abuom	Dedsah Co. Ltd.	295,836.40	172,493.29	October, 2021	56	Delayed
Asunafo North Municipal Assembly	Construction of 1no. 3-Unit Classroom block with staff Comm room, Headmaster office, store & Prov of 90no Dual Desk	M/S Nacedor Enterprise	286,611.64	192,847.95	31-Mar-23	88	Delayed
	Construction of 1no. 3-Unit Classroom block with staff Comm room, Headmaster office, store & Prov of 90no Dual Desk	M/S R-Kostab Company Ltd	286,734.95	228,714.93	31-Mar-23	92	Delayed

Asutifi North District Assembly	Completion of CHPS Compound with Nurses Quarters	Frank Afriyie Co. Ltd.	199,565.10	136,116.90	Jan 2023	70	Delayed
	Construction of 2-Bedroom Staff Quarters	Joe-Gart Ventures	198,710.20	150,086.00	Nov-22	80	Abandoned
	Construction of Summer Huts and Supply of 30kva Generator Set for DCE Residence	Afriyie-Off Ent	195,537.48	25,000.00	Jan-23	40	Abandoned
Asutifi South District Assembly	Construction of 1No. single storey dormitory block at NMTC Dadiesoaba	Messrs. Danoppob oat Ventures	868,452.38	200,000.00	September 2023	44	Delayed
	Construction of 1 No. 3-unit classroom block with ancillary facilities and supply of furniture at Agyewodin JHS, Acherensua	Messrs. Afrane Enterprise	505,279.83	190,009.40	July 2023	40	Delayed
<b>Total</b>			<b>3,705,112.86</b>	<b>1,627,611.44</b>			

66. Management of the Assemblies stated that, the contractors simply abandoned site after working up to a point coupled with funding challenges and lack of access route to some project sites.

67. Abandoned or delayed projects deprived the communities of benefits from the use of the projects and could also lead to cost overruns.

68. Considering the limited funds of the Assemblies, we recommended that Management of the Assemblies involved should give priority to uncompleted projects before awarding new ones.

69. Management of the Assemblies responded that, the delayed projects were as a result of delay in release of funds from the Central Government to the Assemblies to settle their indebtedness. The prices of goods and services also escalated in 2022 affecting the cost of materials for some of the projects which indirectly affected their completion duration. Management however has met with the affected Contractors, and they have given assurance of completing the projects very soon.

**Certification / Payment for parts of contracts not executed – GH¢102,750.50**

70. Regulation 80 of the Public Financial Management Regulations, 2019 (L.I. 2378) states among other things that, “the Principal Spending officer or the authorized officer of the Principal Spending Officer shall not certify the completion of works, unless the contractor concerned has complied with all provisions of the contract and the size, quality, and performance of the physical output is consistent with the design and specifications.”

71. We noted that Management of Asutifi South District Assembly did not enforce the execution of portions of four contracts before paying the related amount of GH¢102,750.50 to the contractors. Details are provided below:

Name Of Contract	Contractor	Contract Sum	Portion of Contract Not Executed	Qty	Unit Price	Total Amount GH¢
Construction of 1 No. Police station at Sienchem	Royal Nado Company Ltd.	197,082.90	Plumbing			
			Wash Hand Basin	2	200	400.00
Construction of 1 No. Single storey dormitory block NMTC-Dadiesoaba	Danoppoboat Ventures	868,452.38	Preliminaries			
			Site Accommodation			5,000.00
Construction of 1 No. 3-Unit classroom block with uplink facilities and supply of furniture at Agyewodin JHS at Acherensua	S. Afrane Enterprise	505,279.83	Preliminaries			
			Watching light and protecting of works			2,400.00
			Project sign board			800.00
			Superstructure			
			Purlins	321m	25	8,025.00
			Door frames	29m	27	783.00
			Window frames	151m	27	4,077.00
			Roofing	223.7 sqm	165	36,910.50
			Ridge cap	33m	60	1,980.00
			Pitched roof trusses	14	650	9,100.00
			Rafter	82m	25	2,050.00
			Ceiling noggings	141m	25	3,525.00
			ceiling hangers	33m	15	495.00
			carpenters metal works			1,500.00
		246,040.90				

Construction of 1 No. 3-unit classroom block with uplink facilities and 90 pcs furniture at Nkaseim	Opponapp Enterprise		Apron			7,986.00
			Painting and decoration			12,544.00
			Substructure for KVIP			5,175.00
	TOTALS					102,750.50

72. The practice of not ensuring execution of contract to specification before payments were made was an indication of weak contract management and is susceptible to loss of funds.

73. We recommended that the Contractors should undertake the outstanding works at no cost to the Assembly otherwise the amount of GH¢102,750.50 should be recovered from them into the Assembly's account. Failing which, the Coordinating Director, Finance Officer and other responsible officers should refund the amount into the Assembly's account.

74. Management stated in their response that all other aspects of the contract have been executed.

75. Our further verification however disclosed that the unexecuted portions of the contract were still outstanding, we therefore reiterated our earlier recommendation.

### **Store irregularity**

#### **Fuel Purchases not accounted for – GH¢15,631.18**

76. Section 52 of the Public Financial Management Act, 2016 (Act 921) states among other things that a Principal Spending Officer is discharged of accountability of government stores where the stores have been consumed in the course of public business and records are available to show that the stores have been consumed.

77. Contrarily, Management of Tano South Municipal Assembly purchased fuel totalling GH¢15,631.18 but were not logged in vehicle logbooks. They could also not produce any evidence to show usage of the fuel. Details provided below:



Date	PV No.	Details	Payee	Gross Amount	Vehicle Number	Amount GH¢
6/4/23	4-Apr	Being funds release for fuel purchased on credit from Goil filling station, Bechem	MCD-Nana Obiri Boahen-Goil Service Station	10,000.00	GC 2007-18	1,890.00
					GN 2357-11	1,000.00
14/2/23	004-02	Being funds released to host the RCC team to conduct the fourth quarter monitoring exercise	MCD	1,410.00	WR 3122	1,000.00
28/11/23	6-Nov	Payment to enable MCE to undertake official trip to Accra	MCD	5,000.00	GC 2007-18	1,300.00
					GC 2007-18	1,620.00
29/11/23	7-Nov	Payment for the org. of farmers day celebration	MCD	45,397.40	GV 253.18	1,000.00
					GE 3132-Y	1,000.00
					GT2456-U	1,000.00
12/11/23	3-Dec	Being Payment of Fuel drawn from GOIL Filling station	Goil Filling Station	9,950.30	GT2456-U	500.00
					GV 253-18	781.18
					GN 2357-11	700.00
					GN 7489-18	640.00
12/19/23	5-Dec	Being payment of Fuel for official vehicle with registration no GT 2456-11	MCD	1,000.00	GT 2456-U	1,000.00
12/19/23	6-Dec	Being payment of Fuel for official vehicle with registration no GN 2357-11	MCD	1,000.00	GN 2357-11	1,000.00
12/19/23	7-Dec	Being payment of Fuel for official vehicle with registration no GN 2357-11	MCD	2,700.00	GT 2456-U	1,200.00
<b>Total</b>				<b>76,457.70</b>		<b>15,631.18</b>

78. This could lead to loss of funds to the Assembly.

79. We recommended that the Transport Officer, Municipal Finance Officer, and Municipal Coordinating Director of the Assembly should refund the amount of GH¢15,631.18 to the Assembly's account.

80. Management said the fuel purchased has been fully accounted for and they were available for our verification.

81. We however could not authenticate the documents presented since records such as kilometre travelled, time and fuel quantities consumed were not recorded at the time the trips were embarked on.

## Tax Irregularities

### Taxes not Withheld – GH¢13,505.33

82. Section 116 of the Income Tax Act, 2015 (Act 896) requires a resident person, other than an individual to withhold tax at the appropriate rates from the gross amount of the payment for the supply of goods, service and works which exceeds GH¢2,000.00.

83. We noted that Asunafo South District Assembly did not withhold taxes of GH¢13,505.33 on gross payment of GH¢297,433.00 to various suppliers/service providers for goods and services procured. Details are provided below:

PV Date	PV No	Details	Supplier / payee	Gross Amount	Taxable Amount	tax rate %	WHT Amount
6/4/2023	2/4/CF/23	payment for cost of items to support Muslim communities in Ramadan	Sefasco Enterprise	10,000.00	10,000.00	3	300.00
12/4/2023	4/4/CF/23	Being part payment for cost of building materials	Sals Multi Ventures	18,000.00	18,000.00	3	540.00
9/8/2023	5/8/CF/23	Being payment for cost of re-shaping of Alhaji kwanta -nseinaua - nakate feeder roads	DCD	36,750.00	26,000.00	5	1,300.00
11/8/2023	8/8/CF/23	cost of funds released for renovation of police accommodation facilities	DCD	11,117.00	11,117.00	5	555.85
11/8/2023	11/8/CF/23	Being part payment for minor repairs works at DCD Bungalow	DCD	7,000.00	7,000.00	3	210.00
11/8/2023	12/8/CF/23	Being payment for cost of road reshaping	DCD	10,000.00	10,000.00	5	500.00
14/8/23	13/8/CF/23	payment for cost of building materials for completion of Amankwakrom CHPS compound	DCD	16,108.75	14,630.00	3	438.90
18/8/23	26/8/CF/23	Being further payment for cost of building materials	Philucy Trading enterprise	11,000.00	11,000.00	5	550.00

29/8/23	35/8/CF/23	payment for cost of stationery	CY Mensah Enterprise	2,000.00	2,000.00	3	60.00
15/12/23	3/12/CF/23	cost of funds released for electrical materials and fuel	Adom trading enterprise	7,300.00	3,500.00	3	105.00
21/12/23	9/12/CF/23	Funds release for payment of furniture for Pafo CHPS compound	Sefasco Enterprise	6,000.00	6,000.00	3	180.00
21/12/23	19/12/CF/23	Funds release to purchase demand notice, biz Reg. certificate, temporal tricycle sticker	Unik Feso Enterprise	4,000.00	4,000.00	3	120.00
21/12/23	20/12/CF/23	funds release for payment of office equipment	Assafo Y,C. computers	3,000.00	3,000.00	3	90.00
21/12/23	21/12/CF/23	part payment for cost of furniture and electrical goods supplied	Nichals ventures	30,000.00	30,000.00	3	900.00
21/11/23	1/11/CF/23	Being release of funds as the cost of reshaping of Asantenkac -Asawinso road	Bg heavy duty hiring service	111,000.00	76,000.00	7.5	5,700.00
21/11/23	2/11/CF/23	part payment for the preparation toward farmers day	Isaac Nyamekye Ent. / kwise man hardware/ Amukwabe na	25,000.00	21,900.00	3	657.00
29/11/23	13/11/CF/23	Being funds release for further payment for the preparation toward farmers day celebration	Amunkwab ena ventures/P admore motor fitting shop	55,000.00	35,000.00	3	1,050.00
5/9/2023	2/9/CF/23	Being funds release to purchase 20 No mortise lock to be used at Amankwakrom CHPS compound	Boakye Enterprise	3,000.00	3,000.00	3	90.00
15/9/23	7/9/CF/23	Being funds release to purchase tyres for the district ambulance	DCD	5,286.00	5,286.00	3	158.58
<b>Total</b>				<b>371,561.75</b>	<b>297,433.00</b>		<b>13,505.33</b>

84. This could result in loss of tax revenue of GH¢13,505.33 to the state.

85. We recommended that, the Coordinating Director and Finance Officer of the Asunafo South Assembly should personally pay the tax of GH¢13,505.33 to the Ghana Revenue Authority without further delay and subsequently recover same from the suppliers.

86. Management of the Assembly responded that they intend to pay the withholding tax upon final payment of the respective vouchers. The initial payments were part-payment.

#### **Failure to obtain VAT Invoice for taxable supplies procured – GH¢16,993.41**

87. Section 41 of the Value Added Tax Act, 2013 (Act 870) requires that a taxable person shall, on making a taxable supply of goods or services, issue to the recipient, a tax invoice in the form and with the details that are prescribed by the Commissioner General.

88. Management of Asunafo South District Assembly procured taxable supplies totalling GH¢424,835.15 including VAT component of GH¢16,993.41 without obtaining the VAT invoices from the suppliers. Details provided below:

Date	PV No.	Details	Supplier	PV Amt	Taxable Amt	VAT Amt
4/6/23	02/04/CF/23	payment for items to support Muslim community in Ramadan	Sofasco Ent.	10,000.00	10,000.00	400.00
4/6/23	4/04/CF/23	purchased of building materials part payment	Sals Multy Ventures	18,000.00	18,000.00	720.00
4/21/23	8/04/CF/23	being part payment for cost of building materials	Amukwabena Ventures	11,640.00	11,640.00	465.60
8/21/23	31/8/CF/23	supply of goods during Ramadan	Nichals Ventures	20,000.00	20,000.00	800.00
8/21/23	29/8/CF/23	cost of building materials supplied	Sals Multy Ventures	15,000.00	15,000.00	600.00
8/21/23	27/8/CF/23	Payment for supply of Rice and food items	Agyabes Co. ltd	11,000.00	10,670.00	426.80
8/18/23	26/08/CF/23	cost of building materials supplied	Philucy Trading Ent.	11,100.00	11,100.00	444.00
8/17/23	23/8/CF/23	sod-counting ceremony	No-Back Pub & Restaurant	4,700.00	3,250.00	130.00
8/14/23	13/8/CF/23	cost of building materials supplied	Kwadwo Agyapong Ent.	16,108.75	6,500.00	260.00
8/14/23	13/8/CF/23	cost of building materials supplied	Amukwabena Ventures	16,108.75	8,130.00	325.20

8/11/23	11/8/CF/23	Renovation of DCD bungalow	Amukwabena Ventures	7,000.00	7,000.00	280.00
8/11/23	11/8/CF/23	Renovation of DFO bungalow	Amukwabena Ventures	4,000.00	4,000.00	160.00
8/11/23	8/8/CF/23	Renovation of Police Accommodation	Amukwabena Ventures	11,117.00	11,117.00	444.68
8/9/23	7/8/CF/23	Organising community Sensitization	Akosua Serwaa Catering and drinks Services	10,600.00	3,100.00	124.00
8/9/23	7/8/CF/23	Organising community Sensitization	D.D Fast Food	10,600.00	2,500.00	100.00
8/9/23	6/8/CF/23	organising town hall meeting for budget	No-Back Pub & Restaurant	15,900.00	12,500.00	500.00
8/9/23	5/8/CF/23	Cost of Reshaping Alhaji Nkwanta-Nsennua-Naketey feeder roads	Samtay Ventures	36,750.00	26,000.00	1,040.00
9/5/23	02/9/CF/23	Purchased 2No. Mortice locks for Amankwakrom CHPS	G.K Boakye Ent.	3,000.00	3,000.00	120.00
11/21/23	02/11/CF/23	funds released for preparation toward farmers day	Isaac Nyamekye Ent.	25,000.00	6,900.00	276.00
11/21/23	1/11/CF/23	Funds as the cost of reshaping of Asantenkae-Asawinso road	BG. Heavy Duty Hiring Service	111,000.00	76,000.00	3,040.00
12/22/23	16/CF/12/23	purchased of materials for community self-initiated projects	You Alone o lord Ent.	29,290.00	29,290.00	1,171.60
12/18/23	07/CF/12/23	being funds release to supply sports Equipment to the assembly for improvement of sports	Nickals Ventures	39,200.00	39,200.00	1,568.00
12/15/23	03/CF/12/23	Release for electrical materials and fuel	Adom Trading Ent.	7,300.00	3,500.00	140.00
12/14/23	05/CF/12/23	final payment for building materials	Amukwabena Ventures	8,546.15	8,546.15	341.85
12/22/23	08/CF/12/23	release for stationery	Assafo Y.C. Computers	4,000.00	2,710.00	108.40
12/21/23	14/CF/12/23	release to purchase 8No. Car tyres for DCE and DCD official Vehicle	Safesco Enterprise	9,700.00	9,700.00	388.00
12/21/23	17/CF/12/23	payment for building materials	Amukwabena Ventures	17,482.00	17,482.00	699.28
12/21/23	20/CF/12/23	payment for office equipment and stationery	Assafo Y.C. Computers	3,000.00	3,000.00	120.00
12/21/23	21/CF/12/23	payment for furniture and electrical goods supplied	Nicholas Venture	30,000.00	30,000.00	1,200.00
12/21/23	22/CF/12/23	payment for supplied of goods during Ramadan	Nicholas Venture	15,000.00	15,000.00	600.00
<b>TOTAL</b>				<b>532,142.65</b>	<b>424,835.15</b>	<b>16,993.41</b>

89. This could lead to loss of tax revenue to the tune of GH¢16,993.41 to the state.
90. We recommended to Management of the Assembly to recover the VAT amount of GH¢16,993.41 from the suppliers and pay same to the Ghana Revenue Authority without further delay.
91. Management accepted our recommendation for compliance.

## ASHANTI REGION

### Introduction

92. For the 2023 financial year, total DACF allocations to the 43 Assemblies in the Ashanti Region was GH¢91,281,521.20 out of which an amount of GH¢28,979,283.47 was deducted at source in favour of the Assemblies' Service Providers, HIV/AIDS programme and NALAG dues. Net cash transfers stood at GH¢62,302,237.73 representing 68.25 percent of the total allocations as shown in Appendix 'A'.

### Cash Irregularities

#### Unsupported payments - GH¢116,040.00

93. Regulation 78 of the Public Financial Management Regulations (PFMR), 2019 (L.I. 2378) provides among others that, "a Principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of the covered entity, the validity, accuracy, and legality of the claim for the payment and that evidence of services received, certificates for work done and any other supporting document exists."

94. Contrary to the above Regulation, Management of two Assemblies did not support seven payment vouchers totalling GH¢116,040.00 with relevant documents such as receipts, invoices, statements of claims, and other required documents to authenticate the payments. Details are provided below:

No.	Assembly	Particulars	No. of PVs	Amount GH¢
1	Sekyere Afram Plains District	Funds for meetings and allowances	3	49,440.00
2	Juaben Municipal	Financial support and petty tools	4	66,600.00
	<b>Total</b>		<b>7</b>	<b>116,040.00</b>

95. As a result, we could not confirm whether the funds were used for the intended purposes and also in the interest of the Assemblies.

96. We recommended that the amount of GH¢116,040.00 should be recovered from the Coordinating Directors and Finance Officers into the DACF accounts of the Assemblies involved.

#### **Unpresented payment vouchers - GH¢37,600.00**

97. Regulation 82 of the PFMR, 2019 (L.I. 2378) requires that, “a payment by a covered entity shall be accompanied with a payment voucher authorized by the head of accounts, and which is approved by the Principal Spending Officer.”

98. On the contrary, Management of two Assemblies did not produce six payment vouchers valued at GH¢37,600.00 for audit scrutiny. A summary is provided below:

No.	Assembly	No. of PVs	Amount GH¢
1	Sekyere Afram Plains District	1	15,600.00
2	Sekyere East District	5	22,000.00
	<b>Total</b>	<b>6</b>	<b>37,600.00</b>

99. In the absence of the payment vouchers and the relevant supporting documents, we could not authenticate the propriety of the expenditure and therefore, recommended recovery of GH¢37,600.00 from the Coordinating Directors and Finance Officers into the DACF accounts of the Assemblies involved.

#### **Misapplication of DACF - GH¢92,787.80**

100. Section 30 of the Public Financial Management (PFM) Act, 2016 (Act 921) states that a Principal Spending Officer shall, plan and manage the activities of a covered entity in accordance with the policy statement and financial estimates of that covered entity.

101. We noted that Management of Kumasi Metropolitan Assembly (KMA) misapplied an amount of GH¢92,787.80 of the DACF on gazetting of fees and payment for the celebration of Independence Day contrary to the above-stated Regulation. Details are provided below:



PV. No	Date	Payee	Details	Amount GH¢
1/3	01/03/2023	Regional Coordinating Council	Payment for 66 <sup>th</sup> Independence Day celebration	80,000.00
4/3	17/03/2023	Ghana Publishing Company (GPC)	Gazetting of 2023 Fee Fixing	12,787.80
<b>Total</b>				<b>92,787.80</b>

102. Management of KMA could not offer any explanation for the anomaly and this could stall planned programmes under the DACF.

103. We recommended to the Management of KMA to transfer GH¢92,787.80 from the IGF account to the DACF account and also desist from the practice of using DACF on unrelated activities.

#### **Over-utilization of DACF on Social Services expenditure - GH¢391,083.44**

104. The 2023 Guidelines for the Utilization of the DACF allow Assemblies to disburse up to five percent of their allocation on Social Services.

105. We however noted that KMA overspent its allowable allocation for social service by GH¢391,083.44 during the 2023 financial year as shown in the table below:

Allowable %	DACF Allocation GH¢	Allowable Expenditure GH¢	Actual Expenditure GH¢	Excess Expenditure GH¢
5 percent on Social Services	3,318,331.24	165,916.56	557,000.00	391,083.44

106. The practice negatively affected the ability of the Assembly to complete planned DACF projects.

107. We recommended to Management of the Assembly to refund the total amount of GH¢391,083.44 from its IGF accounts into the DACF account and also strictly adhere to the Guidelines for the Utilization of the DACF.

#### **Failure to allocate resources to MAG and Local Governance activities - GH¢431,383.06.**

108. The 2023 Guidelines for the Utilisation of the DACF require Assemblies to allocate five percent and eight percent of their DACF allocation for Modernization of Agriculture (MAG) and Local Governance activities respectively.



109. Contrary to the above requirement, Management of KMA did not allocate a total amount of GH¢431,383.06 of the share of the Assembly DACF allocation of GH¢3,318,331.22 for MAG programme (GH¢165,916.56) and Local Governance (GH¢265,466.50) activities during the 2023 financial year.

Sub-structure	Required percentage	Total DACF allocation	Expected allocation to sub-activities
MAG	Five percent	3,318,331.22	165,916.56
Local Governance activities	Eight percent	3,318,331.22	265,466.50
<b>Total</b>			<b>431,383.06</b>

110. The non-compliance with the above guidelines by the Assembly negatively affected the implementation of MAG and the Local Governance activities of the Metropolis.

111. We recommended to Management of KMA to ensure compliance with the DACF guidelines and transfer the total amount of GH¢431,383.06 for the implementation of the two programmes.

#### **Payments outside GIFMIS**

112. Regulation 83 of the PFMR, 2019 (L.I. 2378) requires that, “all payments for expenditure of covered entities shall be made through the Ghana Integrated Financial Management Information System (GIFMIS).”

113. We however noted that Management of Adansi South District Assembly manually processed and paid GH¢54,850.74 via 45 payment vouchers without the use of the GIFMIS.

114. Management attributed the lapse to the transfer of three Finance Officers who have been trained on the use of GIFMIS without replacement.

115. The act constituted financial indiscipline and would not ensure proper control over the use of public funds. It would also not enhance financial reporting and negatively impact on decision-making.

116. We recommended to Management to address all challenges preventing the use of GIFMIS and ensure that all payments are made through GIFMIS. We also recommended that the Coordinating Directors, Finance Officers and any other

responsible officer found culpable for this act should be sanctioned in accordance with Section 92 of the PFM Act, 2016 (Act 921).

### **Contract Irregularities**

#### **Delayed/abandoned projects - GH¢3,877,513.43**

117. Section 52 of the PFM Act, 2016 (Act 921) requires the Principal Spending Officers to be responsible for the assets of the institution under his care and ensure that proper control systems exist for the custody and management of the assets to eliminate wastages and losses.

118. On the contrary, we noted that 10 Assemblies expended a total amount of GH¢3,877,513.43 on 19 projects which were at various stages of completion but had been abandoned/delayed for periods ranging between two months and seven years whilst new projects were being awarded. Details are provided below:

No.	MMDA	Project Description	Funding source	Name of Contractor	Contract Sum	Payment to Date	Award Date	Expected Completion Date	Period abandoned/delay	% of Completion
1	Offinso Municipal	Ghana Police Post at Asamankama Offinso	DACF	Adujem Company Ltd	450,977.00	151,922.29	24/04/20	26/10/2020	38 months	50%
2	Offinso North District	Construction of 1 No. 3-units classroom block at Akomadan	DACF	M/S A. H. Rahman Ent Ltd.	257,881.43	257,881.43	2016	2019	59 months	80%
		Construction of 1 No. 3-units classroom block at Afrancho	DACF	M/S Descent Co. Ltd	275,000.00	275,000.00	2016	2019	48 months	80%
		Construction of 1 No. 3-unit classroom block at Nkenkaasu	DACF	M/S Alcobeta Co	199,926.26	181,175.15	2016	2019	48 months	40%
3	Mampong Municipal	Const. of 3-Unit Classroom Block at Adidwan	DACF	SNK Construction and Engineering Works Ltd	144,869.40	15,000.00	20/11/17	20/05/2018	67 months	50%
4	Ejura-Sekyedumase Municipal	Completion of 1no. 10-seater WC toilet at Kotokoli Line	MPCF	PA-CEDAM Ltd	209,671.35	101,670.25	03/02/22	04/07/2022	18 months	50%
5	Sekyere Central District	Construction of 1No. 3Unit Classroom Block with office, store and KVIP at	DACF	Klean Metro Company Ltd.	330,233.75	270,919.26	30/05/22	22/11/2022	13 months	80%
6	Akrofuom District	Construction of 6-Unit Transit Quarters at Akrofuom	DACF	Tip Tree Investment	549,776.00	197,134.40	14/12/21	14/06/2022	18 months	45%

		Construction of Police station at Grumesa	DACF	Akofex Ventures	549,628.02	243,584.94	27/10/22	24/10/2022	14 months	45%
		Construction of CHPS Compound & 3-Unit Quarters at Mprekyire	DACF	Tip Tree Investment	334,852.13	105,125.84	22/07/22	22/01/2023	11 months	75%
7	Adansi South District	3-Units Classroom at Wuruyie	MPCF	M/S Fesage Co Ltd	449,809.71	87,480.00	21/03/22	21/02/2023	10 months	95%
		CHPS Compounds at Wuruyie	MPCF	M/S B-Hams Ent	350,000.15	50,000.00	21/03/22	21/02/2023	10 months	80%
8	Adansi Asokwa District	Completion of 1.no 3 Unit classroom block with office, store and toilet at Amanokrom	DACF	True Engineers Const. Ltd	195,802.95	64,830.00	14/02/23	20/06/2023	6 months	28%
		Construction of Fire Station Block at Kwadaso North	DACF	God's Mercy Const. Ltd.	194,266.80	267,752.40	11/11/22	11/05/2023	7 months	95%
9	Kwadaso Municipal	Construction of 1no. 6-Unit Classroom Ground Floor Block, Office and Storeroom at Tanoso (Yaa Asantewaa)	DACF	Elesam Rock Co. Ltd.	805,221.55	406,276.01	13/10/22	12/04/2023	8 months	70%
		Completion of 1No. Police Station with Offices, Cells and Ancillary Facilities at Pokukrom – Kwadaso	MPCF	Nana Yaw Banahene Co. Ltd.	370,029.10	120,000.00	10/05/23	10/11/2023	1 month	95%

		Construction of 1No. 3-Unit Classroom Block with Office, Store and Staff Common Room at Prempeh Basic 'C' School - Kwadaso North	DACF	Brewerks Co. Ltd.	328,402.20	299,978.35	11/07/22	11/01/2023	11 months	40%
		Construction Of 1No. 3-Storey Building Administration Block for Some Selected Departments of Kwadaso Municipal Assembly	DACF	Acheamfour & Sons Co. Ltd.	3,000,357.94	434,860.20	13/10/22	13/10/2023	2 months	45%
10	Atwima Kwanwoma District	6-unit dormitory with 6-seator toilet at Afia Kobi SHS	DACF	Osei and Haruna Construction Co. Ltd	407,806.35	346,922.91	16/01/18	2019	48 months	85%
	<b>Total</b>				<b>9,404,512.09</b>	<b>3,877,513.43</b>				

119. Management of the Assemblies attributed the delay to the erratic flow of the DACF releases.

120. Delay in executing projects could lead to cost overruns resulting from increases in the prices of building materials to the detriment of other planned development projects of the Assemblies.

121. We recommended to Management of the Assemblies involved to give priority to ongoing projects and ensure their completion before new ones are awarded.

**Completed projects not in use - GH¢1,360,535.71**

122. Contrary to Section 52 of the PFM Act, 2016 (Act 921), we noted that five projects completed between November 2021 and September 2023 by three Assemblies at a total cost of GH¢1,360,535.71 were yet to be put to use. Details are provided below:

No.	Assembly	Project	Name of Contractor	Start date	Contract Sum GH¢	Date completed	No. of months not in use	Payment to date - GH¢	Remarks/ reason
1	Obuasi East District	Construction 1No. Community Library with 2-seater W/C Toilet and a mechanized borehole at Obuasi Low Cost.	Ahmed Abdallah Enterprise	04/11/20	267,591.75	07/12/2021	24 months	267,592.07	Yet to install tabletop computers to operationalize the library
		Construction and installation of 1No. Cassava Plant and Equipment at Mampamhwe.	KB & K Farmers HUB and Construction Limited	06/07/22	139,872.00	20/11/2022	13 months	139,872.00	Lack of electricity to the facility
		Construction of 1No. 5Units NHIS Office Accommodation with Ancillary facilities at Boete.	Jusbro Construction Company Limited	13/12/18	416,989.99	03/10/2022	14 months	344,303.64	Handed over to the NHIA for use but they have not started using it due to lack of equipment
2	Adansi South District	CHPS Compound with ancillary facilities at Manang at Manang	Fesage Comp Ltd.	1/8/16	282,330.00	28/12/2022	12 months	282,330.00	Absence of Electricity and Water
3	Bekwai Municipal	Construction of 1 No. 2-Unit KG Block, Office, Rest Room, 4-Seater WC Toilet, Mechanisation of 1 No.	HNH Construction & Investment Ltd.	21/09/22	326,438.00	15/09/2023	3 months	326,438.00	Yet to be commissioned






123. Consequently, the beneficiary communities have been denied the benefits of the use of the projects. Also completed projects not put to use could deteriorate and result in additional cost to the Assemblies.


124. We recommended to Management of the Assemblies involved to ensure that the necessary actions are taken including procurement of logistics and amenities to enable the facilities to be put to use. We also recommended that future budgets for projects should include the necessary ancillaries to make them operational to prevent instances of completed projects not put to use.

**Inappropriate valuation resulting in overpayment - GH¢803,476.58**

125. Management of Amansie South District Assembly awarded two projects at a contract sum of GH¢2,223,912.52 for which a total amount of GH¢1,388,268.33 had been paid to the Contractor. The projects were to be completed within six calendar months ending June 2023.

126. Contrary to Regulation 78 (1) of the PFMR, 2019 (L.I. 2378), we noted that Management of Amansie South District Assembly overvalued two Interim Payment Certificates (IPCs) and paid the contractors a total amount of GH¢709,799.00 for no work done. We also noted that the projects remained uncompleted 10 months after the due completion date. The pictures of the uncompleted buildings and details of the unexecuted portions with their related cost are shown below:

No	Project	Section	Works/ Description	Amount Overpaid	Project Photograph
1	Construction of Proposed 1No.1-Storey Fire Station at Manso -Adubia (Contract sum-GH¢1,865,234.62)  Payments to date GH¢1,249,754.89)	Ground Floor	Plasterwork, Floor, Ceiling and Other Related Finishes	244,705.00	 <p>Fig. 1: Current state of the building as at 19/01/2024</p>
			Joinery	26,526.00	
			Metalwork and Glazing	29,463.00	
			Electrical Installations	35,111.00	
			Plumbing And Engineering Installations	49,791.00	
		First Floor	Walling	23,651.00	
			Plasterwork, Floor, Ceiling and Other Related Finishes	58,120.00	
			Electrical Installations	23,210.00	
			Plumbing And Engineering Installations	36,000.00	
			Waste Disposal System	53,737.00	
	<b>Sub-total</b>			<b>580,314.00</b>	
2	Construction of 1No.1 Bedroom Semi-Detached Nurses Quarters at Adubia		Joinery Works	34,087.00	
			Metal Works	11,310.00	
			Plumbing Installation	11,050.00	
			Electrical Installation	18,000.00	
			Plasterwork and Other Finishes	52,278.00	

	(Contract sum- GH¢358,677.90) (Payment to date- GH¢138,513.44)		Glazing Works	2,760.00	 <p>Fig. 2: Current state of the building as at 19/01/2024</p>
	<b>Sub-total</b>			<b>129,485.00</b>	
	<b>Grand total</b>			<b>709,799.00</b>	

127. The Quantity Surveyor stated that he prepared the Interim Payment Certificate on the instruction of the District Chief Executive and had no means to visit the project sites to confirm the extent of the work done.

128. In a related issue, we noted that the KMA paid a total amount of GH¢93,677.58 to Messrs Brewecks Company Ltd for unexecuted portions of three projects as detailed below:

No.	Project	Contractor	Location	Unexecuted portion	Amount-GH¢
1	Construction of 1 No 3 Unit classroom block	Messrs Brewecks Company Ltd	Prempeh Basic 'C' school	Project sign board	675.00
2	Construction of 1 No 3 Unit classroom block	Messrs Brewecks Company Ltd	Prempeh Basic 'C' school	Surface finishes	75,992.58
3	Construction of 1 No 3 Unit classroom block	Messrs Brewecks Company Ltd	Prempeh Basic 'C' school	Installation of doors and windows	17,010.00
	<b>Total</b>				<b>93,677.58</b>

129. We recommended to the Chief Executive of the Amansie South Assembly to ensure that the contractors undertake the outstanding works for which total payments of GH¢709,799.00 had been made at no extra cost. Failure of which the Chief Executive and Quantity Surveyor and any responsible official whose inaction resulted in the unauthorized payments should be held liable for refund of the overpaid amount of GH¢709,799.00 into the DACF account of Assembly.

130. We also recommended that the Coordinating Director of KMA should ensure that the contractors return to site and execute the outstanding works for which payment of GH¢93,677.58 was made at no additional expenditure. Otherwise, the amount of GH¢93,677.58 should be recovered from the Coordinating Director, Works Engineer, Finance Officer and any officer involved in the unjustified payments into the DACF account of the Assembly.

131. We further recommended that the responsible officials involved whose actions could lead to loss of funds to the two Assemblies should be sanctioned for act of financial indiscipline in accordance with Section 92 of the PFM Act, 2016 (Act 921).

**Payment for works without certified progress report and IPC - GH¢47,445.00**

132. Management of Adansi North Assembly had as at October 2022, paid an amount of GH¢175,046.80 representing 90 percent of the contract sum of GH¢194,500.00 to Messrs. OABU Co. Ltd for the construction of 1No. Nurses quarters at Adomanu which commenced on 7 May 2021 and scheduled for completion by 7 September 2021.

133. We noted that the last tranche of payment of GH¢47,445.00 made to the Contractor on October 2022 was without a certified progress report and Interim Payment Certificate contrary to Regulation 78 (1) of the PFMR, 2019 (L.I. 2378). Our visit to the project site revealed that much work which would cost more than the outstanding contract sum of 10 percent to be paid ought to be executed for the completion of the project. A picture of the project is provided below:



*Picture taken by Audit team on 18 January 2024*

134. The absence of a progress report made it difficult for the audit team to ascertain the works executed to warrant the payment. The act of paying for uncertified works could lead to payment for work not done resulting in loss of funds to the Assembly. This project had since been abandoned.

135. The Head of Works of the Assembly stated that Management was planning to repackage the remaining works and re-award it to another contractor.

136. Abandoned projects could lead to cost overruns in the Assembly due to increases in price of building materials and also repackaging of the contract for award.

137. We recommended that the Coordinating Director, Finance Officer and any other responsible officer whose inactions resulted in the payment of GH¢47,445.00 should be held liable to refund the amount into the DACF account of the Assembly.



We also recommended that Management should take the necessary action to complete the project and put it to use.

### **Sanitation Management Irregularities**

#### **Deduction and payment for fumigation for no work done - GH¢80,500.00**

138. In accordance with the agreement between Afigya Kwabre South District Assembly and Zoomlion Ghana Limited (ZGL) dated 06 June 2022, the Company was expected to undertake fumigation exercise within the district.

139. The Afigya Kwabre South Assembly via letter dated 31 March 2023 notified the Administrator of DACF of the non-performance of agreed services for the fourth quarter of 2022 under the Fumigation contract and demanded the stoppage of the deduction and payment of fourth quarterly fee to ZGL from its share of the DACF for the quarter.

140. We however noted that an amount of GH¢80,500.00 was deducted from the Assembly's fourth quarter allocation of the Common Fund by the ADACF as fumigation whilst the Assembly had not benefited such services from ZGL.

141. We recommended to Management of the Assembly to pursue the ADACF for recovery of the amount GH¢80,500.00 from ZGL into the DACF account of the Assembly.

#### **Excess SIP and fumigations deductions without communication**

142. Clause 7 of the Sanitation Improvement Package (SIP) and Fumigation Service Agreements signed between ZGL and Obuasi and Amansie South Assemblies requires among others that any reviews made in respect of the payments for agreed service fees should be communicated to the Assembly before implementation.

143. We however noted that quarterly service fee deductions by the Administrator of DACF under fumigation and SIP contracts were increased from the first quarter of 2023 without prior notices to the Assemblies. As a result, the two Assemblies suffered a total deduction of GH¢307,392.00 which included arrears of GH¢93,150.00 for Amensie South Assembly for 2022 fourth quarter contrary to the terms of the agreement. Details are provided below:

Assembly	Service	Agreed Fee	Amount Charged	Excess Amount	No. of quarters	Arrears	Overpayment
Obuasi	Fumigation	53,187.50	65,406.25	12,218.75	3		36,656.25
	SIP	53,187.50	69,143.75	15,956.25	3		47,868.75
Amansie South	Fumigation	40,250.00	65,406.25	25,156.25	3	45,281.25	120,750.00
	SIP	51,060.00	69,142.75	18,082.75	3	47,868.75	102,117.00
<b>Total</b>						<b>93,150.00</b>	<b>307,392.00</b>

144. The practice could throw the budget of the Assemblies into disarray and as a result their inability to carry out other planned activities.

145. To enable the Assemblies to implement their planned activities with earmarked funds, we recommended that both parties should comply with the provisions of the agreements.

#### **Non-supply and replacement/repair of sanitation equipment**

146. Clause 1(d) and Schedule 1 of the Sanitation Improvement Package (SIP) Agreement signed between Zoomlion Ghana Limited (ZGL) and Amansie South District Assembly require ZGL to supply to the Assembly a quantity of skip truck and refuse containers for the collection of waste at quarterly service fee deducted at source by the Administrator from the DACF allocations.

147. Contrary to the SIP agreement, we noted that ZGL failed to supply two refuse containers to the Amansie South District Assembly. Also, the agreement between ZGL and the 13 underlisted Assemblies specified that the company was to replace equipment upon being notified by the Assemblies provided that the defects or damage is not caused by the negligence of the Assemblies. We however noted that 20 skip trucks and 34 refuse containers were damaged but have not been replaced or repaired because Management did not inform ZGL of the damages. Details are shown below:

No.	Assembly		Equipment not supplied	Equipment not replaced/ repaired	Period
1	Atwima Mponua District	Skip truck			Since April 2021
		Containers		1	
2	Old Tafo Municipal	Skip truck			Since 2022
		Containers		3	
3		Skip truck			2023

	Mampong Municipal	Containers		5	
4	Ejura-Sekyedumase Municipal	Skip truck		9	2023
		Containers		2	
5	Sekyere Central District	Skip truck		1	Since 2022
		Containers		1	
6	Obuasi Municipal	Skip truck		2	Since May 2023
		Containers			
7	Adansi South District	Skip truck		1	Since May 2023
		Containers		6	
8	Akrofuom District	Skip truck		1	2023
		Containers			
9	Ejisu Municipal	Skip truck		3	2023
		Containers			
10	Amansie South District	Skip truck			2023
		Containers	2	1	
11	Amansie West District	Skip truck		1	2023
		Containers		5	
12	Bekwai Municipal	Skip truck		1	2023
		Containers		4	
13	Bosome Freho District	Skip truck		1	2023
		Containers		6	
	<b>Total</b>		<b>2</b>	<b>54</b>	

148. We were unable to quantify the value of services not delivered in the agreement as the deliverables were not individually priced.

149. Non-delivery of equipment and repair/replacement of damaged equipment negatively affected the management of solid waste within the communities of the Assemblies.

150. We recommended to Management of the Assemblies involved to pursue ZGL for the supply of the outstanding skip trucks and refuse containers and also notify ZGL for the replacement/repair of worn-out containers failing which the ADACF should be notified to suspend payments to the Company until the anomalies are addressed. We further recommended to Management to ensure that subsequent revised agreements should include pricing of individual deliverables for ease of apportioning cost to unperformed services.



## Tax Irregularity

### Unremitted withheld taxes – GH¢20,314.71

151. Section 117(1) of the Income Tax Act, 2015 (Act 896) states that a withholding agent shall pay to the Commissioner General of the Ghana Revenue Authority (GRA) within 15 days after the end of each calendar month, a tax that has been withheld during the month.

152. Contrary to the above provision, we noted that Management of three Assemblies withheld taxes totalling GH¢20,314.71 from a total payment of GH¢409,455.60 made to suppliers of goods and services but failed to remit same to the GRA. Details are provided below:

No.	Assembly	No. of PVs	Particulars	Gross Amount-GH¢	Tax-GH¢
1	Atwima Nwabiagya North District	3	Being payment of rent and supply of LED bulbs	76,856.95	4,836.95
2	Amansie West District	8	Being construction of bungalow, renovations etc	150,686.65	7,332.56
3	Bosome Freho District	17	Being payment for stationery, sitting, tyres, allowances etc.	181,912.00	8,145.20
	<b>Total</b>	<b>28</b>		<b>409,455.60</b>	<b>20,314.71</b>

153. The practice denied the State of timely tax revenue which could have been used to meet other commitments. Also, delays in remittance of taxes to GRA could lead to the Assembly paying penalties.

154. We recommended that the unremitted taxes of GH¢20,314.71 should be paid to GRA without delay and any penalty that may arise should be paid by the Finance officer.

## Other Management Issues

### Encroachment of Assembly's lands

155. Contrary to Section 52 (1) of the PFM Act, 2016 (Act 921), we noted that 18 plots (4.5 acres) of land for Obuasi Municipal Assembly had been encroached upon by unauthorized occupants. Details are provided below:

No.	Site/Area	Proposed/ Original Land Size	Lands Encroached	Remaining Land Size	Remarks
1	Sub Ministerial Areas (New Nyamebekyere)	12 plots (3 acres)	8 plots (2 acres)	4 plots (1 acre) have been allocated to the Ghana Immigration Service.	8 plots of land have been encroached by Bagayeba Family with buildings
2	Jubilee School Site (Baakoyeden)	6 Plots (1.5 acres)	3 Plots (0.75 acres)	3 Plots of land	3 plots allocated to Heaven Glory Church have been encroached by Nana Gyamera Kwabena Yiakwan II (Ex-Kwapiahene), matter pending in court.
3	Palm Kernel Site (Airport Area)	20 plots (5 acres)	4 plots (1 acre)	16 plots (4 acres)	Encroached by Nana Gyamera Kwabena Yiakwan II (Ex-Kwapiahene), because the Assembly has not paid any compensation for legal acquisition of the land.
4	Bogobiri West Market Site	4 Plots (1acre)	1 Plot (0.25 acres)	3 Plots (0.75acres)	Encroached by Nana Akom (Spatial Planning Committee has issued written demand to Nana Akom who had encroached on the land to pay for the market price of the land at the cost of GH¢50,000.00 by 29 February 2024. However, GH¢25,000.00 has been paid with the remaining balance extended to 31 May 2024 for payment.
5	Municipal Court Area	12 Plots (3 acres)	2 plots (0.5 acres)	10 plots (2.5 acres)	Encroached by Bagayeba family with 2 uncompleted buildings.

<b>Total</b>	<b>54 Plots (13.50 Acres)</b>	<b>18 Plots (4.5Acres)</b>	<b>lots (9Acres)</b>	
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156. Encroachment of the Assembly's land could negatively affect the development agenda of the Municipality.

157. We recommended that Management of the Assembly should take appropriate measures to reclaim the encroached lands and protect them.

158. Management responded that legal action had been initiated against encroachers to prevent further encroachment and also measures have been put in place to ensure the Assembly is compensated for the land encroached.

## BONO REGION

### Introduction

159. In 2023, total DACF allocations to the 12 Assemblies in the Bono Region was GH¢20,816,823.66. A total of GH¢7,974,597.95 was deducted at source from the DACF allocations in favour of the Assemblies' Service Providers leaving net cash transfers of GH¢12,842,225.70 representing 61.69 percent of the total allocations shown in Appendix 'A'.

### Cash Irregularities

#### Unsupported Payments – GH¢102,755.00

160. Regulation 78 of the Public Financial Management Regulations, 2019 (L.I. 2378) states that, "a Principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of that covered entity, the validity, accuracy, and legality of the claim for payment."

161. We noted that two Assemblies did not attach the requisite expenditure documents such as receipts, invoices, statement of claims to account for 10 payments totalling GH¢102,755.00. Details are below:

Date	PV No	Details	Payee	Amount	Deficiency
<b>Banda District Assembly</b>					
15/08/23	BDA/DAC/02/08/23	Payment for transportation of fertilizers and weedicides from RCC	DCD	16,220.00	Provide distribution list on the usage of the items received
6/6/2023	BDA/DACF/01/06/23	payment for the supply of 45 packet of roofing sheet to NADMO	HIGHNORTH company	41,215.00	Provide distribution list for allocation of the relief items
27/11/23	BDA/DACF/05/11/23	Payment for town hall meeting	DCD	15,000.00	Provide signed list of people fed
20/7/23	DA/DACF/08.09/23	payment for budget preparation	DCD	9,900.00	provide signed list of people

29/11/23	BDA/DACF/ 08/11/23	payment to organize Town Hall meeting at Wewa on 28th September 2023	DCD	15,000.00	provide signed list of people fed
<b>Sub-total</b>				<b>97,335.00</b>	
<b>Dormaa Central Municipal Assembly</b>					
21/11/23	8/11/2023	Payment to provide Educational Materials to Issifu Mohammed	Amina Issifu	1,500.00	Provide Receipt of Educational Materials
20/12/23	6/12/2023	Payment to provide Educational Materials to support Bright Agyapong	Bright Agyapong	1,000.00	Provide Receipt of Educational Materials
20/12/23	10/12/2023	Payment to provide Educational Materials to support Bismark Aborvor	Bismark Aborvor	1,000.00	Provide Receipt of Educational Materials
20/12/23	14/12/23	Payment for Medical Bills to support Asantewaa Agnes Amma	Asantewaa Agnes Amma	1,420.00	Provide Receipt of Medical Bills
20/12/23	17/12/23	Payment for Retailing Provisions to Support Yaya Tidjani	Yaya Tidjani	500	Provide Receipt of Medical Bills
<b>Sub-Total</b>				<b>5,420.00</b>	
<b>Grand Total</b>				<b>102,755.00</b>	

162. We could not authenticate the genuineness of the expenditures, which could lead to potential loss of funds to the Assemblies.

163. We recommended recovery of the amount of GH¢102,755.00 from the Coordinating Directors and the Finance Officers of the affected Assemblies into their respective accounts.

164. Management of Banda District Assembly responded that, all supporting payment documents had been retrieved and evidence available for our verification but could not provide them for our verification, while Management of Dormaa Central Assembly responded that the beneficiaries were yet to present their receipts, and some were yet to pick their cheques from the office.

#### **Budget overrun - GH¢645,552.21**

165. Section 30 of the Public Financial Management Act, 2016 (Act 921) requires that a Principal Spending Officer shall plan and manage the activities of a covered entity in accordance with the policy statement and financial estimates of that covered entity.

166. We noted that Tain District and Wenchi Municipal Assemblies procured goods and services to the tune of GH¢112,703.60 and GH¢532,848.61 above their approved budgets of GH¢308,500.00 and GH¢320,000.00 respectively. Details are as follows:

No.	Assembly	Approved Budget	Actual Expenditure	Amount overspent
1	Tain District	308,500.00	421,203.60	112,703.60
2	Wenchi Municipal	320,000.00	825,848.61	532,848.61
<b>Total</b>		<b>628,500.00</b>	<b>1,247,052.21</b>	<b>645,552.21</b>

167. The Finance Officers attributed the anomaly to increase in prices of goods and services during the 2023 financial year.

168. Overspending on the Assemblies' budgets could lead to their inability to execute other equally important activities in their areas of jurisdictions.

169. We recommended that the Coordinating Directors and the Finance Officers involved should be sanctioned in line with the provisions of Section 98 of the Public Financial Management (PFM) Act (Act 921). We further recommended that Managements of the Assemblies involved should put measures in place to ensure fiscal discipline in future.

170. Management of Wenchi Municipal Assembly accepted our recommendation for compliance, but Management of Tain District Assembly failed to respond to our management letter.

### **Payments not processed through the GIFMIS System**

171. Regulation 83 of the PFMR, 2019 (L.I. 2378) states that, “all payments for expenditure of covered entities shall be made through the Ghana Integrated Financial Management Information System.”

172. We noted that Dormaa West District Assembly processed eight payment vouchers totalling GH¢42,496.08 from common fund Account without recourse to the Ghana Integrated Financial Management Information System (GIFMIS). Details are below:

No.	Date	PV No.	Payee	Particulars	Amt
1.	10/05/23	09/05/23	Mike K. Degbortey	Submission of internal audit report.	1,000.00
2.	12/05/23	14/05/23	DCD	Familiarization tour of DCE.	3,650.00
3.	16/12/23	12/01/23	Adehyeman Farms	Purchase of Oil Palm seedlings.	5,500.00
4.	12/01/23	02/01/23	GRA	Tax liability	2,923.08
5.	12/01/23	01/01/23	Bosky Trading	Building Materials purchased.	5,208.00
6.	05/09/23	04/09/23	DCD	Payment to Parliament Select Committee.	15,000.00
7.	23/08/23	13/08/23	Adehyeman Farms	Oil Palm Seedling supplied	3,880.00
8.	23/08/23	12/08/23	Adehyeman Farms	Oil Palm Seedlings supplied.	5,335.00
		<b>Total</b>			<b>42,496.08</b>

173. The Finance Officer attributed the anomaly to inadequate training of staff as well as network challenges.

174. The lapse could result in distortion in the financial reporting of the Assembly.

175. We recommended that the Coordinating Director and the Finance Officer should ensure that all expenditures are processed through the GIFMIS platform and

should notify the GIFMIS secretariat of any challenges they may encounter in using the platform.

176. Management said it was enforcing the usage of GIFMIS despite the challenges.

#### **Indebtedness of the Assembly to the Member of Parliament – GH¢55,640.00**

177. Section 30 of the Public Financial Management Act, 2016 (Act 921) requires that a Principal Spending Officer shall plan and manage the activities of a covered entity in accordance with the policy statement and financial estimates of that covered entity.

178. Our review of the Dormaa East Member of Parliament's (MP) common fund account disclosed that the Assembly borrowed funds totalling GH¢116,640.00 from the MP's share of the Common Fund from July to December 2023 but refunded only GH¢61,000.00 leaving GH¢55,640.00 not refunded. The details are as follows:

No.	Date	PV. No.	Amount
1	24/7/23	1/7/23	10,000.00
2	24/8/23	3/9/23	5,640.00
3	15/9/23	1/9/23	60,000.00
4	22/9/23	2/9/23	15,000.00
5	15/11/23	3/11/23	6,000.00
6	13/12/23	31/12/23	20,000.00
<b>Total</b>			<b>116,640.00</b>
Refund			61,000.00
<b>Outstanding</b>			<b>55,640.00</b>

179. The District Finance Officer indicated that the Assembly relied heavily on the MP Common Fund for financial support due to financial challenges the Assembly faces.

180. The continuous borrowing from the MP's common fund without refunding weakens the financial strength of the MP to undertake his planned activities in the constituency.

181. We recommended that Management should refund the GH¢55,640.00 into the MP common fund account to enable him carryout his planned programs in the district.

#### **Contract Irregularities**



### Delayed / Abandoned Projects - GH¢1,049,941.84

182. Section 52 of the Public Financial Management Act, 2016 (Act 921) requires the Coordinating Directors, as principal spending officers to institute proper control system to prevent losses and wastage.

183. We noted that seven projects that were awarded between November 2004 and December 2022 and were expected to be completed between March 2005 and April 2023 have either been abandoned or delayed. Details are provided below:

Project	Name of contractor	Award Date	Expected Date of completion	Period of delay	% Completed	Contract sum	Amount Paid
<b>Jaman South</b>							
Construction of 1 No 3 Unit Classroom Block with Office and store	M/S GYEEBET Company Ltd	30/09/2022	30/04/2023	8 months	75%	369,884.50	165,404.13
Const. of 1 No. 3-unit classroom block	M/S Emfilko Co Ltd	10/03/2010	9/11/2011	133 Months	60%	95,399.70	43,399.70
Construction of 1 No. 3-Unit Classroom Block	M/S Mykye Ent.	Nov. 2004	March, 2005	267 months	85%	28,904.66	26,611.46
Const. 1 No. semi-detached Bungalow	Ofori and Sons Ltd	March, 2010	Sept. 2011	136 months	90%	92,695.59	86,680.00
<b>Tain District</b>							
Maintenance and Extension of Streetlights.	Twumasi Construction Ltd	21/12/2022	20/04/2023	8 months	47.70%	507,069.00	408,481.50
Renovation of DPO, DD & Slab at weekly market	Andypea Ventures	September 2022	November 2022	13 months	30.05%	40,007.00	21,388.50

Const. of Police Station at Seikwa.	Sabonsu Const. Ltd	27/11/2020	27/03/2021	21 months	70%	499,172.05	297,976.55
<b>Total</b>						<b>1,633,132.50</b>	<b>1,049,941.84</b>

184. Management of the Assemblies attributed the anomaly to lack of funds.

185. Delay in executing projects could lead to cost overruns to the detriment of other developmental projects of the Assemblies.

186. We recommended to Management of the Assemblies to ensure that priority is given to abandon or delayed projects before new ones are awarded to avoid the situation where funds are locked-up unnecessarily.

187. Management of the Assemblies accepted the recommendation and agreed to implement it accordingly.

#### **Completed projects not put to use - GH¢276,772.60**

188. Section 52 of the Public Financial Management Act, 2016 (Act 921) requires that a Principal Spending Officer of a covered entity shall be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets to prevent wastage and loss.

189. We noted during our project inspection at Sunyani West Municipal Assembly that two projects, that were completed in 2018 were yet to be put to use. Details are provided below:

No	Project Title	Funding source	Contractor	Date Completed	Period of abandon	Reasons for not using the project	Contract Sum	Payment to date
1	Construction of Fiapre Court	DACF	Samotrust Company Ltd	3/10/18	63 months	Awaiting commissioning	198,076.00	189,845.30
2	Construction of 1No 10-seater W/C Latrine at Kwatire	MPCF	O'Sadique Company Ltd	03/09/'18	64 months	Wrongful siting of project/mis placed priority	99,736.00	86,927.30
		<b>Total</b>					<b>297,812.00</b>	<b>276,772.60</b>

190. The anomaly has denied the intended users the benefit of the facility.

191. We recommended to Management to take the necessary steps to ensure the projects are put to immediate use.

192. Management accepted our recommendation and promised to put the projects to use as soon as possible.

**Payment for unexecuted portions of a contract - GH¢15,640.00.**

193. Regulation 78 of Public Financial Management Regulations, 2019 (L.I 2378) states that, “a Principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of that covered entity the validity, accuracy and legality of the claim for the payment and that evidence for services received, certificates for work done and any other supporting documents exists.”

194. We however noted that Management of Sunyani West Municipal Assembly paid a total amount of GH¢15,640.00 to Messrs Ashuura Limited for unexecuted portions of the construction of 1No 4-unit workshop at Nsoatre Vocational and Technical Institute. Details provided below:

No	Item	Qty to be provided	Qty executed	Difference	Price	Amount	Page of quantities
1	Heavy duty mortice lock with set of level handle	10	4	6	300.00	3,000.00	9
2	100A TPN Service cut out	3	0	3	100.00	300.00	11
3	Include a provisional sum of GH¢3,000.00 for work by VRA, bringing main cable to building, installing meter and connecting to the switchgear	NA	NA	NA		3,000.00	11
4	10mm conduit black & red	180	0		18.00	3,240.00	11
5	16mm conduit cable	160	0		25.00	4,000.00	11
6	Ceiling mounted light fitting complete with lamp	16	20	6	100.00	600.00	12
7	Wall mounted fluorescent fitting complete with lamp	10					12
	Supply and installation of ceiling fan complete.	12	7	5	300.00	1,500.00	12
	<b>Total</b>					<b>15,640.00</b>	

195. The unexecuted portions constituted loss of GH¢15,640.00 to the Assembly.

196. We recommended that Management should notify the Contractor to undertake the outstanding works at no cost to the Assembly failing which the retention of GH¢26,967.75 should be used to carry out the outstanding works.

197. Management accepted our recommendation for compliance.

#### **Outstanding obligations to contractor – GH¢371,151.48**

198. Section 7 of the Public Financial Management Act, 2016 (Act 921) requires the Principal Spending Officer of a covered entity to ensure the regularity and proper use of money appropriated in that covered entity.

199. Management of Sunyani West Municipal Assembly had not paid three contractors an outstanding balance of GH¢371,151.48 on three projects which were completed between 2020 and 2023. Details below:

No.	Contract Details	Contractor	Contract Sum	Amount Paid	Outstanding fees	Last Payment Date
1	Const. of 3-bedroom bungalow for Chiraa health center	M/S Original Asaase Aban Co. Ltd	249,682.75	200,000.00	49,682.75	17/03/20
2	Construction of 1No 3-unit classroom block at Kantro	M/S 2 AM Ofosu-Hene Company Ltd	293,000.00	123,128.00	169,872.00	08/05/23
3	Construction of 6 No bedroom teachers' bungalow at Aduonya	Ashuura Ltd	338,382.00	186,783.27	151,598.73	09/02/23
	<b>Total</b>				<b>371,153.48</b>	

200. The Municipal Head of Works, Ms. Beatrice Afi Boatemaa attributed the lapse to the failure by the contractors to follow up after the respective interim payment certificates were prepared.

201. The Assembly risks payment of judgement debts and consequential interest payments should a legal action be initiated against them by any of the contractors.

202. We recommended that the Municipal Coordinating Director should take necessary steps to settle the commitments to the contractors at the earliest possible time.

203. Management responded that the outstanding fees owed would be settled when share of common fund is released.

## Sanitation Management Irregularities

### Failure to Replace or Repair Sanitation Equipment

204. Clause 3 of the Service Agreement of Sanitation Improvement Package (SIP) between Zoomlion Ghana Ltd and the MMDAs in 2019 requires Zoomlion Ghana Ltd to provide Skip Trucks and communal refuse containers to the Assemblies and repair and replace the equipment used for the refuse collections upon being notified by the Assembly of any damage or defect.

205. We noted that Zoomlion Ghana Ltd failed to replace or repair broken down refuse trucks and waste containers of three Assemblies as stipulated in the service agreement. Details are below:

No	Assembly	Equipment	Qty	Condition
1	Sunyani West Municipal	Refuse truck	1	Broke down since October 2022
		Refuse containers	5	Worn out over unspecified period, pictures obtained
2	Dormaa East District	Refuse containers	2	Worn out over unspecified period, pictures obtained
3	Berekum West District	Refuse Truck	1	Broken Down since 1 April 2023

206. We also noted from inspection of refuse containers at Sunyani West Municipal Assembly that, Zoomlion Ghana Ltd provided 14 out of the required 20 refuse containers to the Assembly as per their service agreement with the Assembly, leaving six containers undelivered.

207. We were unable to quantify the value of services not rendered, as the deliverables in the Agreement were not individually priced.

208. The non-delivery of equipment and replacement of damaged machinery negatively affected management of solid waste within the catchment areas of the Assemblies.

209. We recommended to Management of the Assemblies involved to ensure that ZGL supply the outstanding refuse containers and trucks and replace the damaged trucks and containers without further delay. We also recommended that Management of the Assemblies should adhere to the dictates of the agreements and notify ZGL of any outstanding commitments and in subsequent review of the Agreements, ensure that the services are priced individually for ease of apportioning costs to unperformed services.

210. Management of the three Assemblies responded that they have written letters to Zoomlion Ghana Limited for replacement of the broken-down equipment.

## **Tax irregularities**

### **Taxes not withheld - GH¢2,191.75**

211. Section 116 of the Income Tax Act, 2015 (Act 896) requires a resident person, other than an individual, to withhold tax on the gross amount of the payment at the rate specified in the First Schedule when the person makes a payment to another resident who does not fall within subsection (1) or section 114 for the supply or use of goods, works and services.

212. We noted that the Finance officer of Dormaa East District Assembly paid an amount of GH¢73,058.51 to three suppliers but failed to withhold taxes of GH¢2,191.75 on the payments made. Details provided as follows:

<b>PV No.</b>	<b>Description</b>	<b>Vendor / Payee</b>	<b>Amount</b>	<b>Rate %</b>	<b>Tax</b>
08/11/23	Being payment in respect of procurement of fufu ponding machine PWD	Easy way group	2,600.00	3	78.00
02/08/23	Being payment for to enable the Assembly purchase feed to supply people with disability poultry farm	Nsira Ventures	35,000.00	3	1,050.00
01/01/23	Being part payment for the procurement of poultry feed to disability poultry farm	DD Carravan	35,458.51	3	1,063.75
	<b>Total</b>		<b>73,058.51</b>		<b>2,191.75</b>

213. This could lead to loss of tax revenue to the state.

214. We recommended that, the Coordinating Director and Finance Officer of the Dormaa East District Assembly should personally pay the tax of GH¢2,191.75 to the Ghana Revenue Authority without further delay and subsequently recover same from the suppliers.

215. Management responded that the funds were released to support Persons with Disability poultry project.

216. However, the amount paid constituted an income to the suppliers which should have been subjected to tax. We therefore reiterated our earlier recommendation.

#### **Tax not remitted to GRA – GH¢20,498.28**

217. Section 117 of the Income Tax Act, 2015 (Act 896) requires, “a withholding agent shall pay to the Commissioner-General within fifteen days after the end of each calendar month a tax that has been withheld in the previous month.”

218. We noted at Banda District Assembly that the Finance Officer made payments worth GH¢422,063.50 through 13 payment vouchers but did not remit the taxes of GH¢20,498.28 withheld to the Ghana Revenue Authority. Summary provided as follows:

No.	Date	PV No.	Chq. No.	Payee	Details	Amount	Tax
1	19/4/23	BDA/DACF /4/04/23	886	Intellectual Disciple Ent	renovation of section of the District Assembly Block at Banda Ahenkro	11,000.00	550.00
2	05/05/23	BDA/DACF /04/05/23	889	Auto Planet Ltd	payment for servicing official vehicle No GT. 8444-19	4,447.65	298.50
3	05/05/23	BDA/DACF /05/05/23	889	Auto Planet Ltd	payment for servicing official vehicle No GT. 8444-19	5,546.45	341.25

4	15/08/23	BDA/DACF /01/08/23	902	DCD	Payment for 2-day training for 40 newly recruited staff	12,678.40	4,078.46
5	15/12/23	BDA/DACF /05/12/23	948	DCD	Payment for audit committee meetings	7,000.00	445.00
6	15/12/23	BDA/DACF /06/12/23	949	Auto Planet Ltd	payment for servicing official vehicle No GT. 8444-19	10,000.00	750.00
7	29/11/23	BDA/DAC/ 09/11/23	945	DCD	Payment to organize assembly meeting	30,088.00	1,592.00
8	08/10/23	BDA/DACF /02/09/23	923	DCD	Payment for monitoring allowance	12,000.00	1,620.00
9	06/06/23	BDA/DACF /01/06/23	896	Highnorth company ltd	payment for the supply of 45 packet of roofing sheet to NADMO	41,215.00	1,200.00
10	19/4/23	BDA/DACF /03/04/23	884	Intellectual Disciple Ent	payment for renovation of sections of the District Assembly block	18,000.00	900.00
11	27/11/23	BDA/DACF /06/11/23	943	DCD	Payment to organize assembly meeting	30,088.00	1,800.00
<b>Sub Total</b>						<b>182,063.50</b>	<b>13,575.21</b>
<b>MP SIP</b>							
1	06/08/23	BDA/MPSIP /03/06/23	309	Aslord limited	payment for the supply of 100 stand hair dryer	130,000.00	3,750.00
2	06/08/23	BDA/MPSIP /02/06/23	308	Aslord limited	payment for the supplier of 100 pieces of hand sewing machines (gemming)	110,000.00	3,173.07
<b>Sub - Total</b>						<b>240,000.00</b>	<b>6,923.07</b>
<b>Grand Total</b>						<b>422,063.50</b>	<b>20,498.28</b>

219. Failure to promptly remit taxes withheld denies the state of the timely expected cashflow to undertake developmental activities.



220. We recommended that the Finance Officer should pay the taxes withheld to the Ghana Revenue Authority without further delay. We also recommended that the Finance Officer should be personally held liable for any penalty payment.

221. Management responded that, the said taxes were withheld and remitted to GRA with receipts available for verification but failed to provide them for our review.

## **BONO EAST REGION**

### **Introduction**

222. For the 2023 financial year, total allocations to the 11 Assemblies in the Bono East Region were GH¢18,992,744.28. Out of this amount, a total of GH¢7,209,265.50 was deducted at source in favour of the Assemblies' Service Providers, resulting in net cash transfers of GH¢11,783,478.78 representing 62.04 percent of the total allocations shown in Appendix 'A'.

## Cash Irregularities

### Unsupported Payments - GH¢134,546.72

223. Regulation 78 of the Public Financial Management Regulations, 2019 (L.I. 2378) provides among others that, "a Principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of the covered entity, the validity, accuracy, and legality of the claim for the payment and that evidence of services received, certificates for work done and any other supporting document exists."

224. Contrary to the above, Management of Sene East District Assembly, Kajaji did not support nine (9) payment vouchers with a total face value of GH¢134,546.72 with relevant documents such as receipts, invoices, statement of claims, evidence of service or work done. Details provided below:

Date	PV No.	Payee	Details of Expenditure	Amount paid	Amount accounted for	Difference
<b>MP-CF Account</b>						
25/02/23	3/MP/03/23	Bodeso Solomon and Kinelenor David	Funds released for Financial Support to Students	24,000.00	21,700.00	2,300.00
13/01/23	2/MP/01/23	Negnambo Victoria	Funds released for Financial Support to Students	25,000.00	24,400.00	600.00
13/01/23	1/MP/01/23	Nkebele Emmanuel	Funds released for Financial Support to Students	13,300.00	12,450.28	849.72
22/03/23		Mr. Edu Wisdom	Funds released for Financial Support for payment of school fees	5,000.00	-	5,000.00
18/06/23	1/MP/07/23	Owusu Didi Ent	Payment for the Supply of bags of rice	45,248.00	-	45,248.00
02/04/23	1/MP/011/23		Financial Support for the installation of Solar system	34,778.00	-	34,778.00
<b>Sub-Total</b>						<b>88,775.72</b>
<b>DACF Account</b>						

13/03/23	02/CF /02/23		Payment for Stationeries	5,646.00	-	5,646.00
06/09/23	34/CF /09/23	Victor Danquah	Funds released for the setup of Registry Management System	4,775.00	-	4,775.00
30/11/23	59/CF /11/23	Isaa Baffoe Ameyaw	Funds released to purchase motorbikes and tricycles for the Farmer's Day celebration.	35,350.00	-	35,350.00
<b>Sub - Total</b>						<b><u>45,771.00</u></b>
<b>Grand Total</b>						<b><u>134,546.72</u></b>

225. We were unable to authenticate whether the expenditure was incurred in the interest of the Assembly. This could lead to loss of funds to the Assembly.

226. We recommended that the amount of GH¢134,546.72 should be recovered from the Finance Officer and Coordinating Director and paid into the account of the Assembly.

227. Management responded that the necessary documents have been made available for verification but could not produce them for audit review as at the time of reporting.

#### **Expenditure Outside the GIFMIS platform**

228. Regulation 83 of the Public Financial Management Regulations, 2019 (L.I. 2378), provides that, "all payments for expenditure of covered entities shall be made through the Ghana Integrated Financial Management Information System (GIFMIS)."

229. On the contrary, we noted that Sene East District Assembly, Kajaji, manually processed and paid a total amount of GH¢105,288.00 through eight payment vouchers for various activities carried out without using the GIFMIS platform. Details are provided below:

DATE	PV No.	Payee	Details of Expenditure	Amount
<b>MP-CF Account</b>				
18/06/23	1/MP/07/23	Owusu Didi Ent	Payment for the Supply of bags of rice	45,248.00
12/01/23	3/MP/01/23	DFO	Financial Support for Disaster VICTIMS	10,900.00
03/03/23	2/MP/03/23	Mallam Muniro	Financial Support for Renovation of Community Mosque	12,300.00

22/03/23		Mr. Edu Wisdom	Funds released for Financial Support for payment of school fees	3,000.00
08/08/23	4/MP/08/23	DFO	Funds released for Financial Support for payment of school fees	6,500.00
18/08/23	2/MP/08/23	DFO	Funds released for Financial Support for payment of school fees	8,000.00
26/08/23	1/MP/08/23	DFO	Funds released for Financial Support for payment of school fees	8,000.00
<b>Sub-Total</b>				<b><u>93,948.00</u></b>
			<b>DACF-Account</b>	
06/09/23	22/CF/09/23	Ayemiga Dominic	2022 4th quarter monitoring of Development Projects	11,340.00
<b>Sub-Total</b>				<b><u>11,340.00</u></b>
<b>Grand Total</b>				<b><u>105,288.00</u></b>

230. Failure to process transactions through the GIFMIS platform could distort the financial reporting of the Assembly and could lead to unbudgeted expenditures.

231. We recommended that the Coordinating Director and the Finance Officer should ensure that all expenditures are processed through the GIFMIS platform and should notify the GIFMIS secretariat of any challenge they may encounter in using the platform.

232. Management responded that the warrants have been retrieved and attached to the payment vouchers for verification. They were, however, yet to submit them for review.

## **Contract Irregularities**

### **Abandoned projects – GH¢245,552.29**

233. Section 52 of the Public Financial Management Act, 2016 (Act 921) requires Coordinating Directors as the Principal Spending Officers to institute proper control systems to prevent losses and wastage.

234. We noted that Kintampo South District Assembly, Jema awarded three (3) projects with a total contract sum of GH¢416,151.33 out of which a total amount of GH¢245,552.29 was paid to the Contractors. However, the projects which are at various stages of completion have been abandoned for seven years as at December 2023. Details are provided below:

Project Name	Name of Contactor	Start date	Expected completion date	Contract Sum	Payment to date	Period of delay	% of work done	Reasons for Abandonment
Construction of 3-unit Classroom with ancillary at Mo -Nkwanta	M/S Y.H. CO. LTD.	30/03/16	30/09/16	135,210.52	50,281.50	7 Years	45	Lack of funds and prioritization
Construction of 3-unit Classroom with ancillary at Bredi	M/S Alai Nkrumah	30/03/16	30/03/16	140,931.86	89,366.18	7 Years	65	Lack of funds and prioritization
Construction of CHPS Compound at Weila	M/S Ahenewaa Complex	29/04/16	30/09/16	140,008.95	105,904.61	7 Years	95	Lack of funds and prioritization
<b>Total</b>				<b>416,151.33</b>	<b>245,552.29</b>			

235. Management attributed the abandonment of the project to irregular release of the District Assemblies Common Fund.

236. Abandoned projects could lead to cost overruns to the detriment of other developmental projects of the Assembly. Again, the intended purposes of the projects have not been achieved.

237. We recommended to Management of the Assembly to ensure that priority is given to abandoned projects before new ones are awarded.

238. Management responded that they were committed to ensuring that the projects were completed and handed over for immediate use when funds become available.

### **Delayed projects - GH¢1,354,760.33**

239. Section 52 of the Public Financial Management Act, 2016 (Act 921) empowers Principal Spending Officer of a covered entity to establish a control system capable of ensuring that preventative mechanisms are in place to eliminate theft, loss, wastage, and misuse of assets.

240. We noted during our project inspection that four Assemblies awarded seven (7) projects with a total contract sum of GH¢3,415,695.28 out of which a total amount of GH¢1,354,760.33 was paid to the Contractors. However, the projects had delayed at various stages of completion. Details are provided below:

No.	Assembly	Details of contract	Contractors	Period of Delay	% of Completion	Contract Sum	Payment to Date	Reason for Delay
1	Pru West	Construction of I No CHPS compound with furnishing equipment (admission beds, furniture, and basic equipment)	M/S High North Company Limited	13 Months	93	328,725.50	168,690.08	Lack of funds
2	Kintampo North Municipal	Construction of Pavement and Drainage Works and Reshaping of Existing Road at Kintampo Community Centre	M/S Afrita Rad Ghana Limited	6 Months	25	1,124,601.64	320,503.14	Irregular release of funds by DACF Secretariat
		Construction of a Police Station at New Longoro	Kete Mokeke Enterprise	49 months	80			
3	Sene West	Construction of health centre,	Kangre Enterprise	8 months	40	1,095,867.76	444,332.11	Lack of funds
		Construction of 3 Unit dormitory block with WC and bath	M/S Agbamui Enterprise	8 months	60			
		Construction of two creches.	Pak Veritas Limited	2 Months	45			
4	Techiman Municipal	Construction of 1no.6-unit classroom Block with ancillary facility and landscaping at Jerusalem	M/S Elim Twelve Seventy Limited	48 Months	70	866,500.38	421,235.00	Lack of funds
<b>Total</b>						<b>3,415,695.28</b>	<b>1,354,760.33</b>	

241. Delayed projects could lead to cost overruns to the detriment of other developmental projects of the Assemblies.

242. We recommended to Management to ensure that the projects are completed before awarding new ones, for the communities/beneficiaries to derive the intended benefits.

**Completed Projects not in use - GH¢951,204.65**

243. Section 52 of the Public Financial Management Act, 2016 (Act 921) empowers Principal Spending Officer of a covered entity to establish a control system capable of ensuring that preventative mechanisms are in place to eliminate theft, loss, wastage, and misuse of assets.

244. We noted from our review of projects that, Pru West and Pru East District Assemblies spent a total amount of GH¢951,204.65 on three (3) projects which have been completed but were not put to use. Details are provided below:

No.	Assembly	Funding	Details of Project	Payment to Date	Reason(s) not in use
1	Pru East	DACF	Konkoma Clinic and CHPS compound	554,271.15	No electricity and furniture
2	Pru West	DACF	1 no Maternity Block with Delivery Bed and Basic equipment	396,933.50	No electricity
	<b>Total</b>			<b>951.204.65</b>	

245. This situation had denied the communities the benefits that would have been derived from the use of these projects.

246. We recommended that Management should provide the needed amenities to enable the communities benefit from the projects.

247. Management responded that they have taken note of our recommendation and were taking steps to provide electricity so the facilities can be put to use.

#### **Poor execution of project - GH¢241,056.00**

248. Section 52 of the Public Financial Management Act, 2016 (Act 921) requires that, Principal Spending Officers shall institute a control system that shall be capable of ensuring that proper procedures are in place for the effective use of assets and to prevent loss, wastages, and misuse.

249. We noted during our inspection of projects at the Techiman Municipal Assembly that, portions of Block 'A' at the Nana Abena's market had its roofing and ceiling ripped off, three months after completion and handing over of the project by the Contractor. Pictures below show details of defects:





250. According to the Engineer, the incident was because of ceiling cards falling off due to rainwater streaming down on the parapet walls and returning to hit the fascia board. Meanwhile the contractor has agreed to work on the defect part of the roofing and ceiling.

251. We recommended to Management of the Assembly to ensure that the contractor replace the ripped off roof and ceiling.

252. Management responded that the Contractor is currently fixing the defect portion of the project.



### **Failure to Account for five (5) Auctioned Vehicles**

253. Section 52 of the Public Financial Management Act, 2016 (Act 921) requires Coordinating Directors as the Principal Spending Officers to institute proper control systems to prevent losses and wastage.

254. We noted that Management of Kintampo South District Assembly sought approval to auction five of its unserviceable vehicles. Our further review on the details of the auction process revealed that, the auctioneer named Nana Wiafe Akenten of Wabsco Mart failed to provide a detailed report on the auction, indicating the date, place, number of vehicles, total proceeds raised, auctioneers commission paid and evidence of payment to Bank of Ghana. Details are provided in the table below:

No.	Registration No.	Make /Type	Chassis No	Age of Vehicle (Years)
1	GV 414 -14	Nissan Pick /up	JNICJUD22Z0077596	19
2	GV 415-14	Nissan Pick/ up	JNITCSY61Z0579707	21
3	GE 3152 -Y	Ford Everest /SW	MNCLS4D107W203148	15
4	GV 51150 V	Farm Tractor 80	200075	19
5	-	GR-215 Motor Grader	G21500820036	14

255. The irregularity could result in misappropriation of public funds.

256. We recommended that the District Coordinating Director and the Finance Officer should contact the auctioneer for a detailed auction report and evidence of payment of the proceeds from the auction into the Bank of Ghana Account No. 1018131461577 for our verification, failing which they should be sanctioned in accordance with section 98 of the PFM Act 2016 (Act 921).

257. Management responded that all the necessary documents including the reports on the five (5) vehicles and Bank of Ghana pay-in-slip were available for verification.

258. Upon review of the Management response, they could not provide the necessary documents including the reports on the five (5) vehicles and Bank of Ghana pay-in-slip as responded.

### **Indebtedness to suppliers - GH¢226,140.37**

259. Section 33 of the Public Financial Management Act, 2016 (Act 921) states that a covered entity shall not enter into any agreement with a financial commitment that binds the Government for more than one financial year or that results in a contingent liability except where the financial commitment or the contingent liability is with a prior written approval of the Minister and authorized by Parliament in accordance with Article 181 of the Constitution.

260. We noted that the Kintampo Municipal Assembly owed 14 suppliers a total of GH¢226,140.37 for supplies of various goods and services, Capital expenditure and other payables made since 2021. Details are provided below:

No	Name	Description	Bal as at Jan 2023	Amount Paid	Balance as at December 2023
<b>Goods &amp; Services</b>					
1	Jorninas Company Limited	National Farmers Day Celebration -2021	45,540.80	21,523.00	24,017.80
2	Bky Investment	Supply of 2020 National Farmers Day items	14,540.00		14,540.00
3	Kusi Wilberforce's Ent.	Renovation of MFO's Quarters	9,063.90	5,300.00	3,763.90
4	Yinnab Enterprise	Supply of Room Fittings & Furniture (Quansah)	3,680.33	2,000.00	1,680.33
5	Eric Kwasi Adjei Enterprise	Supply of 5No. 265/70/216 Tyres for GN 8104-12	4,377.50		4,377.50
6	Mohammed Ridwan Ent.	Supply of wheel loader tyres	10,700.00		10,700.00
7	Yinnab Enterprise	Supply of Stationery	1,310.40		1,310.40
8	Rasaboat Ghana Ltd.	Installation of CCTV Cameras	3,000.00		3,000.00
	<b>Sub Total</b>		<b>92,212.93</b>	<b>28,823.00</b>	<b>63,389.93</b>
<b>Capital Expenditure (Assets)</b>					
9	Strabag Construction Ghana Limited	Supply and installation of MCE/MCD'S Offices	80,000.00	54,241.00	25,759.00
10	Emperor Darius Ventures	Supply of Office Computers & Stationery	14,704.10	3,700.00	11,004.10
	<b>Sub - Total</b>		<b>94,704.10</b>	<b>57,941.00</b>	<b>36,763.10</b>
<b>Other Payables</b>					

11	Kusi Wilberforce's Ent.	Refuse evacuation	19,500.00		19,500.00
12	Jorninas Company Limited	Supply of Food items - Ramadan 2022	40,476.80	31,000.00	9,476.80
13	Now I Know My Redeemer Ent.	Supply of Food items	20,000.23		20,000.23
14	Yinnab Enterprise	Supply of Food items - Ramadan 2021	10,000.00		10,000.00
15	Just Love Printing Works & Trading	Supply of Food items	5,710.00		5,710.00
16	Just Love Printing Works & Trading	Supply of Food items	5,290.00		5,290.00
17	Just Love Printing Works & Trading	Supply of Food items	10,362.31		10,362.31
18	Kofi Antwi Enterprise	Supply of Building Materials	5,148.00		5,148.00
19	Henry86 Ent	Supply of Cashew Seedlings (2020)	34,500.00		34,500.00
20	Mr. Anthony	Supply of Cashew Seedlings	6,000.00		6,000.00
	<b>Sub Total</b>		<b>156,987.34</b>	<b>31,000.00</b>	<b>125,987.34</b>
	<b>Grand Total</b>		<b>343,904.37</b>	<b>117,764.00</b>	<b>226,140.37</b>

261. The lapse might lead to payment of judgement debts in the event of a legal action by any of the suppliers.

262. Management stated that lack of regular flow of funds was the cause of the anomaly.

263. We recommended to Management to ensure that all the liabilities are paid to avoid possible legal action. We further recommended that Management should institute prudent debt management practices.

264. Management responded that they were aware of the liabilities to the suppliers and would settle all liabilities as soon as funds are received from the Administrator of DACF.

### **Sanitation Management Irregularity**

#### **Abandoned Skip Truck (GM 4782-12)**

265. Clause 3 of the Service Agreement of Sanitation Improvement Package (SIP) between Zoomlion Ghana Ltd and the MMDAs in 2019 requires Zoomlion Ghana Limited (ZGL) to provide Skip Trucks and communal refuse containers to the Assemblies and repair and replace the equipment used for the refuse collections upon being notified by the Assembly of any damage or defect.

266. We noted that one of the two skip trucks with registration number GM 4782-12 provided by ZGL to the Sene West District Assembly had been grounded for more than one year. We further observed that ZGL failed to ensure smooth running of the truck despite several reminders from Management of the Assembly.

267. The anomaly could lead to poor sanitation conditions within the district.

268. We recommended that Management should write to the Administrator of the DACF reporting the breaches and demand refund from subsequent payments due Zoomlion Ltd.

269. Management accepted our recommendations for compliance.

## **Stores / Procurement Irregularities**

### **Purchases from Supplier not registered with PPA**

270. Regulation 40(7) of the Public Procurement Regulations, 2022 (L.I. 2466) states that, “a supplier to be engaged by an entity shall be registered on the database of suppliers of the Authority.”

271. Management of Kintampo South District Assembly paid GH¢36,316.80 to Oakwan Electricals for streetlights maintenance in the district. We however noted that the service provider had not registered with the Public Procurement Authority (PPA).

272. The Assembly risk dealing with entities without the requisite documents and therefore could evade appropriate taxes. Also, sub-standard goods and services might be procured from the unregistered business entities.

273. We recommended that future procurements of the Assembly should be in line with the relevant provisions of the Procurement Act. We also recommended that the Coordinating Director and other responsible Officers of the Assembly should be

sanctioned in accordance with Section 92 of the Public Procurement Act, 2003 (Act 663) as amended.

274. Management explained that the affected supplier will be informed to register with the PPA.

### **Uncompetitive Procurement**

275. Section 20 of the Public Procurement (Amendment) Act, 2016 (Act 914) requires that, the procurement entity shall request quotations from as many suppliers or contractors as practicable but shall compare quotations from at least three different sources that should not be related in terms of ownership, shareholding or directorship and the principles of conflict of interest shall apply between the procurement entities and their members and the different price quotation sources.

276. We noted that Management of Techiman North District Assembly, Tuobodom paid GH¢14,320.00 to Franzimsco Eng. Enterprise for maintenance of vehicle Number GV-51-14 but did not obtain quotation from at least three suppliers.

277. This could lead to payment of higher prices than what prevails in the market.

278. We recommended that Management of the Assembly should adhere to the above quoted Section of PPA in all future transactions. We also recommended that the Coordinating Director and other responsible Officers of the Assembly should be sanctioned in accordance with Section 92 of the Public Procurement Act (Act 663) as amended.

279. Management accepted our recommendation and promised compliance in their future procurement.

### **Tax Irregularities**

#### **Failure to obtain VAT invoice / receipts - GH¢6,531.20.**

280. Section 41 of the Value Added Tax Act, 2013, (Act 870) states that a taxable person shall, on making a taxable supply of goods or services, issue to the recipient, a tax invoice in the form and with the details that are prescribed by the Commissioner-General.

281. We noted that Pru-West District Assembly made purchases amounting to GH¢44,957.16 from Naninja Solomon/Yaw Anokye Motors but did not obtain the relevant VAT invoices to cover the VAT component of GH¢6,531.20. Details are provided below:

Date	PV No.	Payee	Details	Amount	VAT Amt
14/4/23	27/4/23	Naninja Solomon/Yaw Anokye Motors	Being funds released for the payment of servicing DCD vehicle	16,846.56	3,116.61
14/4/23	28/4/23	Naninja Solomon /franban motors-Ksi	Being funds released for the payment of servicing DCE vehicle	6,797.25	1,257.49
14/4/23	30/4/23	Naninja Solomon/Franban Motors-Ksi	Being funds for payment of cost of servicing DCD vehicle	6,463.35	1,043.35
24/8/23	4/8/23	Naninja Solomon/Mepa Wo Kye Went. Ksi	Being funds for the cost of servicing DCE's Vehicle No. GC-2000-18	14,850.00	1,113.75
<b>Total</b>				<b>44,957.16</b>	<b>6,531.20</b>

282. This could lead to loss of tax revenue to the state.

283. We recommended that the amount be recovered from the payee and same paid to GRA, failing which the amount should be recovered from the Coordinating Director and Finance Officer.

284. Management accepted our recommendations and promised to recover the VAT component from the supplier and pay same to GRA.

## CENTRAL REGION

### Introduction

285. The total DACF allocations to the 22 Assemblies in the Central Region during the 2023 financial year was GH¢39,743,469.37. Out of this amount, GH¢ 14,899,846.45 was deducted at source by the Administrator of Common Fund in favour of the

Assemblies' Service Providers, HIV/ AIDS programme and NALAG dues, leaving net cash transfers of GH¢24,843,622.92 representing 62.51 percent of the total share of Common Fund as shown in Appendix 'A'.

### Cash Irregularities.

#### Commitment of expenditure without the use of GIFMIS

286. Regulation 83 of the PFMR, 2019 (L.I. 2378) requires that, "all payments for expenditure of covered entities shall be made through the Ghana Integrated Financial Management Information System (GIFMIS)."

287. Contrary to the above regulation, we noted that Management of three Assemblies made payments amounting to GH¢594,917.10 for the underlisted activities without the use of GIFMIS.

No.	Assembly	No. of PVs	Nature of transactions	Funding source	Amount (GH¢)
1	Gomoa West District	4	Works and 66th Independence celebration	DACF	115,411.00
		2	Purchase of building materials	MPCF	64,584.00
2	Awutu Senya East Municipal	9	Works and other expenses	DACF	341,622.10
3	Gomoa East District	2	Purchase of building materials	MPCF	73,300.00
	<b>Total</b>	<b>17</b>			<b>594,917.10</b>

288. Payments made outside the GIFMIS platform could be an act of circumvention of controls over public funds. This would also not enhance the financial reporting of the Assemblies for effective decision making.

289. We recommended that the Coordinating Directors and Finance Officers of the Assemblies involved should adhere to the relevant laws on disbursement of public funds by ensuring that all payments are made through GIFMIS. We also recommended that the Coordinating Directors, Finance Officers and any other responsible officer found culpable for the act of financial indiscipline should be sanctioned in accordance with Section 92 of the PFM Act, 2016 (Act 921).

#### Over-utilization of DACF on expenditure items -GH¢1,660,215.78

290. Section 3.0 of the 2023 Guidelines for the utilization of the DACF requires a percentage of the MMDAs share of DACF allocations to be spent on the categories of expenditure forming part of their approved development budget for the 2023 fiscal year.

291. We however noted that the underlisted Assemblies made an excess expenditure of GH¢1,660,215.78 on six programmes as a result of not adhering to the approved percentages in the 2023 Guidelines for the utilization of the DACF. Details are provided below:

Assembly	Category	Upper limit Percentage to be utilized	Expenditure limit	Actual Expenditure	Variance	
					Amount (GH¢)	%
Awutu Senya District	Administration	10%	56,768.10	406,340.81	349,572.71	616%
	Modernisation of Agriculture	5%	28,384.05	149,648.20	121,264.15	427%
	Social Services	5%	28,384.05	104,790.90	76,406.85	269%
	Local Economic Development	20%	113,536.19	129,066.97	15,530.78	14%
	Local governance	8%	45,414.48	63,514.43	18,099.95	40%
Gomoa West District	Administration	10%	97,631.75	465,196.98	367,565.23	376.48%
Effutu Municipal	Local Governance	13%	127,745.05	161420.72	33,675.67	26.43%
	Preserve and promote cultural heritage	2%	19,653.08	128,420.00	108,766.92	553%
	Administration	10%	98,265.42	495,885.46	397,620.04	404.60%
Awutu Senya East Municipal	Social Services and Environment	5%	100,634.41	269,180.00	168,545.59	167.48%
	Preserve And Promote Cultural Heritage	2%	40,253.76	43,421.65	3,167.89	7.87%
<b>Total</b>			<b>756,670.34</b>	<b>2,416,886.12</b>	<b>1,660,215.78</b>	



292. The action of Management has resulted in the reduction of the funds earmarked for other programmes of the Assemblies involved, hence their non-implementations.

293. We recommended that Management of the Assemblies involved should refund the total amount of GH1,660,215.78 from their IGF accounts into the DACF accounts. We also recommended that revenue mobilization efforts of the Assemblies should be enhanced to augment any extra funds needed to implement planned activities under the DACF in order not to throw the DACF budget and plans into disarray.

#### **Unpresented payment vouchers - GH¢383,420.77**

294. Regulation 82 of the PFMR, 2019 (L.I. 2378) requires that, “a payment by a covered entity should be accompanied with a payment voucher, authorized by the head of accounts and approved by the Principal Spending Officer.”

295. We however noted that three Assemblies made 14 payments totalling GH¢383,420.77 from the DACF and MPCF accounts between August and December 2023 but the related payment vouchers and supporting documents were not presented for our review. Details are provided below:

<b>Assembly</b>	<b>Date</b>	<b>Cheque No.</b>	<b>Payee</b>	<b>Funding source</b>	<b>Amount (GH¢)</b>
Gomoa Central District	22/12/2023	2569	DCD	DACF	2,000.00
	27/12/2023	2573	DCD	DACF	2,500.00
Mfantseman Municipal	27/11/23	002523	RCC	DACF	6,000.00
	29/11/23	002528	Swadharma Ent.	DACF	47,734.62
	29/11/23	002530	Jennibine Ent.	DACF	57,812.40
	13/12/23	002535	MCD	DACF	28,730.00
	29/12/23	002545	MCD	DACF	9,146.00
	27/09/23	002508	Unknown	DACF	47,500.00
	28/08/23	002501	Abbaasco Concrete Products	DACF	42,500.00
	20/10/23	000448	Jennibine Ent.	MPCF	49,510.00
	20/10/23	000450	Swadharma Ent.	MPCF	37,947.75
	24/10/23	000453	Jennibine Ent	MPCF	2,040.00

Effutu Municipal		433337	Ayeyi Hephziba Ventures	DACF	28,290.00
		433338	MCD	DACF	21,710.00
<b>Total Amount</b>		<b>14</b>			<b>383,420.77</b>

296. Management of the three Assemblies could not give reason for the infraction.

297. As a result, we were unable to confirm the propriety of the expenditure because in our view the funds could be used in the personal interest of an individual rather than that of the Assemblies in the absence of the relevant supporting documents.

298. We recommended that the Coordinating Directors and the Finance Officers should refund the amount of GH¢383,420.77 into the DACF accounts of the Assemblies involved.

#### **Unsupported payments – GH¢1,108,845.76**

299. Regulation 78 of the PFMR, 2019 (L.I. 2378) provides among others that, “a Principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of the covered entity, the validity, accuracy, and legality of the claim for the payment and that evidence of services received, certificates for work done and any other supporting document exists.”

300. We however noted that Management of nine Assemblies made a total payment of GH¢840,629.39 from DACF/MPCF for various goods and services but did not support the payment vouchers with relevant expenditure documents such as statements of claims, receipts, and invoices to authenticate the transactions. Details are provided below.

No.	Assembly	No. of PVs	Funding source	Unsupported (GH¢)
1	Gomoa Central District	1	DACF	24,513.75
2	Gomoa West District	2	DACF	2,407.00
3	Twifo Hemang Lower Denkyira District	18	DACF/MPCF	196,418.13
4	Upper Denkyira West District	2	DACF	17,870.00
5	Upper Denkyira East Municipal	8	DACF/MPCF	82,760.00
6	Awutu Senya East Municipal	3	DACF	193,824.10
7	Mfantseman Municipal	16	DACF	223,949.75
8	Komenda-Edina-Eguafo-Abrem Municipal	3	DACF	39,682.50

9	Assin South District	2	DACF/MPCF	59,204.16
	<b>Total</b>	<b>55</b>		<b>840,629.39</b>

301. In a likewise manner, five Assemblies could not provide relevant expenditure supporting documents to account for the People With Disability (PWD) funds totalling GH¢268,216.37. Details are provided below:

No.	Assembly	No. of PVs	Total Unsupported (GH¢)
1	Gomoa Central District	4	19,920.00
2	Twifo Heman Lower Denkyira District	16	43,787.00
3	Awutu Senya East Municipal	3	60,936.31
4	Mfantseman Municipal	7	115,573.06
5	Awutu Municipal	2	28,000.00
	<b>Total</b>	<b>32</b>	<b>268,216.37</b>

302. We could therefore not confirm the authenticity of the payments in the absence of the relevant supporting documents and as a result recommended recovery of the amount of GH¢1,108,845.76 from the Coordinating Directors and Finance Officers involved into the DACF accounts of the Assemblies.

#### **Payment made for non-replacement of faulty HV switches- GH¢100,000.00**

303. Section 52 of the PFM Act, 2016 (Act 921) requires, a Principal Spending Officer of a covered entity to be responsible for the assets of the institution under his care and ensure that preventive mechanisms are put in place to eliminate loss among others.

304. We noted that per a letter dated 20 January 2023 with reference number 721/1/2/V.20/22, an agreement was reached between the Cape Coast Metropolitan Assembly (CCMA) and Electricity Company of Ghana (Cape Coast District Office) for the latter to replace a faulty High Voltage (HV) switch at the Kotokuraba market distribution sub-station at the Cape Coast District for an amount of GH¢186,525.08.

305. The Assembly made a part-payment of GH¢100,000.00 on 22 February 2023 to ECG. However, ECG failed to replace the faulty component but rather, relayed power directly to the market contrary to the agreement between the parties. Details of payment are provided below:

Date	P.V. No	Details	Account Area	Supplier	Amount
21/02/2023	1/2	Part-payment for replacement of faulty HV switches at Kotokuraba market distribution substation	DACF	ECG	30,000.00
22/2/2023	76/2		IGF		70,000.00
<b>Total</b>					<b>100,000.00</b>

306. The function of high-voltage switchgear is to mitigate fire outbreaks and also provide an uninterrupted supply of power.

307. Consequently, the absence of an HV switch poses a risk for fire outbreaks which would result in damage to properties and loss of lives.

308. To prevent any disaster resulting in loss of lives and properties due to fire outbreak, we recommended that Management of CCMA should pay ECG the remaining amount of GH¢86,525.08 and pursue the installation of the HV switches.

309. Management responded that it would do everything in its power to liaise with ECG to ensure that the switches are replaced.

#### **Misapplication of funds - GH¢4,000.00.**

310. Section 30 of the PFM Act, 2016 (Act 921) states that a Principal Spending Officer shall plan and manage the activities of a covered entity in accordance with the policy statement and financial estimates of that covered entity.

311. We however noted that Management of the Gomoa Central District Assembly misapplied GH¢4,000.00 of M-SHAP funds for IGF expenditures as detailed below:

No	Date	PV No.	Payee	Details	Amount (GH¢)
1	14/11/23	1/11/23	DCD	Development control and revenue mobilization expenses	3,000.00
2	30/11/23	01/05/23	DCD	Protocol duty expenses during salah celebration	1,000.00
<b>Total</b>					<b>4,000.00</b>

312. The practice could stall the implementation of M-SHAP planned activities.

313. We recommended to Management of the Assembly to reimburse the M-SHAP account with GH¢4,000.00 from the IGF account.

#### **Abuse of COVID-19 funds - GH¢10,000.00**

314. Contrary to Regulation 78 of PFM Regulations, 2019 (L.I. 2378), we noted that, an amount of GH¢10,000.00 was paid on 16 May 2023 from Covid – 19 funds of Awutu Senya East Municipal Assembly to the Municipal Coordinating Director for agricultural research and demonstration farms and reported as COVID-19-related expenditure which Management claimed remained outstanding since 2020. However, the liability was not accrued in the preceding years' financial statements.

315. We did not sight any evidence to justify the payment and therefore recommended the recovery of GH¢10,000.00 from the Coordinating Director into the designated account.

#### **Non-release of PWD funds by ADACF - GH¢107,519.56**

316. Section 7 (3) of the PFM Act, 2016 (Act 921) states that where a Principal Spending Officer receives a subvention on behalf of another entity, that Principal Spending Officer shall remit the subvention to the other entity in accordance with the approved cashflow for the subvention.

317. We however noted at Gomoa West District Assembly that a total deduction of GH¢107,519.56 by the ADACF as PWD share of the Assembly's DACF allocation for first and fourth quarters of 2023 was not remitted to the Assembly. Details are provided below:

<b>Period</b>	<b>Amount (GH¢)</b>
1 <sup>st</sup> Quarter 2023	53,759.78
4 <sup>th</sup> Quarter 2023	53,759.79
<b>Total</b>	<b>107,519.57</b>

318. The non-release of GH¢107,519.57 by the ADACF renders PWDs ineffective in carrying out their planned activities.

319. We recommended to Management of the Assembly to pursue the ADACF to transfer the deducted amount of GH¢107,519.56 for the PWD activities into the designated account of the Assembly.

#### **Contract Irregularity**

#### **Abandoned/delayed projects - GH¢4,377,687.53**

320. Contrary to Section 52 of the PFM Act, 2016 (Act 921), we noted that 11 Assemblies expended a total amount of GH¢4,377,687.53 on 32 projects which were at various stages of completion but had been abandoned/delayed for periods ranging between five months and 95 months. Details are provided in the table below:

No.	Assembly	Project Name	Source of fundings	Name of contractor	Contract sums	Payment to date	Start date	Expected completion date	% of Completion	Period of delay/ abandoned
1	Gomoa West District	1 No. 2Unit KG Block at Antseadze/Odumasi	DACF	Aliemma Company Ltd	109,979.30	104,480.34	Nov. 2015	May-16	92	91 months
		1 No. 3Unit Classroom and store at Appiakrom Debiso	DACF	Karica Matrix Consult	518,945.10	252,507.40	Aug. 2022	Aug. 2023	60	4 months
2	Gomoa East District	3Unit classroom, office, store and staff common room at Potsin D/A Model 'D' Primary School	DACF	Efa Prestige Ventures	361,903.30	204,285.50	Jun. 2019	Feb. 2020	65	46 months
		Construction of Co-ordinating Director's Bungalow at Gomoa Potsin	DACF	Sghabiasco Ent. Ltd	350,676.70	244,145.37	July 2019	Feb. 2020	70	46 months
		Construction of Chief Executive's Bungalow at Gomoa Potsin	DACF	Mega 3 Royal Ventures	499,925.32	423,070.50	July 2019	Feb. 2020	80	46 months
3	Twifo Atti-Morkwa District	1No. 6-unit Classroom block and store at Asensuho Agave	DACF	Vamba Construction Works	491,194.34	187,878.00	Sept. 2019	Feb. 2020	90	46 months
4		1no. 24 WC at Diaso mkt.	MDF	Patkot Nyame Tease	749,993.00	577,498.95	Apr. 2022	Dec. 2022	70	12 months

	Upper Denkyira West District	1no. Meat Shop at Diaso	MDF	Lionel Co	Bro.	364,707.00	232,118.15	Sept. 2021	Mar. 2022	65	21 months
5	Upper Denkyira East Municipal	1No. 10 Seater Pour Flash Toilet Facility at Atechem	DACF	Messrs. Gloree Ent.	N.	120,000.00	78,119.09	Oct. 2017	Aug. 2018	95	64 months
		1No. 10 Seater Pour Flash Toilet Facility at Mffoum	DACF	Abannah and Abagna Co. Ltd		120,000.00	77,084.51	Oct. 2017	Aug. 2018	95	64 months
		1No. 10 Seater Pour Flash Toilet Facility at Abesewa	DACF	Abannah and Abagna Co. Ltd		120,000.00	50,753.10	Oct. 2017	Aug. 2018	95	64 months
6	Awutu Senya East Municipal	1 No. 3Unit classroom block, offices and store and W/C at Islamic Research Basic School, CP	DACF	Messer Race Construction Ltd	Top	233,391.13	35,008.66	Jul. 2016	Feb. 2017	75	82months
		1 No. CHPS Compound at Amuzukope	DACF	Messer Everest Trading and Construction Ltd	Rock	123,882.68	103,443.75	Sept. 2015	Jul-17	90	77 months
		1 No. CHPS Compound at Krispol City	DACF	Messer john Construction Ltd	E. D.	122,962.88	94,407.06	Sept. 2015	Jul-17	98	77 months



		Construction of MCD Bungalow at Ofaakor	DACF	Messer Oseadeaye Ayebofo Ltd	400,246.00	95,500.00	Apr. 2018	Nov. 2018	55	61 months
7	Agona West Municipal	1No. Police station at Nyakrom	DACF	M/S Sag-An Company Ltd	465,043.42	162,071.75	Jun. 2016	Mar. 2017	80	81 months
		1No. Chips Compounds at Bosompa	DACF	M/S Sir Charles Doughan Company Ltd	191,033.55	121,169.69	Oct. 2016	Apr. 2017	80	80 months
		1No. 4- Unit Classroom block with Ancillary Facilities at Nyakrom	DACF	M/S Kantanca Company Ltd	299,192.25	83,786.50	Sept. 2016	Mar. 2016	70	93 months
8	Asikuma Odoben Brakwa District	1No. Three (3) Bedroom Apartment at Agona Swedru	DACF	M/S Icon Star Ltd	180,477.90	71,905.26	Sept. 2015	Jan. 2016	40	95 months
		1No. 2-Unit Classroom Block at Akroma	DACF	First Choice Engineering Ltd	165,701.00	97,679.50	Apr. 2017	Sept. 2017	60	76 months
		1No. 2-Unit KG Block at Odoben Catholic at Odoben	DACF	Glovision Investment Limited	180,411.65	99,514.57	Jun. 2018	Oct. 2018	65	62 months

		1No. 2-Unit KG Block at Kuntense at Kuntense	DACF	Lionel Brother Limited	180,411.65	119,760.77	Jun. 2018	Oct. 2018	70	62 months
		1No. 2-Unit KG Block at Anhwiam at Anhwiam	DACF	Cabic Construction Ltd	180,591.20	61,168.30	Jun. 2018	Oct. 2018	40	62 months
		1No. 2-Unit KG Block at Anibrenye at Anibrenye	DACF	Glovision Investment Limited	180,511.62	56,398.31	Jun. 2018	Oct. 2018	40	62 months
9	Assin Foso Municipal	Rehabilitation and modernization of official residence for Municipal Chief Executive at Assin Foso	DACF	Mssrs Prince Setraco Ghana Ltd	124,831.96	90,000.00	Jan. 2022	Jun. 2022	65	18 months
		Conversion of old Assembly Hall into Medical ward at Assin Foso	DACF	Construction Network	127,950.00	59,268.60	Feb. 2022	Jul. 2022	70	15 months
10	Abura-Asebu-Kwamankes District	1No. 2Unit KG Block, Office & Store at Oboka	DACF	Peeko Ventures	181,007.20	98,537.20	Apr. 2021	Sept. 2021	70	27 months
		Rehab. Of D/A Primary & KG School Block at Ansafuna	DACF	EAK Company Ltd	83,824.95	25,546.50	Aug. 2020	Jan. 2021	70	35 months
11	Ekumfi District	3-unit classroom at Narkwa	DACF	Samkapo Company Ltd	255,666.75	86,020.50	Aug. 2019	Mar. 2020	50	45 months

	Renovation of 3-unit Methodist JHS at Srafa Mpoano	DACF	Beeken Company Ltd	276,796.80	103,797.00	Oct. 2022	Apr. 2023	65	8 months
	Renovation of Ekumpoano Catholic JHS, re-roofing of Srafa Kokodo Methodist JHS and Srafa Aboano D/A JHS	DACF	Emmanaku Company Ltd	317,947.35	100,262.70	Oct. 2022	Apr. 2023	70	8 months
	Connecting of water and Electricity to Kako market at Akwakrom	DACF	EAK Company Ltd	209,021.00	180,500.00	Aug. 2021	Feb. 2023	90	10 months
<b>Total</b>				<b>8,288,227.00</b>	<b>4,377,687.53</b>				

321. Delayed in completion of the projects could lead to cost overruns to the disadvantage of the implementation of other development projects of the Assemblies.

322. We recommended to Management of the Assemblies involved to give priority to delayed/abandoned projects and ensure their completion before new ones are awarded.

## **Sanitation Management Irregularities**

### **Non-supply and replacement of sanitation equipment**

323. Schedule 1 of the Sanitation Improvement Package (SIP) Service Agreement signed between Zoomlion Ghana Limited (ZGL) and six Assemblies requires the company to supply to the Assemblies machinery consisting of skip trucks and solid waste containers.

324. Contrary to the above provision, we noted that ZGL had not supplied eight skip trucks and 17 containers to the six Assemblies after several notifications to the company on the outstandings. We were unable to determine the values of the items not supplied since the respective contract agreements did not indicate the individual price of the deliverables. Details are provided below:

No	Assembly	No of skip trucks	No of containers	Remarks
1	Twifo Atti-Morkwa	1	4	ZGL notified
2	Agona East District	1	5	ZGL notified
3	Ekumfi District	-	4	ZGL notified
4	Twifo Hemang Lower Denkyira District	1	4	ZGL notified
5	Effutu Municipal	4	-	ZGL notified
6	Assin North	1	-	ZGL notified
	<b>Total</b>	<b>8</b>	<b>17</b>	

325. Also, the agreement between ZGL and the 10 underlisted Assemblies specified that the company was to replace equipment upon being notified by the Assemblies provided that the defects or damage is not caused by the negligence of the Assemblies.

326. We however noted that five unserviceable skip trucks and 27 worn-out containers were not repaired/ replaced in spite of the notification by the Assemblies

to ZGL of the conditions of the equipment. On the other hand, Management of three Assemblies did not notify ZGL of one unserviceable skip truck and 11 damaged containers for replacement. Details are shown below:

Assembly	Equipment	Broken down	Remarks
Ekumfi District	Skip Trucks		
	Containers	2	ZGL not notified
Twifo Hemang Lower Denkyira District	Skip Trucks		
	Containers	2	ZGL notified
Gomoa East District	Skip Trucks	1	ZGL notified
	Containers	4	ZGL notified
Gomoa Central District	Skip Trucks	1	ZGL notified
	Containers	1	ZGL notified
Ajumako-Enyan-Essiam District	Skip Trucks	1	ZGL notified
	Containers	2	ZGL notified
Asikuma Odoben Beakwa District	Skip Trucks	1	ZGL not notified
	Containers	5	ZGL notified
Abura-Asebu-Kwamankese District	Skip Trucks	2	ZGL notified
	Containers	4	ZGL notified
Gomoa West	Skip Trucks		
	Containers	5	ZGL notified
Effutu	Skip Trucks		
	Containers	9	ZGL not notified
Agona West Municipal	Skip Trucks		
	Containers	4	ZGL notified
<b>Total</b>		<b>44</b>	
<b>Skip trucks</b>		<b>6</b>	
<b>Containers</b>		<b>38</b>	

327. The non-delivery and replacement of the equipment negatively affected the management of solid waste within the environment of affected Assemblies.

328. We recommended that Management of the Assemblies involved should ensure that ZGL supply the outstanding refuse containers and skip trucks and also replace the damaged trucks and containers without further delay otherwise the ADACF should be notified to halt payments to the company until the lapses are addressed. We also recommended that Management of the Assemblies should adhere to the dictates of the agreements and notify ZGL of any outstanding commitments and in subsequent review of the Agreements, ensure that the services are priced individually for ease of apportioning cost to unperformed services.

### **Excess deduction of SIP quarterly service charge without communication**

329. Clause 6 (a) of the Service Agreement on SIP between Mfantseman Municipal Assembly and ZGL requires the payment of quarterly service fees of GH¢71,875.00 to ZGL for the performance of services in accordance with the terms and conditions set out in the Agreement and any reviews in the service fee should be communicated to the Assembly before its implementation.

330. Contrary to the provisions in the Agreement, we noted that the quarterly service fee for SIP contract was increased from GH¢71,875.00 to GH¢93,437.50 without the prior notices of the Assembly. Consequently, the Assembly suffered a total deduction of GH¢129,375.00 from second quarter of 2022 to third quarter of 2023.

331. The practice could throw the budget of the Assembly into disarray and as a result its inability to carry out other planned activities.

332. To enable the Assembly to implement their planned activities with earmarked funds, we recommended that both parties should comply with the provisions of the Agreements.

## **Procurement irregularity**

### **Payments for items not supplied - GH¢12,430.00**

333. Contrary to Section 52 of the PFM Act, 2016 (Act 921), Management of Mfantseman Municipal Assembly paid for various store items costing GH¢12,430.00 but we did not sight the relevant store documentation such as Store Receipt Voucher (SRV), Store Issue Voucher (SIV) and Store Ledgers among others to confirm that the items were supplied and used in the interest of the Assembly.

Date/PV	PV No.	Item procured	Supplier	Amount (GH¢)
08/09/2023	SEP/001/2023	17 Mercury & 11 Other items	Frankling Info Systems	5,000.00
29/12/2023	DEC/007/2023	Wellington boots & other items	Agromonti Co. Ltd	7,430.00
<b>Total</b>				<b>12,430.00</b>

334. We could therefore not confirm the authenticity of the payments and recommended recovery of GH¢12,430.00 from the Coordinating Director and Finance Officer into the DACF account.

## **Tax Irregularities**

### **Payment of VAT without invoices - GH¢14,182.07**

335. Section 41 of the Value Added Tax (VAT) Act 2013, (Act 870) states that a taxable person shall, on making a taxable supply of goods or services, issue to the recipient, a tax invoice in the form and with the details that are prescribed by the Commissioner-General.

336. We however noted that the Finance Officers of three Assemblies made payments totalling GH¢284,233.98 inclusive of a VAT component of GH¢14,182.07 on 12 payment vouchers for the supply of goods and services without obtaining VAT invoices to cover the VAT paid. Details are provided below:

No.	Assembly	Period	Supplier	Funding source	No. of PVs	Gross amount	VAT amount
1	Upper Denkyira West District	Payment for various goods and services	Brinaco Integrated System and 4 others	DACF	9	167,834.00	9,678.08
2	Mfantseman Municipal	Payment for supplies	Franklin Info System	DACF	1	17,650.00	706.00
		Various items	Jennibine Enterprise	PWD	1	71,999.98	2,769.23
3	Assin South	Income generating items for PWDs	Omama Damtse Ventures	PWD	1	26,750.00	1,028.84
	<b>Total</b>				12	<b>284,233.98</b>	<b>14,182.15</b>

337. This could retard the tax revenue mobilisation effort of the State as in the absence of the VAT invoices the suppliers are not bound to pay the VAT amount to GRA.

338. We recommended that the Finance Officers should obtain the VAT invoices from the suppliers to account for the VAT paid otherwise they should be held personally liable to refund the amount of GH¢14,182.07 into the DACF accounts of the Assemblies involved.

### **Unremitted tax - GH¢52,887.64**

339. Section 117 of the Income Tax Act, 2015 (Act 896) provides that a withholding agent shall pay to the Commissioner-General within fifteen days after the end of each calendar month a tax that has been withheld.

340. On the contrary, we noted that the Finance Officers of four Assemblies failed to remit to GRA withheld taxes of GH¢52,887.64 for payment made for supply of goods and services. Details are provided below:

No.	Assembly	Taxes not remitted
1	Gomoa Central District	4,023.80
2	Awutu Senya East Municipal	9,429.50
3	Ajumako-Enyan- Essiam District	17,021.84
4	Mfantseman Municipal	22,412.50
	<b>Total</b>	<b>52,887.64</b>

341. The practice undermined the tax revenue mobilization efforts of the State.

342. We recommended that the unremitted taxes of GH¢52,887.64 should be paid to GRA and any penalty that may arise should be personally paid by the Finance Officers of the Assemblies involved.



## EASTERN REGION

### Introduction

343. In 2023, the total Common Fund allocations to the 33 Assemblies in the Eastern Region was GH¢61,123,072.85. Out of this amount, GH¢21,811,859.20 was deducted at source by the Administrator of Common Fund and paid to the Assemblies' Service Providers, HIV/AIDS and NALAG leaving net cash transfers of GH¢39,311,213.65 representing 64.31 percent of the total share of Common Fund as shown in Appendix 'A'.

### Cash Irregularities

#### Misapplication of funds - GH¢100,000.00

344. Section 30 of the PFM Act, 2016 (Act 921) states that a Principal Spending Officer shall plan and manage the activities of a covered entity in accordance with the policy statement and financial estimates of that covered entity.

345. We however noted at Ayensuano District Assembly that the Coordinating Director and Finance Officer authorized and approved an amount of GH¢100,000.00 via PV number 11/11/23 dated 29/11/2023 for the purchase of fuel for the reshaping of selected roads in the district from expenditure head of Contract Cleaning Service instead of fuel and lubricants expenditure head.

346. Consequently, this would distort the preparation of the financial statements and negatively affect decision-making.

347. For sound financial practice, we recommended to Management to ensure that expenditure are made from the appropriate natural expenditure head.

#### Failure to allocate funds to sub-structures - GH¢117,999.31

348. Section 3 of the 2019 Guidelines for Utilization of the DACF requires that up to two percent of the Assembly's total DACF receipts should be used for the establishment and strengthening of urban, zonal, town and area councils.

349. Contrary to the above provision, we noted that Management of two Assemblies received a total DACF allocation of GH¢1,787,743.69 but failed to allocate the required two percent of GH¢35,754.86 for the activities of their sub-structures. Details are provided below:

No	Assembly	DACF Received GH¢	Up to 2% to be allocated GH¢
1	New Juaben South Municipal	967,038.77	19,340.77
2	Upper Manya District	820,704.92	16,414.09
	<b>Total</b>	<b>1,787,743.69</b>	<b>35,754.86</b>

350. In a related issue, Management of Nsawam Adoagyiri Municipal Assembly contrary to Paragraph 3 (5) of the 2023 Guidelines for the Utilization of the DACF failed to allocate a total amount of GH¢82,244.45 being the required five percent of the Assembly's share of total DACF allocation of GH¢1,644,889.08 received in 2023 for modernizing agriculture activities in the Municipality.

351. Non-release of funds to the sub-structures rendered them ineffective in carrying out their planned programmes.

352. We recommended to the Coordinating Directors and Finance Officers of the two Assemblies to comply with the relevant provisions in the Guidelines for the Utilization of the DACF and transfer the amount of GH¢35,754.86 to the sub-structures to enable them carry out their planned programmes. We also recommended to Management of Nsawam Adoagyiri Municipal Assembly to transfer the total amount of GH¢82,244.45 to its Agric Department for the MAG programme.

#### **Unjustified payment- GH¢103,206.00**

353. Regulation 78 of the PFMR, 2019 (L.I. 2378) provides among others that, "a Principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of the covered entity, the validity, accuracy and legality of the claim for the payment and that evidence of services received, certificates for work done and any other supporting document exists."

354. Notwithstanding the above provision, we noted that an amount of GH¢103,206.00 was paid from the MPCF of Ayensuano District Assembly to Messrs. Vision and Sports Enterprise in respect of the supply of jerseys, football, and Streetlight allegedly procured in November 2019 and January 2020.

355. Our effort however to confirm the eligibility and the basis of the commitment proved futile because of the under-listed anomalies:

- i. The said liability was not disclosed in the previous years' financial statement to warrant the payment.

- ii. Stores Receive Advice (SRA) was not attached to acknowledge receipt of items in the stores.
- iii. No identities of the beneficiaries by way of addresses and signed distribution list were attached to the payment voucher for verification.
- iv. No entry was made in the appropriate ledgers of the Assembly.

356. Details are provided in the table below:

PV No and Date	Payee	Date of payment	Items	Qty	Unit price	Amount
AYDA/MP/1/8/23/PA	Vision and Sports Ent.	31/08/2023	Sets of Soccer Jerseys	50	620	31,000.00
			Pieces of Soccer Footballs	100	130	13,000.00
	Vision and Sports Ent.	31/08/2023	Sets of Soccer Jerseys	30	610	18,300.00
			Pieces of Soccer Footballs	50	120	6,000.00
	Vision and Sports Ent.	31/08/2023	Sets of Soccer Jerseys	20	610	12,200.00
			Pieces of Soccer Footballs	50	120	6,000.00
			Completed Street Lights	20	685	13,700.00
Total						100,200.00
VAT						3,006.00
Grand total						103,206.00

357. We also did not sight any letter from the MP authorizing the payments from the MPCF.

358. Management failed to provide a cause for the anomaly.

359. Following from the above-listed lapses we could not confirm the authenticity of the payments and therefore recommended that the Coordinating Director and Finance Officer should be jointly held liable for the refund of the amount of GH¢103,206.00 into the MPCF account.

#### Unutilized PWD funds.

360. Section 7 of the PFM Act, 2016 (Act 921) requires a Principal Spending Officer of a covered entity to ensure regularity and proper use of funds appropriated in that covered entity.

361. On the contrary, we noted that Management of two Assemblies failed to utilize a total amount of GH¢259,995.67 received from the Office of the ADACF for PWD activities. Details are provided below:

No	Assembly	Unutilised Amounts GH¢
1	Ayensuano District	111,290.87
2	Suhum Municipal	148,704.80
	<b>Total</b>	<b>259,995.67</b>

362. Consequently, the PWDs had been denied the necessary assistance to improve their livelihood.

363. We recommended to Management of the two Assemblies to draw up activities for utilisation of the PWD funds for the benefit of its members.

## **Contract Irregularity**

### **Delayed/abandoned projects - GH¢2,635,302.52**

364. Section 52 of the PFM Act, 2016 (Act 921) requires that a Principal Spending Officer of a covered entity shall be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets to prevent losses and wastages among others.

365. We however noted that five Assemblies expended a total amount of GH¢2,635,302.52 on 13 projects which were at various stages of completion but had been delayed or abandoned for periods ranging between one month and 50 months. We also noted at Abuakwa North Municipal Assembly that the completion of 13 GETFund projects with a total contract sum of GH¢37,907,429.02 had been delayed for six months. We were unable to determine payments made so far on GETFund projects as the payments were not made by the Assembly hence no records were kept to that effect. Details are provided below:

No	Assembly	No of Project	Name of Contractor	Contract Sum	Amount Paid	Start date	Expected Completion Date	Period of Delay/ abandoned	Reason
1	Kwaebibirem Municipal	Construction of 1No CHPS Compound with Borehole	Mak Jet Enterprise	229,720.76	128,516.60	31/11/22	31/5/23	7 months	Litigation over the land earmarked for the projects
		Construction of slaughterhouse with borehole	Dapaul Company Ltd.	269,843.16	138,270.42	23/12/2022	30/11/2023	1 month	
2	Abuakwa North Municipal	Rehabilitation of 6No. Staff Quarters at New Tafo	KASMO Company	387,253.20	130,546.00	31/07/2020	31/01/2021	35 months	Irregular inflow of Common Funds
		Construction of 1 No. 20-unit market sheds with 20-unit sheds meat shop and revenue office with attached 1 no. urinal at Old Tafo	K-Hammer Ventures	282,245.20	155,990.40	05/07/2019	05/01/2020	36 months	Irregular inflow of Common Funds
		13 GETFund project							
		Construction of 1No. 2-Unit K.G Block with Ancillary Facilities for Methodist School at Kukurantumi	M/S Shamma Rohi	539,041.80	N/A	10/12/2022	10/06/2023	6 months	Irregular inflow of GETFund
				539,041.80	N/A	10/01/2022	10/06/2023	6 months	

	Construction of 1No. 2-Unit K.G Block with Ancillary Facilities for M/A School at Aboabo	M/S Shamma Rohi								Irregular inflow of GETFund
	Construction of 1No. 2-Unit K.G Block with Ancillary Facilities for M/A School at Aweabeng	M/S Shamma Rohi	545,907.08	N/A	10/12/2022	10/06/2023	6 months			Irregular inflow of GETFund
	Construction of 1No. 6-Unit Classroom Block with Ancillary Facilities for R/C School at Kukurantumi	M/S Djammarsh Construction	795,812.45	N/A	10/12/2022	10/06/2023	6 months			Irregular inflow of GETFund
	Construction of 1No. 6-Unit Water Closet Toilet Facility with borehole for R/C School at Kukurantumi	M/S Djammarsh Construction	31,073,406.00	N/A	10/12/2022	10/06/2023	6 months			Irregular inflow of GETFund
	Construction of 1No. 6-Unit Classroom block with Ancillary Facilities for OPASS Primary School at Kukurantumi	M/S Shamma Rohi	795,577.02	N/A	10/12/2022	10/06/2023	6 months			Irregular inflow of GETFund
	Construction of 1No. 6-Unit Water Closet Toilet Facility with borehole for	M/S Shamma Rohi	310,793.00	N/A	10/12/2022	10/06/2023	6 months			Irregular inflow of GETFund





		Construction of 1No. 6-Unit Water Closet Toilet Facility with borehole for Methodist Primary School at Anyinasin	M/S Shamma Rohi	310,734.00	N/A	10/12/2022	10/06/2022	18 months	Irregular inflow of GETFund
3	Suhum Municipal	Construction of 3 story market complex stores (first phase 16 unit) at Suhum, Amponsah Market	M/S Erithia construction ltd	549,259.56	210,528.38	12-Jul-19	30/09/2022	15 months	Lack of funds
4	Yilo Krobo Municipal	Construction of Foot Bridge at Agavenya	M/S Anseli Gh. Co. Ltd.	40,783.66	27,126.38	May-21	Jul-21	29 months	Lack of Funds
		Renovation of office, accommodation, construction of 2 No. cells and 3-Seater W/C, for Municipal Magistrate Court at Somanya	Messrs Iyco Co. Ltd.	77,632.95	40,702.05	Aug-19	Oct-19	50 months	
5	Upper Manya Krobo District	Const of 3-unit storey Assemb block at Aseseswa.	Antartic const Ltd.	1,498,585.00	1,642,237.75	07/04/2011	06/10/2012	14 months	Non releases of fund by the DACF Administrator
		Const of CHPS Compound at Poponya Fantem	Espat Works Ltd	170,217.08	106,384.54	31/08/2017	11/02/2018	70 months	Non releases of fund by the DACF Administrator

	Const of 6-unit classroom blk at Akotoklo-gua	Arizona Club ltd	547,631.55	NIL	11/12/2019	26/07/2020	41 months	Non releases of fund by the DACF Administrator
	Renovation of E.N.T Clinic	Mich Mills Enterprise	89,965.60	50,000.00	11/12/2019	26/07/2020	41 months	Non releases of fund by the DACF Administrator
	Renovation and partition of office for UMKDA.	AK Dankwah Ltd	35,716.28	NIL	16/03/2020	15/05/2020	43 months	Non releases of fund by the DACF Administrator
	Renovation of Asesewa Anglican prim sch.	G.D. Achievers Ltd	176,102.60	5,000.00	21/07/2020	20/01/2021	35 months	Non releases of fund by the DACF Administrator
<b>Total</b>	<b>26</b>		<b>42,262,385.62</b>	<b>2,635,302.52</b>				

366. Delayed/abandoned projects could result in a rise in the original contract sum due to price hikes in building materials to the disadvantage of undertaking other development projects. The stalled projects could also result in losses to the Assemblies and GETFunds due to deterioration for which additional expenditure could be incurred.

367. We recommended that Management of the Assemblies involved should resolve the challenges hindering the completion of the projects and ensure their completion to the benefit of the communities. We also recommended that Management of Abuakwa North Municipal should liaise with the GETFund Secretariat for the completion of the ongoing GETFund projects.

### **Sanitation Management Irregularity**

#### **Non-supply and replacement of sanitation equipment**

368. Clause 1 (d) and Schedule 1 of the Service Agreement for Sanitation Improvement Package (SIP) signed between Zoomlion Ghana Ltd. (ZGL) and the Suhum Municipal Assembly requires ZGL to deliver to the Assembly a quantity of refuse trucks and solid waste containers for the collection of waste at quarterly service fee deducted at source by the Administrator from DACF allocation. Also, the Agreement specified that ZGL was to replace or repair damaged equipment upon being notified by the Assemblies provided that the defect or damage was not caused through the negligence of the Assembly.

369. Contrary to the above requirements, we noted that ZGL did not supply two trucks and four containers to the Suhum Municipal Assembly during the 2023 financial year. We also noted that 15 damaged containers and four unserviceable skip trucks of six Assemblies were not replaced/repared because ZGL had not been notified of the damages.

No	Assembly	Equipment	Not supplied	Damage	Unserviceable
1	Atiwa East District	Refuse Containers		2	1
2	Fanteakwa South District	Refuse Containers		2	
3	Atiwa West District	Refuse Containers		2	
4	West Akim Municipal	Refuse Containers		1	
		Trucks			1
5	Suhum Municipal	Refuse Containers		8	
6	Denkyembour District	Trucks			2
7	Suhum Municipal Assembly	Refuse Containers	4		
		Trucks	2		
Total			6	15	4

370. We were unable to quantify the value of services not rendered as the deliverables in the Agreement were not individually priced.

371. Non-delivery of equipment and non-replacement of damaged machinery negatively affected refuse management in the communities which could result in an outbreak of epidemic diseases such as cholera if not remedied.

372. We recommended to Management of the Assemblies involved to ensure that ZGL supply the outstanding refuse containers and trucks and also replace the damaged trucks and containers without delay or else the ADACF should be notified to halt payments to the Company until the anomalies are addressed. We also recommended that Management of the Assemblies should adhere to the dictates of the Agreements and notify ZGL of any outstanding commitments and in subsequent review of the Agreements, ensure that the services are priced individually for ease of apportioning cost to unperformed services.

## GREATER ACCRA REGION

### Introduction

373. During the 2023 financial year, the total Common Fund allocations received by the 29 Assemblies in the Greater Accra Region was GH¢88,455,110.09. Out of this amount, the ADACF deducted GH¢22,069,331.90 at source in favour of the Assemblies' Service Providers, HIV/AIDS programmes and NALAG dues leaving net cash transfer of GH¢66,385,778.19 representing 75.05 percent of the total share of Common Fund to the Region as shown in Appendix 'A'.

### Cash Irregularities

#### Unaccounted funds - GH¢236,805.00

374. Section 7 of the PFM Act, 2016 (Act 921) states that a Principal Spending Officer of a covered entity shall ensure the regularity and proper use of money appropriated in that covered entity.

375. Contrary to the above provision, Management of Ada East District Assembly did not account for an amount of GH¢236,805.00 out of a total payment of GH¢374,540.00 made for various activities such as legal fees, stakeholders' engagement, fuel etc. Details are provided below:

No.	Assembly	No of PVs	Funding source	Amount	Amount accounted for	Amount not accounted for
				GH¢	GH¢	GH¢
1	Ada East District	19	DACF	184,540.00	92,735.00	91,805.00
		2	MP CF	190,000.00	45,000.00	145,000.00
	<b>Total</b>	<b>22</b>		<b>374,540.00</b>	<b>137,735.00</b>	<b>236,805.00</b>

376. We could therefore not confirm the authenticity of the expenditure as in the absence of the relevant supporting documents, the funds could be used in the personal interest of an individual rather than that of the Assembly.

377. We recommended recovery of the amount of GH¢236,805.00 from the Coordinating Director and Finance Officer involved into the accounts of the Assembly.

**Unpresented payment vouchers - GH¢44,850.00**

378. Regulation 82 of the PFMR, 2019 (L.I. 2378) requires that, “a payment by covered entity should be accompanied with a payment voucher, authorized by the head of accounts and approved by the Principal Spending Officer.”

379. On the contrary, Management of the Ada East District Assembly did not produce four payment vouchers amounting to GH¢44,850.00 for our review. Details are provided below:

No	Date	PV No.	Details	Amount - GH¢
1	13/04/23	13/4/23	HIV Education	2,500.00
2	04/04/23	01/04/23	Special revenue mobilization activity	6,350.00
3	31/08/23	10/08/23	Fuel	16,000.00
4	23/11/23	02/11/23	Part-payment of Asafotufiami festival expenses	20,000.00
<b>Total</b>				<b>44,850.00</b>

380. We could therefore not confirm whether the funds were used in furtherance of the programmes of the Assembly.

381. We recommended recovery of the amount of GH¢44,850.00 from the Coordinating Director, and Finance Officer into the DACF account of the Assembly.

**Failure to allocate funds to Local Governance sub-structures - GH¢70,990.00.**

382. Category 3 of the 2023 Guidelines for the District Assemblies Common Fund (DACF) for Metropolitan, Municipal and District Assemblies (MMDAs), requires that up to 8% of the DACF receipts should be used for the following:

- i. the strengthening of sub-structures.
- ii. Assembly Member and DCE's community participation; and
- iii. Electoral area self-help projects.

383. We however noted that Management of Shai-Osudoku District Assembly received a total DACF allocation of GH¢887,374.94 for four quarters but failed to allocate the required eight percent of GH¢70,990.00 for the above-listed activities. Details are provided below:

No	Date	Details	Total Allocation GH¢	8% Payable GH¢
1	31/03/2023	Transfer of 2022 DACF 4th Quarter Allocation	213,611.26	17,088.90
2	1/8/2023	Transfer of 2023 DACF 1st Quarter Allocation	246,541.16	19,723.29
3	16/11/2023	Transfer of 2023 DACF 2nd Quarter	213,611.26	17,088.90
4	14/12/2023	Transfer of 2023 DACF 3rd Quarter Allocation	213,611.26	17,088.90
	<b>Total</b>		<b>887,374.94</b>	<b>70,990.00</b>

384. This would negatively impact on the effectiveness of the operation of the sub-structures of the Assembly.

385. We recommended to Management of the Assembly to ensure compliance with the DACF guidelines and allocate the total amount of GH¢70,990.00 for the implementation of the three thematic programmes.

#### **Misapplication of funds - GH¢33,491.92**

386. Section 30 of the PFM Act, 2016 (Act 921) states that, a Principal Spending Officer shall, plan and manage the activities of a covered entity in accordance with the policy statement and financial estimates of that covered entity.

387. Notwithstanding the above provision and the requirements in the 2023 Guidelines for the Utilisation of DACF, we noted that Management of Ada East District Assembly misapplied GH¢33,491.92 of its DACF allocations to pay audit committee meeting expenses and gazette fee fixing. Details are provided below:

No.	Date	PV No	Details	Payee	Amount GH¢
1	27/01/2023	05/01/2023	Funds for gazetting of fee fixing	DCD	19,681.92
2	03/04/2023	02/04/2023	Audit committee meeting	DCD	7,000.00
3	22/12/2023	01/12/2023	Audit committee meeting	DCD	6,810.00
<b>Total</b>					<b>33,491.92</b>



388. The practice could negatively affect the implementation of planned programmes under the DACF.

389. We recommended that Management of the Assembly should reimburse the DACF account with GH¢33,191.92 from the IGF account and desist from the practice of incurring expenditure under the Fund on unrelated activities.

### **Non-compliance to PWD fund Management guidelines**

390. Paragraph 4 of the Guidelines for the Disbursement and Management of the DACF Allocation to Persons with Disability, 2010 stipulates that, the cost of Disability Fund Management Committee (DFMC) meetings as well as monitoring of beneficiaries should be financed from the percentage share of DACF for PWDs as Management cost. Such Management cost charged to the Fund should not exceed five percent of the total Fund.

391. We however noted that Management of Ningo-Prampram District Assembly spent GH¢20,920.00 (representing 20% of the total allocation) instead of the required up to five percent of GH¢5,184.93 out of a total PWD allocation of GH¢103,698.50 on sitting and monitoring allowances resulting in excess expenditure of GH¢15,735.08.

392. Consequently, planned PWD activities might not be implemented to the disadvantage of improving the livelihood of its members.

393. We recommended to Management to make up the shortfall of GH¢15,735.08 for implementation of PWD activities from the IGF account and in future comply with the provisions in the Fund Management Guidelines.

### **Contract Irregularities**

#### **Completed projects not in use – GH¢223,652.06**

394. Section 52 of the PFM Act, 2016 (Act 921) requires that a Principal Spending Officer of a covered entity shall be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets to prevent losses and wastages among others.

395. Our project inspection of the Weija Gbawe Municipal Assembly's Abattoir site

showed that the construction of a Septic Tank valued at GH¢223,652.06 and completed in April 2023 had not been put to use.

No.	Assembly	Project	Name of Contract or	Start date	Contract Sum GH¢	Date completed	No. of months not in use	Payment to date - GH¢	Remarks/ Reason
1	Weija Gbawe Municipal	Construction of Sceptic tank	M/S SYELYN Co. LTD	Nov. 2019	223,652.06	01/04/2023	8 months	223,652.06	Sewage Pipes not connected

396. According to the Project Engineer, the completed Septic Tank was not in use because the pipes at the various operation centers that would connect all the sewage to the tank had not been installed. This was as a result of the non-inclusion of the works in the initial contract sum hence additional funding is needed to carry out the installation.

397. The anomaly has denied the community the benefits of constructing the Septic Tank and also the non-use could lead to loss of funds resulting from additional cost due to deterioration.

398. We recommended to Management of the Assembly to address all issues hindering the use of the project to achieve value for money and maximum utilization of the entire Abattoir project. We also recommended that in future, budgeted amount for contractual works should include all amenities which would put the project to use immediately after completion to avoid the recurrence of the anomaly.

#### **Delayed/abandoned projects - GH¢1,128,740.61**

399. Contrary to Section 52 of the PFM Act, 2016 (Act 921), we noted that Management of five Assemblies spent GH¢1,128,740.61 on 13 projects which were at various stages of completion but had been delayed/abandoned for periods ranging between seven months and 8 years.

Assembly	Project name	Contractor	Start date	Expected Completion Date	Period the project was abandoned	Contract Sum	Payment to date	% of completion	Reason for delay / Remarks
Ada West	Construction of DCE Bungalow at Sege	Messrs Michael Star Company Ltd	09/03/2018	20/09/2021	2 years 3months	862,031.61	98,977.00	50	The contractor is yet to go on site after negotiating for price variation
	Construction of DCD Bungalow at Sege	Messrs AM Koundas Company Ltd	09/03/2018	20/09/2021	2 years 3months	460,163.33	124,858.17	75	The contractor is yet to go on site after negotiating for price variation
	Construction of 1No Semi-Detached Staff Bungalow at Sege	Messrs M A Raheem GH Ltd	09/03/2018	20/09/2021	2 years 3months	565,304.80	120,530.00	65	The contractor is yet to go on site after negotiating for price variation
<b>Sub-total</b>	<b>3</b>					<b>1,887,499.74</b>	<b>344,365.17</b>		
Ningo - Prampram	Construction of fence wall at NiPDA Assembly Hall at Prampram	Jovima Enterprise	30/10/2022	10/02/2023	10 months	102,420.00	115,668.00	70	Irregular release of common fund
	Renovation of Prampram	Contoq Limited	14/07/2021	12/11/2021	2 years 2months	186,422.00	30,000.00	65	Irregular release of common fund



Tema Metropolitan	Construction of 2-Unit Classroom Block at Methodist Day SHS	Sika Brothers Limited				6 years 11 months				Inadequate funds and late release of DACF
	Construction of sandcrete block fence wall at Tema Redemption Valley School and Rahmaniya Islamic Basic school	Alhassan Bila	15/05/2018	31/11/2018	5 years 1 month		703,253.88	138,824.55	60	Inadequate funds and late release of DACF
	Construction of fence wall at Tema Manhean Anglican Cluster of schools, New Town	Minyok Company Ltd	17/11/2020	17/02/2021	2 years 9 months		121,771.78	104,665.75	95	Inadequate funds and late release of DACF
	Redevelopment of comm 9 cemetery at Tema Comm. 9	M/S MJ Engineers	15/05/2019	11/09/2019	4 years 3 months		1,879,325.80	110,966.28	55	Inadequate funds and late release of DACF
	<b>Sub- Total</b>						<b>2,923,284.87</b>	<b>384,456.58</b>		
	<b>Grand Total</b>						<b>6,184,479.09</b>	<b>1,128,740.61</b>		

400. Delayed/abandoned projects could lead to cost overruns to the detriment of other development projects of the Assemblies.

401. We recommended that Management of the Assemblies involved should ensure that priority is given to the completion of delayed/abandoned projects before new ones are awarded.

#### **Delayed project - GH¢413,179.00**

402. Contrary to Section 52 of the PFM Act, 2016 (Act 921), we noted that an 18 months duration contract at a sum of GH¢841,489.00 (USD 76,499.00 @ GH¢11.00) for the development of an integrated waste Management services and revenue collection system with a commencement date of March 2, 2022 and scheduled for completion on September 2023 which was awarded by Accra Metropolitan Assembly to Asaw System Solutions had not been completed.

403. We also noted that an amount of GH¢413,179.00 from the Accra-Paris Technical Co-operation fund representing 50 percent of the contract sum was paid to the Developer. However, the Developer did not provide an advance mobilization guarantee in violation of the contract agreement hence the company is not bound to refund the advanced amount in case of non-performance or shoddy execution of the project. Details are provided below:

No	Date	Payment	Details	Amount GH¢
1	21/02/23	Direct transfer	Release of 50% payment for the development of a waste data repository and citizen complaint system.	388,440.00
2	20/03/23	Direct transfer	Top-up to 50% for development of waste data repository and citizen complaint system.	24,739.00
	<b>Total</b>			<b>413,179.00</b>

404. According to the head of IT Unit, the system was 50 percent completed in his estimation.

405. Delay in execution of the project would not enhance the revenue mobilization effort and waste management of the Assembly. It could also lead to cost overruns due to price variations.

406. We recommended to Management of the Assembly to ensure that the system is developed to serve its intended purpose.

## Sanitation Management Irregularity

### Failure to provide SIP Equipment

407. Schedule 1 of the Service Agreement between Zoomlion Ghana Limited (ZGL) and the four underlisted Assemblies requires that the Company provides a number of waste containers, skip trucks and waste Management services in consideration for quarterly payments at source.

408. Our review of the Service Agreement on Sanitation Improvement Package (SIP) signed between the four Assemblies and ZGL indicated that the company had not yet provided three Assemblies with 12 Refuse Containers and two skip trucks and also not replaced two defective skip trucks at Ashaiman Municipal contrary to the dictates of the Agreements. Details are provided below:

Assembly	Date of contract	Equipment	Required Per contract	Actual supplied	Outstanding
Ningo - Prampram	2 November 2019	Containers	11	6	5
		Skip trucks	2	1	1
Krowor Municipal	26 January 2019	Containers	11	9	2
Shai-Osudoku District	5 June 2022	Containers	11	6	5
		Skip trucks	2	1	1
Ashaiman Municipal	7 October 2022	Skip trucks	2	2	Defective

409. Management of the Assemblies involved, except Ashaiman Municipal, wrote to ZGL to supply the outstanding equipment but the Company failed to comply with the terms of the Service Agreement.

410. We could however not quantify the value of the outstanding deliverables because these were not individually priced in the contracts.

411. This negatively affected the management of solid waste and final disposal of the waste in the various communities of Assemblies which could result in an outbreak of epidemic-prone diseases.

412 We recommended to Management of the Assemblies involved to ensure that ZGL supply the outstanding refuse containers and skip trucks and also replace the damaged trucks without delay otherwise the ADACF should be notified to halt payments to the Company until the anomalies are addressed. We also recommended that Management of Ashiaman Municipal Assembly should adhere to the dictates of the agreements and notify ZGL of any outstanding commitments. We further recommended that in subsequent revised Agreements, Management of the Assemblies involved should ensure that the services are priced individually for ease of apportioning cost to unperformed services.



## NORTH EAST REGION

### Introduction

413. For the 2023 financial year, total allocations to the six Assemblies in the North East Region were GH¢10,723,077.27. Out of this amount, a sum of GH¢3,689,729.23 was deducted at source in favour of the Assemblies' Service Providers leaving net cash transfers of GH¢7,033,348.04 or 65.59 percent of the total allocations shown in Appendix 'A'.

### Cash Irregularities

#### Payment of Judgement debt - GH¢123,996.51

414. Section 7 of the Public Financial Management Act 2016, (Act 921) enjoins that a Principal Spending Officer of a covered entity shall ensure the regularity and proper use of money appropriated in that covered entity; authorize commitments for the covered entity within a ceiling set by the Minister under section 25 and manage the resources received, held or disposed of by or on account of the covered entity.

415. Our review of the DACF records revealed that Management of Bunkpurugu District Assembly paid a total of GH¢123,996.51 as their share of Judgment Debt of GH¢247,993.02 that was awarded against the Assembly and Yunyoo-Nasuan District Assembly for failing to pay for the services rendered by Sokowuli Ghana Ltd. Details are as follows:

DATE	PV NO.	Cheque No	Payee	Details	Amount
13/04/2023	10/04/23	669565	Sokowuli Ghana Ltd.	Payment of Judgement Debt	75,000.00
28/08/2023	35/08/23	669920	Sokowuli Ghana Ltd.	final payment of Judgement Debt	48,996.51
	<b>Total</b>				<b>123,996.51</b>

416. Disagreement with regards to which Assembly was responsible for the settlement of a balance of GH¢78,944.02 for the Construction of CHPS Compound at Jimbale by Sokowuli Ghana Ltd when the Yunyoo-Nasuan Assembly was carved out from the then Bunkpurugu Yunyoo district caused the anomaly.

417. The inaction by Management has caused financial loss to the state and has affected developmental projects of the Assembly.

418. We recommended that the District Coordinating Director, District Finance Officer and the District Works Engineer whose negligence caused the avoidable cost should refund the amount of GH¢84,524.50 (GH¢123,996.51 - (GH¢78,944.02/2)) being the difference in excess of the liability owed the contractor.

419. Management responded that this was a liability on the Assembly as a result of the Court judgment which led to the confiscation of the Assembly's vehicles and other properties so the only availability of funds to settle this judgment debt was the Assembly's DACF and Management has taken note to prevent future occurrences of actions that will lead to judgment debt.

### **Contract Irregularities**

#### **Completed project not in use - GH¢303,961.00**

420. Section 52 of the Public Financial Management Act, 2016 (Act 921) requires the Coordinating Directors, as principal spending officers to institute proper control system to prevent losses and wastage.

421. We noted that the construction of a Fire Service Station at Chereponi by Messrs Toobihi Ghana Ltd at a contract sum of GH¢303,961.00 and completed on 28 June 2023 had not been put to use.

422. Management attributed the anomaly partly to the death of the contractor before the scheduled date for the handing over of the facility to the Assembly and partly to the inability of the Assembly to connect the building to the national grid.

423. The facility is highly exposed to deterioration due to non-occupancy and could lead to high maintenance cost to the Assembly.

424. We recommended to Management to extend electricity to the facility as soon as possible and hand it over to the Ghana National Fire Service to avoid deterioration.

425. Management responded that plans were far advanced to connect the facility to the power grid for it to be put to use within the first quarter of 2024.

#### **Abandoned Projects – GH¢97,206.30**

426. Section 52 of the Public Financial Management Act, 2016 (Act 921) requires that, “a Principal Spending Officer of a covered entity, state-owned enterprise or public corporation shall be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets. A control system specified in subsection (1) shall be capable of ensuring that preventive mechanisms are in place to eliminate theft, loss, wastage and misuse.”

427. We noted that the Mamprugu Moagduri District Assembly awarded a contract for construction of 2 bedroom self-contained for the Police Commander to Omobolaji Ventures at a contract sum of GH¢199,999.50 to be completed by 6 December 2020. However, the project was abandoned after it was 90% complete and a total payment of GH¢97,206.30 had been paid to the Contractor.

428. Management attributed their inability to complete the project to funding constraints.

429. The delay in executing the project could lead to cost overruns due to effects of price increases on building materials.

430. We recommended to Management to ensure that priority is given to the delayed project before new ones are awarded.

431. Management stated that they have taken note of the audit recommendation and will duly comply.

## NORTHERN REGION

### Introduction

432. In 2023, total allocations to the 16 Assemblies in the Northern Region were GH¢28,240,398.66. A sum of GH¢10,453,346.27 was deducted at source from the total allocated amount in favour of the Assemblies' Service Providers leaving net cash transfers of GH¢17,787,052.39 or 62.98 percent of the total allocations shown in Appendix 'A'.

### Cash Irregularities

#### Unsupported Payments - GH¢116,319.67

433. Regulation 78 of the Public Financial Management Regulations, 2019 (L.I. 2378) states that, "a Public Spending Officer of a covered entity is personally responsible for ensuring in each payment of that covered entity, the validity, accuracy and legality of the claim for the payments and that evidence of services received, certificates for work done and any other supporting documents exist."

434. Our review of the payment vouchers and related records revealed that, payments totalling GH¢116,319.67 released to carry out various activities in three (3) Assemblies were without the relevant expenditure supporting documents such as receipts, attendance list for participants, reports among others. Details are below:

Date	PV No.	Description	Payee	Amount	Remarks
<b>Nanumba North Municipal Assembly - DACF</b>					
8/22/23	78/8/23	being funds for organizing Development planning sub committee	MCD	2,990.00	No report attached
8/10/23	40/8/23	being funds for site visit, monitoring and engagement with NACCA	Bakpaba Naa	3,000.00	No receipt attached
8/10/23	39/8/23	being funds for site visit, monitoring	MCD	3,370.00	No report attached
8/10/23	37/8/23	being funds for site visit, monitoring	MCD	4,555.00	No report attached
9/26/23	12/09/23	being funds for dislodgement of some public toilets	MCD	35,000.00	No list and location of public toilets
		<b>Total</b>		<b>48,915.00</b>	
<b>Nanumba North Municipal Assembly - MPCF</b>					

10/15/23	10/3/23	being funds to organize stakeholder engagements town/zonal councils	MCD	26,000.00	No receipts attached
10/27/23	10/4/23	being funds to enable MCE visits selected communities in the Municipality for peace & unity	MCD	10,000.00	No list of communities visited and fuel receipts
12/29/23	12/5/23	being funds to the MCE to undertake various activities	MCD	12,000.00	No receipts attached
		<b>Total</b>		<b>48,000.00</b>	
<b>Tolon District Assembly</b>					
1/3/23	MP	MP support to students to pay School fees,	Mohammed Amadu and 10 others	<b>12,654.67</b>	No receipts attached
<b>Tatale/Sanguli Assembly</b>					
4/12/23	TSTDA/PWD/02/04/23/SF	DCD	Support to PWD beneficiary	6,050.00	No receipts attached
6/1/23		DCD	Funds for gathering data on PWDs	700.00	No receipts attached
		<b>Total</b>		<b>6,750.00</b>	
<b>GRAND TOTAL</b>				<b>116,319.67</b>	

435. Management of the Assemblies attributed the lapse to failure by activity holders to submit the expenditure retirement documents to authenticate the payments.

436. The practice could lead to misappropriation and diversion of funds.

437. We recommended that the Coordinating Directors and Finance Officers should refund the total of GH¢116,319.67 to the respective accounts of the Assemblies.

438. Management of the three Assemblies stated that the necessary documents have been attached to the vouchers for verification. However, our follow up indicated no action was taken by Management of the Assemblies.

### Payments not Fully Accounted for – GH¢117,316.90

439. Regulation 78 of the Public Financial Management Regulations, 2019 (L.I. 2378) states that, “a Public Spending Officer of a covered entity is personally responsible for ensuring in each payment of that covered entity, the validity, accuracy and legality of the claim for the payments and that evidence of services received, certificates for work done and any other supporting documents exist.”

440. Contrary to the above, we noted that out of a total amount of GH¢181,286.90 granted on 21 paid vouchers in three (3) Assemblies, only GH¢63,970.00 was accounted for, leaving a balance of GH¢117,316.90 not accounted. Details are provided below:

PV No.	Date	Payee	Description	Amounts	Amount Accounted For	Amount Not Accounted
Nanumba North Municipal						
92/8/23	8/22/23	MCD	being funds for MCE to attend commissioning of Tamale Airport	2,230.00	630.00	1,600.00
93/8/23	8/22/23	MCD	being funds to organize ordinary meeting of the Assembly	27,000.00	25,500.00	1,500.00
9/1/2023	9/6/23	MCD	being funds to enable MCE and MCD attend a funeral	5,060.00	2,260.00	2,800.00
9/2/23	9/6/23	MCD	being funds to enable MCD attend a training on operational client service manual	5,320.00	2,520.00	2,800.00
9/4/23	9/18/23	MCD	being funds to enable MCE and MPO attend a meeting at RCC	7,420.00	4,620.00	2,800.00
9/9/23	9/22/23	MCD	being funds to enable officers travel to Accra for an engagement with CEO of SIF	9,120.00	3,220.00	5,900.00
49/8/23	8/11/23	MCD	being funds for installation of bulbs, labelling of offices and carpentry works	6,880.00	2,880.00	4,000.00
		Total		63,030.00	41,630.00	21,400.00
TATALI/SANGULI DISTRICT						

TSDA/IAU/ 15/04/23	4/27/23	Ambulance Service/Mic hael Nakor Jones	Funds to travel to Kumasi to service ambulance	3,500.00		3,500.00
TSDA/IAU/ 17/04/23	4/28/23	DCD/DCE	Payment for fuel for monitoring	13,000.00	9,000.00	4,000.00
TSDA/IAU/ 20/04/23	4/28/23	Electoral Commission	Support to pay electricity bill	2,000.00		2,000.00
TSDA/DAC F/1/8/23/S F	2/8/23	DCD	Payment for items for Ramadan	7,000.00		7,000.00
TSDA/DAC F/2/8/23/S F	2/8/23	DCD	Payment for DISEC meeting	5,000.00		5,000.00
TSDA/DAC F/002/8/23 /SF	2/8/23	DCE	Funds for DCE to attend program in Central Region (Gomoa)	9,935.00	4,260.00	5,675.00
TSAD/IAU/ 22/04/23	4/26/23	Camna Ent.	Payment for stationery	5,241.90		5,241.90
TSDA/DAC F/3/8/23/S F	2/8/23	Zakariah Abdulai (DCD)	Fuel to DCD for official use	19,080.00	9,080.00	10,000.00
3/1/2023	1/18/23	DCD	Payment of accumulated allowances for 2022 DISEC members	4,000.00		4,000.00
4/1/2023	1/18/23	DCD	Transportation for 2 motorking ambulances donated by RCC	3,100.00		3,100.00
		Total		71,856.90	22,340.00	49,516.90
Kpandai District						
12/22/23	1/12/23	Ibrahim Ayuba & others	Payment for budget workshop	7,260.00	0	7,260.00
12/22/23	6/12/23	Mohammed Amin Issah	Payment for training workshop	2,380.00	0	2,380.00
11/23/23	13/12/23	Ibrahim Ayuba	Payment for preparation of 2024 budget	26,760.00	0	26,760.00

11/28/23	20/11/23	Environmental Protection Agency	Payment for environmental assessment	10,000.00	0	10,000.00
		<b>Total</b>		<b>43,247.00</b>	0	46,400.00
		<b>Grand Total</b>		<b>181,286.90</b>	<b>63,970.00</b>	<b>117,316.90</b>

441. The Finance Officers attributed the lapse to officers' refusal to duly acquit the payments.

442. The anomaly could lead to misappropriation and loss of funds to the Assemblies.

443. We recommended that the Coordinating Directors and Finance Officers should refund the total of GH¢117,316.90 to the accounts of the Assemblies accordingly.

444. Management of the three Assemblies stated that the necessary documents have been attached to the vouchers for verification. However, our follow up indicated no action was taken by Management of the Assemblies.

#### **Fuel not accounted – GH¢148,982.08**

445. Section 52 of the Public Financial Management Act, 2016 (Act 921) states that, a Principal Spending Officer shall maintain adequate records of government stores and that the Principal Spending officer is discharged of accountability of government stores where the stores have been consumed in the course of public business and records are available to show that the stores have been consumed.

446. We noted that, Management of Nanumba North Municipal Assembly, Bimbilla purchased fuel totalling GH¢148,982.08 on 57 payment vouchers but were not logged in vehicle logbooks. They could also not produce any evidence to show usage of the fuel. Summary shown below with details attached:

<b>Name of District Assembly</b>	<b>Type of Account</b>	<b>No. of PVs</b>	<b>Amount GH¢</b>
Nanumba North Municipal Assembly	DACF	53	140,982.08
	MPCF	4	8,000.00
<b>Total</b>		<b>57</b>	<b>148,982.08</b>

447. We were therefore unable to confirm that the fuel purchased was used in the interest of the Assembly.



448. We recommended that the Municipal Coordinating Director and Finance Officer should refund the total amount of GH¢148,982.08 into the Assembly's account.

449. Management accepted our recommendation for compliance. However, our follow-up verification indicated no action was taken by Management.

#### **Unapproved Transfers from MPs Common fund - GH¢100,000.00**

450. Regulation 78 of the Public Financial Management Regulations, 2019 (L.I. 2378) states that, "a Principal Spending Officer of a covered entity is personally responsible for ensuring in each payment of that covered entity, the validity, accuracy and legality of the claim for the payments and that evidence of services received, certificates for work done and any other supporting documents exist."

451. Contrary to the above, Management of Nanumba North Municipal Assembly, Bimbilla, borrowed and expended a total amount of GH¢100,000.00 from the MPs common fund account without approval from the Member of Parliament (MP). Details are provided below:

<b>Pv No.</b>	<b>Pay Date</b>	<b>Cheque Number</b>	<b>Payee</b>	<b>Narration</b>	<b>Amount GH¢</b>
02/10/23	15/10/23	663785	MCD	being payment of rent for FPU base accommodation	54,000.00
03/10/23	15/10/23	663785	MCD	being funds to organize stakeholder engagements town/zonal councils	26,000.00
01/12/23	07/12/23	663787	MCD	being funds borrowed from MPs to DACF account	20,000.00
<b>Total</b>					<b>100,000.00</b>

452. Management attributed the anomaly to the emergency nature of the expenditures, coupled with lack of fund releases from the District Assembly Common Fund secretariat.

453. The lapse constituted misapplication of funds which could stall planned activities of the MP.

454. We recommended to Management to refund the amount of GH¢100,000.00 to the MP's Common Fund account.

455. Management accepted our recommendation for compliance. However, they were yet to take action as at the time of reporting.

**Over-utilization of DACF on recurrent expenditure – GH¢20,205.41**

456. Paragraph 3.0 of the 2023 Guidelines for the Utilization of the District Assemblies Common Fund requires MMDAs to commit at least 50 percent of their DACF allocations to provide basic infrastructure and 10% for administration expenditure.

457. On the contrary, Management of Nanumba South District Assembly, Wulensi spent GH¢20,205.41 on recurrent expenditure in excess of the required 10 percent allocated for administration expenses. Details are provided below:

<b>Total Allocation</b>	<b>Allowable 10% allocation on Administration</b>	<b>Amount Spent</b>	<b>Excess Amount</b>	<b>Remarks</b>
613,857.07	61,385.71	81,591.12	20,205.41	Exceeded the 10% allowed for recurrent expenditure

458. The District Coordinating Director indicated that the anomaly resulted from insufficient IGF generation which compelled them to use the DACF.

459. The practice of misapplying Common Fund has the tendency of abandoning or not undertaking developmental projects in the district.

460. We recommended to Management of the Assembly to transfer the amount of GH¢20,205.41 from the IGF account into the DACF account. We further recommended to Management to improve IGF revenue mobilization to avoid over reliance on the DACF.

461. Management accepted our recommendation for compliance.

**Non-release of HIV/AIDS funds by the Administrator**

462. Section 7 of the PFM Act, 2016 (Act 921) states that, where a Principal Spending Officer receives a subvention on behalf of another entity, that Principal Spending Officer shall remit that other entity in accordance with the approved cash flow plan for the subvention.

463. We however noted that the Administrator of the DACF had not released the HIV/AIDS deductions for the first three quarters of 2023 made at source from Tamale Metropolitan Assembly's share of the District Assembly Common Fund to the Assembly.

464. The anomaly denied the Assembly funds for effective execution of its HIV/AIDS activities.

465. We recommended to Management to pursue the release of the amount from the District Assembly Common Fund Administrator.

466. Management responded that the Administrator of DACF has assured the Assembly that the funds would be released soon.

### **Contract Irregularities**

#### **Completed projects not in use - GH¢400,208.50**

467. Section 52 of the Public Financial Management Act, 2016 (Act 921) state that a Principal Spending Officer of a covered entity, state-owned enterprise or public corporation shall be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets.

468. We noted that Kpandai District Assembly awarded a contract for the construction of 1 No. Fire Station at a total contract sum of GH¢400,208.50 to S. Amasky Co. Ltd and was completed on 05 February 2023. However, as of the audit in January 2024, the project had not been put to use.

469. Management attributed the non-usage to lack of water facility and access road to the station.

470. We recommended that Management should take the necessary steps to ensure that the facility is put to use by the Ghana Fire Service.

471. Management responded that funds are being raised to provide other amenities like water and gravelling of the compound requested by the Ghana National Fire Service to enable them to utilize the facility.

#### **Abandoned projects – GH¢384,809.44**

472. Section 52 of Public Financial Management Act, 2016 (Act 921) states that a Principal Spending Officer of a covered entity, state-owned enterprise or public corporation shall be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets.

473. We noted that three projects awarded by two Assemblies at a total contract sum of GH¢878,548.94 which were at various stages of completion had been abandoned for periods ranging between 16 and 154 months as at December 2023. Details are provided below:

<b>Nature of project</b>	<b>Name of contractor</b>	<b>Expected Completion date</b>	<b>Period of delay</b>	<b>Contract sum</b>	<b>Amount paid to date</b>	<b>stages of completion (%)</b>
<b>Gushegu Municipal Assembly</b>						
Construction of lockable stores at Kpatinga	M/S Digbulung Enterprise	1/11/2011	154 Months	162,754.90	103,991.55	95
Construction of 1 No. 3 unit classroom block, office, store, KVIP toilet and urinary at Nawuhugu	M/S Abdulai Iddrisu Enterprise	8/6/2020	40 Months	225,854.52	99,517.69	80
<b>Karaga District Assembly</b>						
Rehabilitation of DCE's residence, Karaga	M/S Matsilas Enterprise	20/07/22	16 months	489,939.52	181,300.20	80
<b>Total</b>				<b>878,548.94</b>	<b>384,809.44</b>	

474. Management of the Assemblies attributed the lapse to funding constraints.
475. The situation has denied the communities the use of the facilities. It could also lead to cost overruns due to price hikes on building materials.
476. We recommended to Management of the Assemblies to put the awarding of new projects on hold and use all available resources at their disposal to complete the existing stalled projects for the benefit of the communities.
477. Management of Gushegu Municipal Assembly responded that the MP has been informed of the delay of the projects. However, Management of the Assembly intended to complete the construction of the 1 No. 3 unit classroom block, office, store, KVIP Toilet and Urinary at Nawuhugu from subsequent DACF allocation.
478. Management of Karaga district added that funds will be allocated from subsequent Common Fund releases for completion of the project before new ones are awarded.

## **Sanitation Management Irregularities**

### **Failure to repair or replace broken-down SIP equipment**

479. The Sanitation Improvement Package (SIP) agreement between the Assemblies and Zoomlion Ghana Limited (ZGL) provides for the Company to supply refuse trucks and containers for haulage of solid waste from the communities to a final disposal site and to repair or replace broken down equipment upon notification by the Assembly.
480. We however noted that five Assemblies had a total of 26 Sanitation Improvement Package (SIP) equipment broken down but had not been repaired or replaced, though the Assemblies had notified Management of ZGL. Notwithstanding the lapse, the Administrator of common fund continues to deduct quarterly fees from the Assemblies share of common fund in favour of ZGL. Details of broken-down equipment are provided below:

Name of District Assembly	Type of Equipment		No. of Equipment
	Trucks	Containers	
Tamale Metropolitan Assembly	1	3	4
Mion District Assembly	-	1	1
Gushegu Municipal Assembly	2	9	11

Karaga District Assembly	-	6	6
Kpandai District Assembly	1	3	4
<b>Total</b>	<b>4</b>	<b>22</b>	<b>26</b>

481. The non-repair and replacement of the equipment negatively affect the management of solid waste in the communities.

482. We recommended to the Management of the Assemblies to ensure that ZGL replaces the damaged trucks and containers without further delay failing which they should notify the Administrator of Common Fund to stop the quarterly deductions.

483. Management of the Assemblies indicated that they have noted the recommendation for compliance.

#### **Failure to supply sanitation equipment**

484. Clause 3(c) and schedule one of the Service Agreement of the Sanitation Improvement Package (SIP) between Nanumba North Municipal Assembly and Zoomlion Ghana Limited (ZGL) requires ZGL to provide a number of refuse trucks and containers to manage waste in the Assembly.

485. Contrary to the above, our audit revealed that ZGL provided only two (2) skip refuse trucks and seven (7) waste containers to the Municipal Assembly with one of the trucks already not serviceable, instead of the required 3 skip trucks and 20 solid waste containers.

486. The Assembly has been denied value for money proportionate to source deductions paid to ZGL covering the portion of non-performance of the SIP.

487. We recommended to Management to write formally to ZGL to supply the remaining one skip refuse truck and the 13 refuse containers to the Assembly failing which Management should write to the Administrator of DACF reporting the breaches and demanding refund from subsequent payments due ZGL.

488. Management accepted our recommendation for compliance.

## Tax Irregularities

### Payment of Penalty for non-payment of taxes – GH¢8,791.96

489. Section 117 of the Income Tax Act, 2015 (Act 896) states that, a withholding agent shall pay to the Commissioner-General within fifteen days after the end of each calendar month a tax that has been withheld in accordance with this provision during the month.

490. We noted that Tolon District Assembly paid tax penalty of GH¢8,791.46 to GRA on PV No. DACF10/04/2023 of 03/08/2023. The imposition of the penalty was as a result of Management's failure to remit total tax of GH¢48,189.96 withheld from 2018 to 2020 to the GRA.

491. The situation has resulted in a total loss of GH¢8,791.46 to the Assembly which could have been used to support developmental activities.

492. We recommended that the penalty of GH¢8,791.46 should be recovered from the DCD and DFO and same paid into the Assembly's Common fund account. We further urged Management to ensure prompt payment of its withheld taxes to avoid future payment of penalties.

493. Management accepted our recommendation for compliance.

### Failure to withhold / remit taxes – GH¢21,243.06

494. Section 116 of the Income Tax Act, 2015 (Act 896) provides that, the appropriate rate of tax should be withheld from payment made to a resident person for goods and services supplied. Section 117 of the Act also stipulates that; a withholding agent shall pay to the Commissioner-General within fifteen days after the end of each calendar month a tax that has been withheld in accordance with this Section.

495. We noted that the Kpandai District Assembly made payments on 45 payment vouchers to suppliers and staff for goods, services and allowances totalling GH¢392,716.30 without withholding total tax of GH¢21,243.06. Summary shown below, with details attached:

Name of Assembly	Type of Account	No. of PVs	Amount	Unwithheld / unremitted
	DACF	5	27,867.00	1,731.00

Kpandai District Assembly	DACF	26	309,839.30	14,562.66
	UNICEF	14	55,010.00	4,949.40
<b>TOTAL</b>		<b>45</b>	<b>392,716.30</b>	<b>21,243.06</b>

496. The lapse has denied the state the needed revenue to carry out developmental projects.

497. We recommended to Management to ensure that the amount of GH¢21,243.06 is duly paid to GRA.

498. Management responded that the payments were internal payments made to various officers to carry out activities and retired but inadvertently, they were not made aware that consequential payments to third parties must be subject to withholding taxes.

499. Management further promised that all future payments of special imprest would be scrutinized and necessary taxes withheld.



## OTI REGION

### Introduction

500. For the 2023 financial year, total allocations to the nine Assemblies in the Oti Region were GH¢13,678,512.32. Out of this amount, a sum of GH¢4,914,563.80 was deducted at source in favour of the Assemblies' Service Providers leaving net cash transfers of GH¢ 8,763,948.52 or 64.07 percent of the total allocations shown in Appendix 'A'.

### Cash Irregularities

#### Unsupported payments – GH¢38,457.00

501. Regulation 78 of the Public Financial Management Regulations, 2019 (L.I. 2378) states that, "a Principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of that covered entity. The validity, accuracy, and legality of the claim for the payment. That evidence of service received, certificates for work done and any other supporting document exists."

502. We noted that, Management of the Nkwanta South Assembly paid GH¢38,457.00 vide 14 payments vouchers without relevant expenditure documents such as receipts, invoices, statement of claims to authenticate the payments. Details below:

Date	PV No.	Cheque #	Details	Amount
4/5/22	4/4/23	3414	Payment of official expenses	4,000.00
26/1/23	2/1/23	3403	Purchase of fuel for officials from DACF Secretariat on monitoring	4,000.00
2/3/23	1/2/23	3406	Payment of MCE's expenses on a 3-day retreat for MDCEs in Oti Region	3,400.00
4/5/23	6/4/23	3417	Funds for payment of expenses	3,130.00
22/5/23	15/5/23	3531	Funds for organizing program for Covid 19 front line workers	2,400.00
21/8/23	8/8/23	3505	Funds released for the payment of donations	2,010.00
21/8/23	9/8/23	3306	Payment for the delivery cost of fertilizer	4,387.00

28/8/23	11/8/23	3311	Payment of fuel and out of station allowance	3,130.00
30/8/23	13/8/23	3313	support for flood victims	2,300.00
30/8/23	15/8/23	3315	payment in support of the celebration of Nyambong annual yam festival	1,400.00
31/8/23	16/8/23	2216	Cost of extending water to NIB residence	1,070.00
9/12/23	10/9/23	3335	funds release for the payment of COSO project meeting expenses by the MCE	1,630.00
9/10/23		3343	Funds released for payments in connection with DPAT preparation	3,000.00
22/12/23	14/12/23	3493	Payment of repairs of vehicle	2,600.00
	<b>Total</b>			<b>38,457.00</b>

503. We could not confirm the genuineness of the expenditure which could lead to loss of funds to the Assembly.

504. We recommended that the Coordinating Director and Finance Officer should refund the amount of GH¢38,457.00 and pay same into the DACF account of the Assembly.

505. Management indicated that, they would retrieve the relevant supporting documents and forward same for audit inspection. However, Management failed to do so as asserted.

#### **Duplication of Payment to a contractor - GH¢19,332.43**

506. Regulation 78 of the PFMR, 2019 (L.I. 2378) provides among others that, “a Principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of the covered entity the validity, accuracy and legality of the claim for the payment.”

507. We noted that Management of Nchumuru District Assembly duplicated payment of GH¢19,332.43 to Messrs. Praman Trading and Contract Works for the construction of 1No 6 Unit Washroom at the Chinderi market. Details provided below:

Date	PV No.	Details	Cheque No	Amount
6/10/23	Direct payment through the bank.	Payment of retention for the construction of washroom and borehole	814194	19,332.43
10/10/23	KNDA/DPAT/01/10/23/JD	Payment of retention for the construction of washroom and borehole	831205	19,332.43

508. The anomaly resulted in a loss of GH¢19,352.43 to the Assembly.

509. We recommended to Management to recover the amount from Messrs. Praman Trading and Contract Works and pay same into the Assembly's DACF account and make evidence available for audit verification, failing which Management should be sanctioned in accordance with section 98 of the PFM Act 2016 (Act 921).

510. Management indicated that they have written to the contractor for the refund.

## Contract Irregularities

### Abandoned Projects – GH¢352,553.18

511. Section 52 of the Public Financial Management Act 2016 (Act 921) provides that a Principal Spending Officer of a covered entity, State Enterprise or Public Corporation shall be responsible for the assets of the institution under the care of the Spending Officer and shall ensure that proper control system exist for the custody and management of the corporate assets, a control system specified should be capable of ensuring that preventive mechanism are in place to eliminate theft, loss wastage and misuse.

512. We noted that two Assemblies expended a total amount of GH¢352,553.18 on four projects which were at various stages of completion but had been delayed or abandoned for periods ranging between 20 and 112 months. Details are provided below:

S/N	Name of Project	Name of Contractor	Percent of Completion	Start Date	Expected Completion Date	Contract Sum	Payment made
	<b>Krachi Nchumuru District Assembly, Chinderi</b>						
1	Construction of 1 No CHPS Compound at Wandando	Kekom Ventures	70%	18/8/14	21/4/15	150,552.90	89,470.00
	<b>Krachi West Municipal Assembly, Kete Krachi</b>						
2	Construction of 3-bedroom bungalow at Nurses & Midwifery Training Institute at Gyengyen	Kenco Company Ltd	15%	1/11/20	30/5/21	468,481.51	68,866.78
3	Refurbishment of fence wall and summer hut at MCE's residence at Kete Krachi	North High Company Ltd	50%	1/04/22	15/7/22	272,669.84	121,854.60
4	Construction of CHPS Compound at Dadikro	Korban company Ltd	27%	1/01/19	30/5/19	268,680.18	72,361.80
	<b>TOTAL</b>					<b>1,160,384.43</b>	<b>352,553.18</b>

513. Management of the Assemblies attributed the anomaly to lack of funds despite the continual receiving of DACF allocations.

514. We recommended that Management should prioritize their spending to make funds available for the completion of the four projects before awarding new ones.

515. Management of Krachi Nchumuru District Assembly failed to provide any response on the construction of the CHPS Compound by Kekom Ventures.

516. Management of Krachi West Municipal Assembly on their part responded that it would give priority to delayed projects before new ones are awarded.

### **Sanitation Management Irregularities**

#### **Non-supply and replacement of sanitation equipment**

517. Clause 3 of the Service Agreement of Sanitation Improvement Package (SIP) between Zoomlion Ghana Ltd and the MMDAs in 2019 requires Zoomlion Ghana Ltd

to provide Skip Trucks and communal refuse containers to the Assemblies and repair and replace the equipment used for the refuse collections upon being notified by the Assembly of any damage or defect.

518. We noted that Zoomlion Ghana Ltd failed to replace or repair broken down refuse trucks and waste containers of two Assemblies as stipulated in the service agreement. Details are provided below:

No	Assembly	Equipment	Qty	Condition
1	Krachi Nchumuru Municipal	Refuse truck	1	Broken Down since January 2022
		Refuse containers	7	Damaged since January 2022
2	Krachi West	Refuse containers	6	Damaged since January 2022
		Refuse Truck	1	Broken Down since January 2022

519. The non replacement of damaged machinery negatively affected Management of solid waste within the catchment areas of the Assemblies.

520. We recommended to Management of the Assemblies involved to ensure that ZGL replaces the damaged trucks and containers without further delay. We also recommended that Management of the Assemblies should adhere to the dictates of the agreements and notify ZGL of any outstanding commitments.

521. Management of Krachi Nchumuru District Assembly stated that they had notified Zoomlion Ghana Ltd of the condition of the refuse truck and the containers. Management further indicated that they would write to the administrator of the District Assembly Common Fund to request adjustments to the deductions from the Assembly's share of the Common Fund.

522. Management of Krachi West Municipal Assembly stated that they would ensure that Zoomlion Ghana Ltd repair or replace the broken-down refuse truck and damaged containers.

## Assets Management Irregularities

### Unserviceable vehicles

523. Section 52 of PFM Act, 2016 (Act 921) states among others that a Principal Spending Officer of a covered entity shall be responsible for the assets of the institution under his care and shall ensure that proper control systems exist for the custody and management of the assets.

524. Our review however revealed that seven vehicles and a grader belonging to Nchumuru District Assembly had been packed at various fitting shops and garages at the mercy of the weather for periods ranging between 2 and 9 years. Details are provided below:

No.	Vehicle type/make	Registration #	Current state	Location	Year Packed
1	Nissan Patrol	GT 8510 - 19	Broken-down	Accra	2022
2	Nissan Pick-Up	GN 7484 -18	Broken-down	Accra	2022
3	Nissan Patrol	GN 3918 - 12	Broken-down	Dambai	2019
4	Toyota Pick-Up	GT 2955 - 13	Broken-down	Chinderi	2021
5	Nissan Navara	GV 64 - 15	Broken-down	Borae	2018
6	Toyota Pick-Up	GT 5498 - X	Broken-down	Borae	2021
7	Toyota Pick-Up	GV 2691 - 17	Unserviceable	chinderi	2014
8	Grader	N/A	Unserviceable	chinderi	2015

525. Leaving the vehicles at the mercy of the weather would result in their further deterioration.

526. We recommended that Management should convene a board of surveys to examine the vehicles and recommend the best method for their disposal.

527. Management accepted our recommendation for compliance.

## SAVANNAH REGION

### Introduction

528. In 2023, total allocation to the seven Assemblies in the Savannah Region was GH¢12,271,857.57. Out of this amount, a total of GH¢4,302,729.23 was deducted at source in favour of the Assemblies' Service Providers leaving a net cash transfer of GH¢7,969,128.34 or 64.94 percent of the total allocations shown in Appendix 'A'.

### Cash Irregularities

#### Over-utilization of Common Fund on administration - GH¢718,460.77

529. Paragraph 3.0 of the 2023 Guidelines for the Utilization of the District Assemblies Common Fund requires MMDAs to commit at least 50 percent of their DACF allocations to provide basic infrastructure and 10% for administration expenditure.

530. On the contrary, Management of East Gonja Municipal and Central Gonja District Assemblies together spent GH¢718,460.77 on recurrent expenditure in excess of the required 10 percent allocated for administration expenses. Details are provided below:

Assembly	Total receipts	10% Allocation to Administration Expenditure	Actual Allocation to Administration	Diff. %	Diff. (Excess on non-basic infrastructure proj.)
East Gonja Municipal	1,196,989.71	119,698.97	392,810.48	32.82	273,111.51
Central Gonja District	1,126,491.15	563,245.57	117,896.31	39.53	445,349.26
Total					718,460.77

531. Management's action resulted in the reduction of funds earmarked for developmental projects.

532. We recommended to Management of the two Assemblies to refund the excess expenditure of GH¢718,460.77 from their IGF accounts into their respective DACF accounts and use same to support basic infrastructure projects as required.

533. Management of East Gonja did not respond to the management letter, while Management of Central Gonja indicated that they would improve on the Assembly's IGF to be able to comply with the Guidelines.

### **Failure to allocate funds to Sub-Structures – GH¢90,119.30**

534. Part I paragraph 3 of the 2023 Guidelines for the Utilisation of the DACF, requires that up to 8% of the DACF receipts should be used for the establishment and strengthening of zonal, urban, town and area councils.

535. We however noted that Central Gonja District Assembly received a total DACF allocation of GH¢1,126,491.15 but failed to allocate the required eight percent amounting to GH¢90,119.30 for the activities of the Assembly's sub-structures. The table below provides the details:

Date	Description	Net Amount	8 Percent
03/04/23	4 <sup>th</sup> Quarter 2022	274,562.45	21,965.00
01/08/23	1st Quarter 2023	302,803.80	24,224.30
16/11/23	2 <sup>nd</sup> Quarter 2023	274,562.45	21,965.00
15/12/23	3 <sup>rd</sup> Quarter 2023	274,562.45	21,965.00
<b>Total</b>		<b>1,126,491.15</b>	<b>90,119.30</b>

536. The non-compliance with the Guidelines by the Assembly could render the Sub-structures ineffective in executing their mandate at the grass-root level of decentralization.

537. We recommended to Management to ensure compliance with the DACF Guidelines and transfer the amount of GH¢90,119.30 from DACF account into the Sub-structures account.

538. Management accepted our recommendation for compliance.

### **Unsubstantiated investment of Assembly funds - GH¢10,592.00**

539. Section 143 of the Local Governance Act, 2016 (Act 936) states that a District Assembly may in consultation with the Minister responsible for Finance invest any portion of moneys of the District Assembly in safe securities other than Government treasury bills.

540. We noted an equity investment valued at GH¢10,592.00 on the face of the statement of financial position of the East Gonja Municipal Assembly. Management however could not produce any evidence of approval from the Minister nor certificate of ownership of the investment and in which company it was held.



541. This could lead to loss of funds to the Assembly and/or misleading financial statements.

542. The Co-ordinating Director stated that he was not aware of any investment. The Finance Officer also explained that he only knew of the equity investment but has not sighted its related documents since he took over in May 2018.

543. We recommended that Management of the Assembly should redeem the investment into the account of the Assembly without further delay.

544. Management responded that they have contacted GCB Bank for the details of the investment and will furnish the office with the necessary information.

## Contract Irregularities

### Delayed / Abandoned projects - GH¢418,414.41

545. Section 52 of the Public Financial Management Act, 2016 (Act 921) requires, Coordinating Directors as the Principal Spending Officers to institute proper control systems to prevent losses and wastage.

546. We noted that Central Gonja District Assembly expended a total amount of GH¢418,414.41 on two projects which were at various stages of completion and had been delayed or abandoned for periods ranging between 30 and 96 months. Details provided below:

Project / Funding	Contractor	Location	Contract sum	Total payment	Estimated Completion Date	Period of Delay	% Complete
1 No 6unit bedroom semidetached staff quarters (DACF)	Discovery Land Engineers and Planners Ltd	Buipe	298,037.00	225,947.38	12/10/16	96 months	75
1 No CHP compound (DACF)	Papaja Enterprise	Kpabuso	304,370.00	192,467.03	20/06/20	30 months	80
<b>Total</b>				<b>418,414.41</b>			

547. Management attributed their inability to complete the projects to funding constraints.

548. The delay in executing projects could lead to cost overruns due to effects of price increase on building materials.

549. We recommended to Management to ensure that priority is given to the abandoned/delayed projects before new ones are awarded.

550. Management accepted the recommendation for compliance.

**Completed project not put to use - GH¢148,909.20**

551. Section 52 of the Public Financial Management Act, 2016 (Act 921) requires the Coordinating Directors, as Principal Spending Officer to institute proper control system to prevent losses and wastage.

552. Our inspection of Bole District Assembly's 1No. 12Unit Market Shed and 1No. 2Unit Urinary at Sonyo constructed by M/S Morasko Co. Ltd at a total cost of GH¢148,909.20 and completed on 31 December 2022 had since not been used after one year of its construction.

553. Our interaction with residents of the area revealed that there were no ready economic activities within the area, resulting in the non-operationalization of the market. This indicated lack of pre-engagement with stakeholders before citing the market. The project cost of GH¢148,909.20 is a lock-up fund that could have been used for other pressing projects and programmes of the Assembly.

554. We recommended to Management to make necessary arrangements to ensure that the project is put to use.

555. Management noted the recommendation for compliance.

**Payment for unexecuted portions of a contracts - GH¢153,682.80**

556. Regulation 80 of the PFMR, 2019 (L.I. 2378) requires, "Principal Spending Officers not to certify the completion of works, unless the contractor concerned has complied with all provisions of the contract."

557. We however noted that Management of three Assemblies paid a total amount of GH¢153,682.80 to contractors for unexecuted portions of contracts awarded. Details provided below:

Assembly	Project	Contractor's Name	Unexecuted Portion	Cost Of Unexecuted Portion
East Gonja Municipal Assembly	Rehabilitation and fencing of the Municipal Assembly guest house	Sakpegu Limited	Tiling, fixtures and electricity works.	49,386.80
Sawla Tuna Kalba District Assembly	Construction and furnishing of theatre at Gindabuor	Sir Banku Enterprise	30 Beds and Mattresses.	56,010.00
	Construction of 1No.3Unit Classroom block at Kokompe	Messrs Azimpex Ltd.	A 4-Seater KVIP toilet.	41,570.00
Bole District Assembly	Construction of 1No. 2Units classroom block with ancillary facilities carried out at Seripe	A. M. Bilfu Ent.	2 ceiling fans, 1 earthing system, 15 bulbs, 16 security padlocks, signpost & facial board. Also, apron around the structure was found defective.	3,716.00
	Construction of 1No. 12-unit market sheds with ancillary facility at Sonyo	M/S Morasko Co. Ltd.	Environmental Assessment Permit & Bid Security not produced by contractor.	3,000.00
<b>Total</b>				<b>153,682.80</b>

558. The payment for unexecuted portions of the contract constitutes loss of funds to the Assemblies.

559. We recommended to the Coordinating Directors of the three Assemblies to ensure that the contractors executed the outstanding works at no additional cost to the Assemblies, failing which the amount of GH¢153,682.80 should be recovered from the Works Engineers and Monitoring Teams.

560. The MCD and MFO of East Gonja Municipal Assembly explained that they relied on the engineer's recommendation to make the payment because he is the technical person and the consultant for the project.

561. Management of Sawla Tuna Kalba District also responded that they have since written to the contractors to supply the items. Management of Bole District however, did not respond to the management letter.

## Tax Irregularities

### Failure to obtain VAT Invoices - GH¢1,929.60

562. Section 41 of the Value Added Tax Act, 2013 (Act 870) requires that, “a taxable person shall, on making a taxable supply of goods and services, issue to the recipient, a tax invoice in accordance with conditions and procedures specified in the Regulations made under this Act.”

563. Contrarily, we observed that West Gonja Municipal Assembly paid a total amount of GH¢10,720.00 to Hoteliers and other service providers without obtaining the related VAT invoices of GH¢1,929.60. Details are provided below:

PV No.	Date	Payee	Particulars	Amount GH¢	VAT Amount
C40	18/04/23	Home Touch	Provision of meals and accommodation	5,500.00	990.00
C54	18/04/23	Safari Lodge/Family and Friends Guest House	Accommodation	2,700.00	486.00
C2	08/08/23	Osei Acheampong Dennis/ Banchan Lodge		1,000.00	180.00
5/9	13/09/23	Banchan Lodge		1,520.00	273.60
Total				10,720.00	1,929.60

564. The state could be denied the tax revenue of GH¢1,929.60.

565. We therefore recommended that the VAT invoices be obtained from the service providers to support the tax paid, failure of which the District Finance Officer should be held to refund the amount of GH¢1,929.60 into the Assembly's DACF account.

566. Management responded that they have contacted the service providers to retrieve the VAT invoices, but they were yet to get copies and present for our verification.

### Taxes not withheld / remitted - GH¢11,672.82

567. Sections 116 and 117 of the Income Tax Act, 2015 (Act 896) requires, “the Assemblies as withholding tax agents to deduct the appropriate rate of tax from payments for goods and services and remit same to the Commissioner-General of the Ghana Revenue Authority within 15 days after the end of the calendar month in which the tax was withheld.”

568. Contrary to the above provisions, Management of the North East Gonja District Assembly under-deducted taxes amounting to GH¢4,186.11 from payments to suppliers of services. Management also failed to remit to GRA GH¢7,486.71 taxes withheld during the period. Details provided below:

#### **Taxes Under-Deducted**

Date	PV No.	Details	Gross	Rate	Amount Required	WHT Deducted	Under Deduction
28/01/23	NL	Dramani Coy ltd	30,005.40	7.5	2,250.41	360.00	1,890.41
24/01/23	01/09	Dramani Coy ltd	35,529.38	7.5	2,664.70	369.00	2,295.70
	<b>Total</b>		<b>65,534.78</b>		<b>4,915.11</b>	<b>729.00</b>	<b>4,186.11</b>

#### **Taxes Unremitted**

Date	PV No.	Description	Payee / Supplier	Amount	Tax Rate	Tax Amount
25/04/2023	-	Final Payment for rural electrification	M/S Dema Naa Ent	5,754.20	5.00%	287.71
19/06/2023	-	Procurement of fertilizer for women	Baknams Enterprise	57,600.00	3.00%	1,728.00
10/7/2023	-	Purchases of Fishing net for Fisher folks	Baknams Enterprise	28,000.00	3.00%	840.00
10/07/2023	Nil	Purchases of weedicides to support framers	Baknams Enterprise	37,700.00	3.00%	1,131.00
13/07/2023	-	Payment for Certificate No. 1 Shaping of Cheigu feeder roads	M/S B Z Rameela Enterprise	70,000.00	5.00%	3,500.00
<b>Total</b>				<b>199,054.20</b>		<b>7,486.71</b>

569. Non-deduction and non-remittance of taxes to GRA could result in the award of penalties against the Assembly. Also, it impedes the government’s efforts in meeting tax revenue targets.

570. We recommended to Management of the Assembly to remit the withheld tax of GH¢7,486.71 to GRA and ensure strict compliance with the tax laws. Also, the under-deducted tax of GH¢4,186.11 should be remitted to GRA from the personal resources of the District Finance Officer.

571. Management of North East Gonja responded that it has taken notice of the under deduction of tax. With respect to taxes not remitted, Management said that the GRA receipts were available for verification but could not produce them during our follow up visit.

## **Sanitation Management Irregularities**

### **Breach of fumigation and disinfestation contract**

572. Clause 3 of the 2018 Service Agreement between Zoomlion Ghana Ltd and the East Gonja Municipal Assembly specifies that Zoomlion Ltd shall provide monthly disinfestation and fumigation services to public toilets and its surroundings, major drains, communal containers, final disposal sites, government apartments, public markets, hospitals, clinics, health centres and public education on vector control/environmental sanitation for a service fee of GH¢57,500 per quarter subject to annual review.

573. Our enquiries from the Administrator, Mr Aloysius Bokuma during field visits to the hospital and other facilities on 1 February 2024 revealed that Zoomlion Ghana Ltd had not undertaken any disinfestation and fumigation exercise for at least three (3) months up to the date of the inspections. It was also revealed that, Zoomlion had never fumigated the Salaga hospital even though it was part of the places to be fumigated. However, service fee is being deducted at source from the Assembly's Common Fund allocation.

574. The leader of Zoomlion's fumigation team Mr Imoro Yakubu who was part of the audit inspection team confirmed the lag in the fumigation but assured that immediate steps were being taken to ensure prompt action.

575. In the circumstance, Zoomlion Ghana Ltd would be paid money for no work done.

576. We recommended that Management should liaise with Zoomlion Ghana Ltd to ensure timely provision of the disinfection and fumigation services in accordance with the service agreement. We also recommended a recovery from Zoomlion Ghana Ltd the portion of any payment it received for no work done and same paid into the Assembly's DACF account for Common Fund activities.

577. Management responded that Zoomlion Ghana Ltd was contacted and the company forwarded their programme of work and areas fumigated in the second half of 2023. However, no document was presented for our verification and review.

### **Breach of Sanitation Improvement Package (SIP) contract**

578. Clause 3 of the 2019 Service Agreement on Sanitation Improvement Package (SIP) between Zoomlion Ghana Ltd (ZGL) and the East Gonja Municipal Assembly states that Zoomlion Ltd shall among others; ensure the collection of solid waste from communal containers located within the Assembly to final disposal sites, provide refuse trucks for the collection and evacuation of waste from communal containers, repair or replace skip containers upon being notified by the Assembly for a service fee of GH¢71,875.00 per quarter subject to annual review.

579. Our review of the contract performance and field visits revealed several breaches of the obligations of ZGL as spelt out in the agreement. Details of the breaches are highlighted in the table below:

S/No.	Solid Waste Management Contract Breaches
1	15 waste containers supplied to the Assembly instead of 20
2	Five of the 15 waste containers supplied were taken for repairs by Zoomlion in July 2023 but had since not been replaced.
3	Two waste trucks were supplied to the assembly instead of three as per the contract.
4	One of the waste trucks supplied has been with Zoomlion for repairs for over five years now. Only one is working in the municipality.
5	Heaps of solid waste littered the location sites of the waste containers. Residents explained that sometimes the containers get full and not emptied.

580. The operations manager of the Salaga office of Zoomlion Ghana Ltd explained that the issues of the containers and trucks had been reported to the regional office of the company, but nothing had been done. On the issue of the solid waste littering the environment, he explained that because only one truck was working instead of three, any break down of the truck affected their operations.

581. The Assembly has been denied value for money proportionate to source deductions paid to ZGL covering the portions of non-performance of the service agreement.

582. We recommended that Management should write to the Administrator of the DACF reporting the breaches and demand refund from subsequent payments due ZGL.

583. Management responded that the Assembly has written to Zoomlion Ghana Ltd to remedy the contractual breaches.

## **VOLTA REGION**

### **Introduction**

584. In 2023, the 18 Assemblies in the Volta Region received a total DACF allocation of GH¢31,424,183.70. Out of this amount, the ADACF deducted a total amount of



GH¢11,813,453.31 at source in favour of the Assemblies' Service Providers, HIV/ AIDS programmes and NALAG dues leaving net cash transfer of GH¢19,610,730.39 representing 62.41 percent of the total share of Common Fund as shown in Appendix 'A'.

## Cash Irregularities

### Non-release of HIV/AIDS and PWD Funds by the ADACF - GH¢142,052.03

585. Section 7(3) of the PFM Act, 2016 (Act 921) provides that, where "a Principal Spending Officer receives a subvention on behalf of another entity, that Principal Spending Officer shall remit to that other entity in accordance with the approved cash flow plan for the subvention."

586. We noted on the contrary that the ADACF did not release HIV/ AIDS and PWD Funds totalling GH¢142,052.03 deducted at source from the DACF allocations of two Assemblies. Details are provided below:

No	Assembly	Quarter	Fund source	Date	Amt. GH¢
1.	Ho Municipal	1 <sup>st</sup> quarter, 2023	HIV/ AIDS Funds	03/08/2023	2,216.27
		2 <sup>nd</sup> quarter, 2023		20/11/2023	2,400.96
		3 <sup>rd</sup> quarter, 2023		19/12/2023	2,400.96
	<b>Sub-total</b>				<b>7,018.19</b>
2.	Ho West District	1 <sup>st</sup> quarter, 2023	PWD	21/11/2023	67,516.92
		2 <sup>nd</sup> quarter, 2023		21/12/2023	67,516.92
	<b>Sub-total</b>				<b>135,033.84</b>
	<b>Grand total</b>				<b>142,052.03</b>

587. The anomaly denied the Assemblies the needed funds for the effective execution of HIV/ AIDS and PWD planned activities.

588. We recommended to Management to liaise with the ADACF for the transfer of the deducted funds of GH¢142,052.03 into designated accounts of the Assemblies involved for the execution of planned activities under the two programmes.

### Abuse of PWD Funds - GH¢27,820.00

589. Section 7 of the PFM Act, 2016 (Act 921) states that, "a Principal Spending Officer of a covered entity shall ensure the regularity and proper use of money appropriated in that covered entity."

590. In violation of the above provision, we noted that Management of Agotime-Ziope spent GH¢15,820.00 via four payment vouchers as support to various PWDs. However, particulars of the beneficiaries could not be ascertained from the PWD Register of the Assembly to enable the audit team to confirm their eligibility. Details of the payments are provided below:

No	PV No.	Amount GH¢
1	PWD/01/03/23	5,000.00
2	AZDA/PWD/4/3/23	2,000.00
3	PWD/1/10/23	6,300.00
4	PWD/04/04/11/23/ED	2,520.00
	<b>Total</b>	<b>15,820.00</b>

591. In a related issue, we noted that Management diverted an amount of GH¢7,000.00 meant for three PWD persons to other persons who did not apply for such support and also whose names could not be traced in the PWD Register of the Assembly. Details are provided below:

PV date	PV No.	Name of beneficiary	Name of actual (PWD) applicant	Amount GH¢
10-11-23	PWD/1/10/23	Agbenor Richard	Akorla Adzo	2,000.00
10-11-23	PWD/1/10/23	Ahiataklu Doe Daniel	Begla Jennifer	3,000.00
10-11-23	PWD/1/10/23	Victor Yorm Kwaku Dzikum	Logo Aku	2,000.00
<b>Total</b>				<b>7,000.00</b>

592. In a further development, we noted that the Assembly misapplied PWD funds of GH¢5,000.00 to support 40 Junior High School students for 2022 one-week camp of Science, Technical and Mathematics Education held at Awudome SHS.

593. The practice whereby intended beneficiaries do not benefit from PWD funds could defeat the purpose for the creation of the funds as planned activities of PWD would not be implemented. Consequently, this would worsen the challenges of persons living with disabilities in the communities.

594. We recommended recovery of GH¢22,820.00 from the Coordinating Director and Finance Officer into the PWD Account of the Assembly and also the

reimbursement of the PWD account with GH¢5,000.00 from the IGF account. We further recommended that Management of the Assembly should desist from misapplication of the PWD funds on unrelated activities.

#### **Unsupported payments - GH¢39,889.97**

595. Regulation 78 of the PFMR, 2019 (L.I. 2378) states that, “a Principal spending officer of a covered entity is personally responsible for ensuring in respect of each payment of that covered entity, the validity, accuracy and legality of the claim for payment.”

596. On the contrary, we noted that Management of Agotime-Ziope District Assembly failed to support 16 payment vouchers with a total face value of GH¢39,889.97 with the relevant documents such as receipts, statement of claims and others to authenticate the transactions.

597. We could as a result not authenticate the genuineness of the transactions and therefore recommended for the recovery of GH¢39,889.97 from the Coordinating Director and the Finance Officer into the PWD Account.

#### **Payment of avoidable Judgment Debt - GH¢62,969.28**

598. Section 7 of the PFM Act 2016, (Act 921) states among others that, “a principal spending officer of a covered entity shall manage the resources received, held or disposed of by or on account of the covered entity and ensure the regularity and proper use of the money appropriated in that covered entity.”

599. Our audit disclosed that Ukiya Ventures was awarded a seven-month duration contract for the construction of a 1 No.-3 unit classroom block at Akwettettey at a contract sum of GH¢288,894.89 which commenced on April 25, 2018 and was to be completed by November 30, 2018.

600. However, Management of Agotime-Ziope Assembly failed to pay an outstanding balance of GH¢97,776.50 due the Contractor after the contract was discharged, resulting in a court action.

601. The Circuit Court in Ho on 4 September 2023 in a ruling directed the Assembly to pay judgment debt of GH¢62,969.28 on GH¢97,776.50 due Ukiya Ventures (Plaintiff) since 31 December 2020 for work done.

602. Payment of the judgment debt of GH¢62,969.28 resulted in loss of funds to the Assembly and in our view could have been avoided if Management had taken proactive actions to settle the debt due the Contractor.

603. We recommended that Management should put in place necessary measures to prevent payment of future avoidable costs by the Assembly and also any responsible officer whose inactions occasioned the loss should be sanctioned.

#### **Unauthorised withdrawals from MPCF account - GH¢25,000.00**

604. In contravention of Regulation 78 of the PFMR, 2019 (L.I. 2378), we noted that Management of Adaklu District Assembly made three withdrawals totalling GH¢25,000.00 from the MPCF without authorisation from the MP. We were unable to ascertain what the funds were used for. Details are provided below:

No	Date	Details	Amount	Remarks
1	13/07/2023	Cash withdrawal with Reference Number TT23194GH7ZP by Sylvanus Buermortey Plaher	10,000.00	Unathourised withdrawal from Account
2	26/07/2023	Cash withdrawal with Reference Number TT232079TCXP by Normanyo John with Phone Number 0241839677	10,000.00	
3	17/08/2023	Cash withdrawal with Reference Number TT23229BXZKB by Norgbenyo Joseph.	5,000.00	
<b>Total</b>			<b>25,000.00</b>	

605. The practice could disrupt the implementation of the MP's planned activities and therefore we recommended recovery of GH¢25,000.00 from the Coordinating Director and Finance Officers into the MPCF account.

#### **Over-utilisation of DACF allocations on Administration - GH¢394,507.70**

606. Category 6 of the 2023 DACF Guidelines stipulates that Assemblies could spend up to 10 percent of their DACF allocation on Administration.

607. We noted that Agotime-Ziope Assembly received DACF allocation of GH¢712,453.15 for 2022 fourth quarter to second quarter of 2023. Management, however, did not comply with the provisions in the DACF Guidelines stated above and spent an amount of GH¢465,753.10 on Administration instead of the required GH¢71,245.32 resulting in over expenditure of GH¢394,507.70.

608. This has the tendency of negatively impacting on the implementation of other development programmes under the DACF.

609. We recommended that Management should reimburse the DACF account with GH¢394,507.70 from the IGF account to prevent stalled projects of the Assembly under the DACF and also desist from such practice.

### **Contract Irregularity**

#### **Delayed/abandoned projects- GH¢5,156,155.21**

610. Section 52 of the PFM Act, 2016 (Act 921) requires that, “a Principal Spending Officer of a covered entity shall be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets to prevent losses and wastages among others.”

611. We however noted that nine Assemblies disbursed a total amount of GH¢5,156,155.21 on 38 projects which were at various stages of completion but had been delayed/abandoned for period ranging from 4 months to 96 months. Details are provided below:

No.	Name of Assembly	Project Description	Source Of Funding	Name of Contractor	Contract Sum	Total Payment as at 31/12/2023	Start date	Expected Completion date	% of Completion	Period of delayed/ abandoned	Remarks/ Reason
1	Keta Municipal	Construction of open Market Sheds - Anlo Afiadeniyigba at Anlo-Afiadeniyigba	DACF	Spasphy Ltd.	121,470.00	40,000.00	Jul-20	January, 2021	60%	35 months	Issues of variations and non-availability of funds
2		Kedzikope Community Center at Kedzikope	MPCF	O. C. Hundred Ltd	375,349.00	375,349.00	Nov-18	June, 2019	80%	54 months	Issues of variations and non-availability of funds
3		Abor Comm Centre at Abor	MPCF	Spasphy Ltd.	681,314.00	115,200.00	Jul-20	July, 2021	45%	30 months	Non-availability of funds and lack of interest on the part of the current MP
4	Anloga District	Construction of CHPS compound at Genui	DACF	Win-Meg Ventures Ltd.	942,660.79	523,812.00	19-Oct-20	Mar-23	82%	9 months	Non-release of funds
5		Renovation of 1 no. 10 seater water closet toilet facility at Atsugbor	DACF	Fiat Const. Wk.	57,890.00	20,000.00	18-Nov-22	Feb-23	80%	10 months	Non-release of funds
6		Renovation of 3-unit classroom block at Blamezado	DACF	Win-Meg Ventures Ltd.	150,650.00	-	19-Apr-23	19-Jul-23	65%	5 months	Non-release of funds







	Block at Bakpa Todze										to delay in release of funds
19	Reshaping of some selected roads	DACF	VIAN Ent.	184,772.00	84,048.00	27/07/2022	25/01/2023	60%	11 months		The delayed/abandonment was due to delay in release of funds
20	Rehabilitation of existing accommodation for Adidome District Hospital	DACF	Malmaji Com. Ltd.	254,880.75	133,732.00	16/06/2015	16/12/2015	85%	96 months		The delayed/abandonment was due to delay in release of funds
21	Completion of 1No. 3-Unit Classroom Block with Office, Store, Teachers Common Room and ancillary Facility at Akwetey	DACF	Ukiya Ventures Ltd.	288,894.89	235,460.27	30/05/2018	30/11/2018	95%	61 months		Funding constraints
22	Completion of 1 No. Kitchen and store with Ancillary Facilities at Ziope Senior High School.	DACF	Chriswed Ltd.	229,045.90	70,000.00	19/06/2018	14/12/2018	22%	60 months		Funding constraints
23	Completion of 1No. Chips Compound and Nurses Quarters at Agohokpo	DACF	Aus-Bi Ltd.	213,459.50	176,317.25	11/04/2018	27/06/2018	95%	66 months		Funding constraints

24	Completion of 1No 3-Unit Classroom Block with Ancillary Facilities at Anglican JHS, Kpetoe	DACF	Hope Family	288,789.61	45,000.00	22/11/2019	05/08/2020	45%	40 months	Funding constraints
25	Completion of 1No. CHPs Compound at Akpokope	DACF-MP	John Goodluck Com. Ltd.	250,000.00	-	14/11/2019	06/02/2020	75%	46 months	Funding constraints
26	Construction of 1No. CHPs Compound at Adzonkor	DACF-MP	Vian Ent.	250,000.00	-	14/11/2019	06/02/2020	55%	46 months	Funding constraints
27	Agenda 111 District hospitals at Kpetoe	GoG Funds	I-Com Ltd, Caks Ltd, North Rock Ltd.	11,816,000.00	800,000.00	13/05/2022	15/11/2022	25%	13 months	Funding constraints
28	Completion of 1No. 20-Seater Community Toilet at Ziope	GoG	Vian Ent.	200,000.00	2,020.00	21/08/2022	15/12/2022	75%	12 months	Funding constraints
29	Adaklu District	3-unit classroom block with office and store at Adaklu Vodze	Francee-Denu Ent. Ho	370,862.82	135,629.42	18/11/2020	18/05/2023	50%	7 months	Delay in payment to contractor due to poor cash flow from DACF
30	Hohoe Municipal	Expansion of Health Center & provision of Mechanized	Avorkot Com. Ltd.	294,900.65	287,231.92	28/01/2022	28/01/2023	88%	11 months	Lack of funds



35	Construction of 1 No. 2 Unit classroom block with ancillary facilities at Leklebi-Dafor	DACF	Right First Time Tld.	323,610.65	242,692.78	21/06/2019	21/09/2019	85%	51 months	Lack of funds
36	Construction of 1 No. 2 Unit classroom block with ancillary facilities at Sadzikope	DACF	Proximity Development Group Ltd.	380,758.44	57,113.77	23/07/2020	09/01/2022	80%	23 months	Lack of funds
37	Construction of 1 No ICT Centre at Ve-Deme	DACF	S. P. K. Kosap	297,930.63	138,026.60	23/07/2020	07/01/2021	95%	35 months	Lack of funds
38	Construction of 1 No. 2 bedroom semi-detached nurses' bungalow at Ve-Golokwati	DACF	Euwin Ltd, Hohoe	455,000.00	246,599.00	06/08/2022	26/02/2022	80%	22 months	Lack of funds
	<b>Total</b>			<b>22,649,594.92</b>	<b>5,156,155.21</b>					

612. This was due to poor project planning and management coupled with cash flow challenges that hindered the timely payments of interim certificates to contractors.

613. Delay in completion of projects could result in cost overruns due to additional expenditure on deterioration, price hikes in building materials and the cost of repacking the contract for re-award. The communities have also been denied timely use of the facilities to improve their livelihood.

614. We recommended to Management of the Assemblies to be proactive in their planning and management of projects to mitigate such incidences and also ensure that priority is given to uncompleted projects before new ones are awarded.

**Completed projects not in use - GH¢2,986,862.05**

615. In violation of Section 52 of PFM Act, 2016 (Act 921), we noted that three completed projects at two Assemblies with a total cost of GH¢2,986,862.05 were yet to be put to use. Details are provided below:

No.	Assembly	Project	Source of funding	Name of Contractor	Contract Sum GH¢	Total payment as at 31/12/2023	Start date	Completion date	No. of months not in use	Remarks/Reason
1	Anloga District	Construction of DCE's bungalow at Anloga new District site low cost at Anloga	DACF	Tatraco Ltd.	1,328,359.82	1,328,359.82	19-Oct-20	Mar-23	9 months	Facility is yet to be furnished and hand over to the Assembly
		Construction of 1no 2-unit storey 6-unit classroom block with ancillary facility at Avete	Bui Power Authority (BPA)	Bui Power Authority (BPA)	1,959,884.72	1,009,180.61	09-Mar-23	09-Mar-23	9 months	Facility is yet to be furnished and hand over to the Assembly
2	Ho Municipal	Construction of Dining Hall at Shia Senior High Technical School	Coastal Development Authority	M/S Mighty	650,000.00	649,321.62	19-Oct	03/04/2023	10 months	Awaiting extension of electricity, water and official handing over to the school
	<b>Total</b>				<b>3,938,244.54</b>	<b>2,986,862.05</b>				

616. In the case of Ho Municipal Assembly, the Works Engineer attributed the non-operational of the projects to the absence of electricity and water whilst at Anloga District Assembly the completed projects had not been put to use due to lack of furniture and non-formal handing-over by the Contractor.

617. To prevent the deterioration of the projects which would result in additional cost to the Assemblies, we recommended to Management to ensure that necessary amenities are provided to put the projects to use for the benefit of the communities. We also recommended that future contracts for projects should include all ancillaries which would put the projects to use immediately after completion.

### **Malfunctioning of a borehole – GH¢ 51,475.00**

618. Management of Adaklu District Assembly awarded a contract for drilling of two boreholes at the cost of GH¢102,950.00 to Mighty Brothers Limited sited at Golokope and Zanukope which was completed and commissioned in August 2023.

619. In violation of Section 52 of PFM Act, 2016 (Act 921), our inspection of the boreholes on 5 February, 2024 with the Works Engineer revealed that the borehole at Zanukope was not functioning due to poor hydrological surveys.

620. We recommended to the Works Engineer to get in touch with the contractor to repair the borehole for the people of Zanukope before payment of the retention sum of GH¢10,295.00 for the project.

### **Grounded vehicles**

621. We noted that a Nissan Patrol, a Mitsubishi Pick-up, and a grader belonging to Ho West District Assembly have been grounded for periods ranging between two and ten years in contravention of Section 52 of the PFM Act, 2016 (Act 921).

622. Management of the Assembly explained that the vehicles had developed mechanical faults, but adequate funds were yet to be generated for the repairs of the vehicles. Details are provided below:

No.	Vehicle type	Reg. No.	Chassis No.	Date of Allocation	Date of Break Down	Periods of Breakdown	Current Location
1	Nissan Patrol	GC-3822-19-	JN8FY1NYKX 0338	2019	2020	4Years	DCE's Residency

2	Mitsubishi Pickup	GR-18821-K	R5M2144	2008	2013	10 Years	Old Assembly premises
3	Grader	GR-215	Not provided	Not provided	Not provided	Not provided	Assembly premises

623. To avoid further deterioration which would result in losses to the Assembly, we recommended that Management should take the necessary actions to repair the vehicles and put to use and those found to be unserviceable should be disposed off in accordance with existing laws.

### Sanitation Management Irregularities

#### Failure to replace broken- down skip trucks and refuse containers.

624. Clause 3 of the Service Agreement of SIP contract between Zoomlion Ghana Limited (ZGL) and the underlisted six Assemblies requires the Company to replace or repair damaged equipment upon being notified by the Assemblies provided that the defect or damage was not caused through the negligence of the Assembly.

625. We however noted that 13 skip trucks and 30 containers used by ZGL in the collection of solid waste had broken down and damaged but were not replaced with new ones at the underlisted six Assemblies. Details are provided below:

No	Assembly	Broken skipper trucks	Damaged Containers
1	Anloga District	5	
2	Ketu North Municipal	1	6
3	North Dayi District	2	6
4	Adaklu District	1	4
5	Kpando Municipal	2	14
6	Agotime-Ziope District	2	
	<b>Total</b>	<b>13</b>	<b>30</b>

626. This situation could render difficulty in the management of solid waste and pose a risk to sanitary conditions and outbreak of diseases within the Assemblies. We however noted that Management of the Assemblies involved did not notify ZGL of the damaged skip trucks and containers for replacement/repair contrary to the provision in the Agreement.



627. We recommended that Management of the Assemblies involved should notify ZGL of the damaged trucks and containers for replacement/repair without further delay.

## **Tax Irregularity**

### **Payment for VAT without invoice - GH¢6,586.77**

628. Section 41 of the Value Added Tax (VAT) Act 2013, (Act 870) states that, “a taxable person shall, on making a taxable supply of goods or services, issue to the recipient, a tax invoice in the form and with the details that are prescribed by the Commissioner-General.”

629. Contrary to the above provision, Management of Anloga District Assembly made payments totalling GH¢129,588.00 with VAT component of GH¢6,586.77 on nine payment vouchers for the supply of goods and services without obtaining VAT invoices to cover the VAT paid. Details are provided below:

No.	Assembly	Source of fund	Amount GH¢	No. of transactions involved	VAT Charge GH¢
1	Anloga District	DACF	21,926.68	5	3,517.42
		MP Common Fund	107,661.32	4	3,069.35
	<b>Total</b>		<b>129,588.00</b>	<b>9</b>	<b>6,586.77</b>

630. This situation could deprive the State of total revenue of GH¢6,586.77 since the suppliers are not bound to remit the VAT amount to GRA.

631. We recommended that the Finance Officer should obtain the VAT invoices from the suppliers to account for the VAT paid failing which the Finance Officer should be held personally to refund the amount into the DACF account of the Assembly.

## UPPER EAST REGION

### Introduction

632. For the 2023 financial year, total allocations to the fifteen (15) Assemblies in the Upper East Region were GH¢24,987,302.27. Out of this amount, GH¢9,659,620.88 was deducted at source in favour of the Assemblies' Service Providers leaving net cash transfers of GH¢15,327,681.39 representing 61.34 percent of the total allocations shown in Appendix 'A'.

### Cash Irregularities

#### Payments not processed through GIFMIS

633. Regulation 83 of the Public Financial Management Regulations, 2019 (L.I. 2378) states that, "all payments for expenditure of covered entities shall be made through the Ghana Integrated Financial Management Information System."

634. We noted that Garu District Assembly processed eight payment vouchers from common fund Account totalling GH¢52,575.00 without recourse to the Ghana Integrated Financial Management Information System (GIFMIS). Details are below:

No.	Date	PV No.	Cheque No.	Description	Payee	Amount
1	07/03/23	013610	001015 /17	Payment in support of Care givers of abandon babies & quarterly monitoring of social welfare Officer	Samuel A. A	4,000.00
2	15/02/23	013579	001009	payment to support an abandoned child and care order process	District Coordinating Director	6,530.00
3	26/09/23	GTDA /DACF /SEP/2 023/01 /RA	587311	payment to enable the Presiding member attend 2023 annual conference of presiding members	Adebogri Edward	4,620.00
4	07/09/23	013991	587302	funds released to enable refund for the cost of office expenditure	District Coordinating Director	11,200.00
5	07/09/23	013972	587304	payment to enable conduct Audit committee	District Coordinating Director	7,400.00
6	07/09/23	0137977	587303	funds release to settle the cost of fuel used for official duties	Kabore oil ltd	6,025.00

7	07/09/23	013976	58730	funds released to pay as refund to DCD	District Coordinating Director	5,800.00
8	25/08/23	013963	587289	payment for cost of fuel used by the Assembly	District Coordinating Director	7,000.00
		<b>Total</b>				<b>42,045.00</b>

635. The lapse could lead to distortion in the financial reporting of the Assembly.

636. We recommended that the Coordinating Director and the Finance Officer should ensure that all expenditures are processed through the GIFMIS platform and should notify the GIFMIS secretariat of any challenges they may encounter in using the platform to avoid sanctions in the future.

637. Management accepted our recommendations and promised to ensure adherence.

#### **Outstanding PWD Allocations to the Assembly - GH¢69,663.50**

638. The Guidelines for the disbursement and management of the District Assembly's common fund for Persons with Disability (PWD) provides that PWD are allocated a percentage of the DACF, which is currently 2%.

639. We noted during our review of the PWD Account that an amount of GH¢69,663.50 being the allocation for First Quarter 2023 has not been released to the Kassena Nankana Municipal Assembly by the Administrator of District Assemblies Common Fund as at the date of this report.

640. The schedule accountant explained that it might be a lapse from the Common Fund Secretariat to release the funds.

641. The lapse could result in loss of funds to the Assembly if not rectified.

642. We recommended that Management and the District Fund Management Committee pursues the DACF Administrator for the release of the outstanding First Quarter of 2023 funds.

643. Management accepted our recommendation for compliance.

### **Undisbursed MP's share of Common Fund – GH¢521,537.70**

644. Section 125 of the Local Governance Act, 2016 (Act 936) provides for MPs to receive Common Fund for Constituency Developmental Projects to improve the living conditions of the citizens.

645. We however noted that, total available fund for the MP of Talensi Constituency for the year under review was GH¢757,955.87, comprising the opening bank balance of GH¢358,298.15 and a total transfer of GH¢399,657.72. However, only GH¢236,418.17 was utilized representing 31.19 percent of the total fund available leaving a balance of GH¢521,537.70 unutilized. Details are provided below:

<b>Date</b>	<b>Details</b>	<b>Amount (GH¢)</b>
01/01/23	Opening Balance	358,298.15
11/07/23	4th Quarter of 2022	145,111.03
09/08/23	Refund from DACF	20,000.00
03/08/23	1st & 2nd Quarter	156,364.46
20/11/23	3rd Quarter	78,182.23
Total amount received for 2023		399,657.72
Total funds available for disbursement		757,955.87
Amount disbursed		(236,418.17)
<b>Undisbursed amount</b>		<b>521,537.70</b>

646. The District Finance Officer revealed that the inability of the Member of Parliament to visit the constituency frequently resulted in the lapse.

647. The situation has denied the people of Talensi Constituency the benefit of the needed infrastructure and other social interventions to improve their living conditions.

648. We recommended to Management of the Assembly to liaise with the MP to ensure that the funds allocated for the Constituency are utilized.

649. Management accepted our recommendations for compliance.

## Contract Irregularities

### Award of contracts to unqualified bidders – GH¢181,997.80

650. Section 22 of the Public Procurement Act, 2003 (Act 663) as amended states, among others that, “a tenderer in public procurement shall have the legal capacity to enter the contract and have fulfilled its obligations to pay taxes and social security contributions.”

651. We noted that Management of the Builsa North Assembly made a total payment of GH¢181,997.80 for the execution of two contracts without evidence of the contractors' valid business registration certificates, social security contribution clearance certificates, tax clearance Certificates, labour certificates, and VAT certificates to satisfy the eligibility criteria. Provided below are the details:

No	PV. No	Date	Cheque	Contractor / Supplier	Contract	Amount
1	23/2/23	2/2	DT	Asambo Azumah Ent.	Construction of 2No. borehole	48,000.00
2	2/3/23	3/3	DT	Cyn Charles Ent.	Construction 3 units KG classroom block	133,997.80
Total						181,997.80

652. Noncompliance with the provision in the Procurement Act undermined the Assembly's objective of ensuring transparency, competitiveness, and reasonableness of prices in public procurement practices.

653. We recommended that the Coordinating Director and Finance Officer should be sanctioned in line with Section 92 of Act 663 as amended.

654. Management responded that the suppliers were engaged by the Hon. Member of Parliament to supply materials for Self-Help projects and that the suppliers have now provided their documents for verification.

655. However, Management provided two out of five documents (Business Registration Certificate and Tax clearance certificate) for Cyn Charles Enterprise and none for Asambo Azumah Ent.

### **Poor execution of project**

656. Section 52 of the Public Financial Management Act, 2016 (Act 921) requires that, “Principal Spending Officers shall institute a control system that shall be capable of ensuring that proper procedures are in place for the effective use of assets and to prevent loss, wastages, and misuse.”

657. We noted during our inspection of 1No 3-unit classroom block at Tarabisi in Kassena Nankana Municipal Assembly constructed by Time Heals Enterprise limited at total cost of GH¢270,000.00 and handed over to the Assembly on 7 December 2023 that, the floor of the building had already developed cracks.

658. The Municipal Works Engineer explained that the cracks were because of failure of the contractor to cure the floor during construction. He further explained that the contractor’s attention was drawn to the defect during the handing over ceremony of the school building.

659. The anomaly has resulted in paying for shoddy work, leading to non-achievement of value for money.

660. We recommended to Management to ensure that the Contractor return to site to reconstruct the entire floor of the building before the expiration of the defect liability, failing which, the MCD, MFO and the Municipal Works Engineer should jointly be held liable. We also urged Management to ensure that contracts are supervised and closely monitored to achieve value for money.

661. Management accepted our recommendation and indicated that the contractor’s attention was drawn to all defects identified during the final inspection which he pledged to rectify.

### **Delayed projects - GH¢2,166,484.05**

662. Section 52 of the Public Financial Management Act, 2016 (Act 921) requires that, “a Principal Spending Officer of a covered entity, state-owned enterprise or public corporation shall be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets.”

663. Our audit disclosed that Management of four Assemblies delayed in the execution of five projects awarded at a total contract sum of GH¢4,634,672.80 even

though a total interim certificate of GH¢2,166,484.05 had been paid to the contractors.  
The details are provided in the table below:

Contract	Name of Contractor	Funding Source	Expected Completion Date	Delayed period	Contract Sum	Payments to date	% of Completion
<b>Bawku Municipal</b>							
Demolition and const. of 1No.2-storey 48-unit lockable stores	M/S Tiboura-Taa Ent. Ltd	GNSNP	23/9/23	3 months	2,815,353.55	1,709,365.66	95%
Construction of 1No.2-unit Kindergarten block at Bugri Corner	M/S Aziilim Ent	GetFund	28/8/23	4 Months	539,882.39	-	65%
<b>Garu District</b>							
Construction of 1NR 3-Unit Classroom Block, Dual Veranda with .Office, Staff Common Room, 4-Seater KVIP and 2-Unit	Akologo Enterprise Limited	DACF-MP	7 <sup>th</sup> May 2023	7 months	449,824.36	319,118.39	79%
<b>Bolgatanga Municipal</b>							
Completion of 1No 3Unit classroom Block with other ancillary facilities at Sherigu Senior High School	Messrs GK Link Ventures	DACF	18/7/23	5 months	430,842.00	0.00	52%
<b>Talensi District</b>							
Rehabilitation of 1No 6 - Unit classroom block at Tolla	Albak Legacy Enterprise	DACF	12/01/23	12 months	398,770.50	138,000.00	34.60%
<b>Total</b>					<b>4,634,672.80</b>	<b>2,166,484.05</b>	

664. The delay denied the beneficiary communities the benefits which could have been derived from the projects and could also lead to the increase in costs of the projects.

665. We recommended that Management of the four Assemblies should prioritize these projects and allocate funds for their completion before commencing new ones.

666. Management of the Assemblies accepted our recommendations and promised to ensure that all projects are completed and handed over to the beneficiaries.

## **Sanitation Management Irregularities**

### **Failure to replace or repair skip trucks.**

667. Clause 3 of the Service Agreement of Sanitation Improvement Package (SIP) between MMDAs and Zoomlion Ghana Ltd (ZGL) in 2019 requires ZGL to provide Skip Trucks and communal refuse containers to the Assemblies and repair and replace the equipment used for the refuse collections upon being notified by the Assembly of any damage or defect.

668. We noted that Zoomlion Ghana Ltd failed to replace or repair two refuse trucks belonging to two Assemblies as stipulated in the service agreement. Details are below:

<b>MMDA</b>	<b>Skip truck No.</b>	<b>Period truck was broken down</b>
Nabdam District	GS 6598 -12	January 2022 to 31 December 2023
Talensi District	GS 8588-Y	January 2023 to 31 December 2023

669. We recommended that Management of the two Assemblies should contact ZGL to repair the skip trucks. In default, the Assembly should write officially to the Administrator of District Assembly Common Fund (ADACF) to suspend further payment to ZGL and demand damages or compensation for breach of contract agreement.

670. Management responded that they would contact the District Officers of Zoomlion of the various districts for the vehicles to be maintained as soon as possible.

## **Stores / Procurement Irregularities**

### **Uncompetitive procurement**

671. Section 20 of the Public Procurement (Amendment) Act, 2016 (Act 914) requires that, “procurement entities should request for quotations from as many contractors or suppliers as practicable but from at least three different sources that should not be related in terms of ownership, shareholdings or directorship and the principles of conflict of interest should not be applicable.”



672. On the contrary, Management of Tempene District Assembly procured goods and services to the tune of GH¢45,805.00 without obtaining alternative quotations to ensure competitive pricing. Details are provided below:

PV No.	Cheque No.	Date	Payee	Details	Amount
Nil	000704	10/5/23	Franasyl Ventures	Being funds released for the payment of servicing of laptop computer	3,750.00
Nil	000797	23/02/23	DCD	Being release of funds to hire grader and fuel to prepare roads leading to the festival grounds	9,400.00
Nil	001155	3/3/23	DCD	Being funds released to enable the works engineer to do partial renovation of small-town water system office	2,085.00
09/04/23	001172	18/04/23	DCD	Being funds released to build capacities of members of Basyonde Area council revenue collectors	8,000.00
13/04/23	001176	18/04/23	DCD	Being funds released as per budget agreed to build capacities for area council and officers at Woriyanga.	7,500.00
11/04/23	001174	18/04/23	DCD	Being released of funds to build capacities of Gagbiri Area council members and revenue collectors	6,500.00
5/9	000866	7/9/23	DCD	Being funds released to Hon. DCE as refunds to replacement of four (4) old tyres	5,740.00
5/11	000657	22/11/23	DCD	Being released of funds to works dept to connect water facility to staff bungalow	2,830.00
<b>TOTAL</b>					<b>45,805.00</b>

673. The Assembly might not have obtained fair pricing for the procurements.

674. To achieve value for money, we recommended to the District Coordinating Director of the Assembly to ensure strict adherence to the provisions of the Public Procurement Act. We also recommended that the Coordinating Director and the Finance Officer of the Assembly should be sanctioned in accordance with Section 92 of the Public Procurement Act, 2003 (Act 663) as amended.

675. Management said the alternative quotations were available for verification but could not produce them for our review.

## **Assets Management**

### **Failure to handover motorbike**

676. Section 52 Public Financial Management Act, 2016 (Act 921) provides that, “a Principal Spending Officer of a covered entity shall be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets capable of ensuring the elimination of theft, loss, wastage, and misuse of assets.”

677. Our audit of Bongo District Assembly revealed that, David Aruk (Former District Works Engineer) who is currently on transfer to Nabdam District Assembly failed to handover the official motorbike with registration number M-18-GV 296 and Chassis number LLCLGL300JA500590 that was assigned to him by Bongo District Assembly.

678. The transport officer stated that, the officer took the motorbike to Nabdam District Assembly and all effort to get him return the motorbike proved futile.

679. This has denied the Assembly the use of the motorbike for official duties.

680. We recommended to Management of the Assembly to retrieve the motorbike from David Aruk for our inspection without further delay.

681. Management claimed the said motor bike has since been brought to the Assembly but failed to present it for our inspection.

### **Broken Down Vehicles Not Repaired**

682. Section 52 of the Public Financial Management Act, 2016 (Act 921) states that, “a Principal Spending Officer of a covered entity shall be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets and capable of ensuring that preventive mechanisms are in place to eliminate theft, loss, wastage, and misuse.”

683. We noted during our audit that three vehicles belonging to the Binduri Assembly broke down between 2019 and 2021 but have since not been repaired. Details provided below:

SN	Vehicle Type	Registration Number	Chassis Number	Condition of Vehicles	Location of Vehicles	Breakdown Date
1	NISSAN PICK-UP	NR-704-12	JNICSYZO 579800	Faulty engine	At the Mechanic shop in Bolga	May, 2020
2	NAVARA PICK-UP	GN-5160-13	ADNJ97000 E000039	Faulty Pump and charging problems	Packed on the forecourt of the Assembly	March, 2019
3	NISSAN PATROL	GN-5730-12	ADNCJUD 22Z0021938	Faulty engine and other major repairs	At the Mechanic shop in Bolga	September 2021

684. According to the Transport officer the amount required to fix the three vehicles was huge and that they were arranging to get funds to repair them.

685. The delay in repairing these vehicles would result in their further deterioration. Some of the parts may also be stolen especially as they are parked at the mechanic's shop.

686. We recommended and Management agreed to make provision for the repairs of these vehicles or take steps to dispose them off.

## **Tax Irregularities**

### **Failure to deduct and remit withholding taxes - GH¢5,952.44**

687. Sections 116 and 117 of Income Tax Act, 2015 (Act 896) requires, "the Assemblies as withholding agent to deduct applicable taxes from payments for goods, works and services, and to remit the amounts deducted to the Commissioner-General of the Ghana Revenue Authority within 15 days after the end of the calendar month a tax that has been withheld."

688. We noted that the District Finance Officer of Tempene District Assembly made payments totalling GH¢84,055.00 on 10 vouchers for goods and services but failed to withhold and remit the total tax of GH¢5,952.44 on the payments. Details are provided below:

PV No	Cheque No	Date	Payee	Details	Amount Paid	With-holding Tax
Nil	000704	10/5/23	Franasy Ventures	Being funds released for the payment of servicing of laptop computer	3,750.00	281.25
Nil	000781	6/2/23	Integral Training Center	Being funds released to cater for temporal accommodation for Ghana Education Service Director	3,935.00	248.00
Nil	000797	23/02/23	DCD	Being release of funds to hire grader and fuel to prepare roads leading to the festival grounds	5,300.00	397.50
Nil	000446 /47	18/05/22	M/S Tumalala Construction and Company Limited	Being funds released as payment of IPC/final No. (1) for the supply of furniture and electronics to the tempene district assembly guest house at Kugrago	26,523.00	795.69
25/02/23	000794	21/02/23	DCD	Being payment for accommodation of GES Director	9,000.00	720
37/5	000726	18/05/23	Franban motors	Being cost of maintenance and repairs on Hon. DCE's car	22,797.00	1,530.00
15/5	000702	10/5/23	DCD	Being release of funds to enable the Assembly audit committee meeting	8,400.00	1,110.00
32/5	000720	11/5/23	DCD	Being payment of monthly allowance for PM	1,200.00	240.00
13/9	000878	18/09/23	DCD	Being payment to cater for allowance of Hon. Presiding Member	1,350.00	270.00

29/11	000665	23/11/23	Ndebilla Moses Lamusa	Being payment for Hon. Presiding Member allowance from August to November, 2023	1,800.00	360.00
<b>TOTAL</b>					<b>84,055.00</b>	<b>5,952.44</b>

689. As a result, tax revenue targets of the State might not be achieved.

690. We recommended to Management of the Assembly to ensure compliance with the relevant provisions in the tax law. The Finance Officer should also be personally held liable for payment of any penalties

691. Management responded that they were finding it difficult to get certain GRA compliant information from third parties hence their inability to remit the taxes withheld to GRA. They have however decided to remit the said taxes.

## UPPER WEST REGION

### Introduction

692. For the 2023 financial year, total allocations to the 11 Assemblies in the Upper West Region were GH¢16,971,652.51. Out of which, a total amount of GH¢6,892,542.55

was deducted at source in favour of the Assemblies' Service Providers leaving net cash transfers of GH¢10,079,109.95 representing 59.39 percent of the total allocations.

## Cash Irregularities

### Payment outside GIFMIS Platform

693. Regulation 83 of the Public Financial Management Regulations, 2019 (L.I. 2378) states that, "all payments for expenditure of covered entities shall be made through the Ghana Integrated Financial Management Information System."

694. We noted that three Assemblies processed 25 payment vouchers from common fund Account totalling GH¢407,985.46 without recourse to the Ghana Integrated Financial Management Information System (GIFMIS). Details are below:

No.	Date	PV No.	Details	Payee	Amount
<b>Wa West</b>					
1	12/12/23	04\12	Being logistics to enable officers attend workshops in Tamale	DCD	7,620.00
2	23/11/23	18/11/23	Release of funds as contribution towards 39th national farmers day celebration	RCC WA	4,500.00
3	23/11/23	16/11/23	release of funds as logistics to organize 2023 District farmers day celebrations	DADU DDA - Impress Wa west	36,635.00
4	21/11/23	11/11/23	payments for newspapers subscribed by the assembly over the year	graphic communication group limited	1,019.10
5	21/11/23	10/11/23	payments of posting of letters owed by DA	Ghana post	1,182.50
Total					50,956.60
<b>Sissala West</b>					
6	13/01/23	7/1/23	Fuel bought	Fofou Ent	10,000.00
7	31/01/23	1/2/23	2022 Annual performance review	DCD	20,000.00
8	27/01/23	18/01/23	Printing of building permit jackets	Iconic Brain Mutimedia	8,000.00
9	15/02/23	5/2/23	Fuel bought for military and police patrol	DCD	12,000.00
10	3/3/23	1/3/23	Independence Day Celebration	DCD	18,205.00
11	23/03/23	12/3/23	Joint police and military patrols in Pulima	DCD	20,000.00
12	4/4/23	1/4/23	Logistic to attend PAC hearing in Tamale	DCD	10,100.00
13	4/4/23	2/4/23	Funds to carryout clean up	DCD	12,000.00

14	4/4/23	3/4/23	Training for sub-structure staff	DCD	28,500.00
15	23/12/23	3/1/23	Purchase of 50bags of 50kg rice	Bagumu Alhassan Ent.	40,000.00
16	20/01/23	5/1/23	Bulk purchase of fuel	DCD/Petroleum Solutions Ltd	20,000.00
17	19/01/23	4/1/23	Purchase of 300 bags of cement	Akmin Ent.	34,500.00
	<b>TOTAL</b>				<b>233,305.00</b>
	<b>Lawra Municipal</b>				
18	10/1/23	1/1/23	Payment MFO to attend graduation ceremony	Sungnamaa Francis	6,410.00
19	13/01/23	2/1/23	Payment to PM to attend a programme	Obeng Kofi Adjei	3,270.00
20	10/2/23	3/2/23	Payment for repair of official Grader	Mashudi Garbi Enterprise, Accra North	15,098.00
21	19/04/23	7/4/23	Payment for fuel purchased	Things For You Enterprise	36,422.00
22	9/4/23	19/04/23	Payment for servicing official vehicle no. GN 2040- 18	MCD	2,260.00
23	19/04/23	10/4/23	Cost incurred by MCE to attend workshop	MCD	1,890.00
24	20/04/23	12/4/23	Payment for assorted items	Kuunifaa Kennedy Enterprise	40,560.00
25	21/04/23	15/04/23	Funds released for sub-committees meetings	MCD	17,813.86
	Total				123,723.86
	<b>Grand Total</b>				<b>407,985.46</b>

695. Management of the Assemblies explained that their GIFMIS platform has been distracted with network challenges, which they are working to restore.

696. The lapse could lead to distortion in the financial reporting of the Assemblies.

697. We recommended to the Coordinating Directors and the Finance Officers to notify the GIFMIS Secretariat of the Assemblies' challenges in using the system for redress.

698. Management of the Assemblies responded that the infraction was because of either network challenge or third-party payments made to suppliers who were not set up on the GIFMIS platform.

**Payment not accounted for – GH¢16,775.00**

699. Regulation 78 of the Public Financial Management Regulations, 2019 (L.I. 2378) states that, “a principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of that covered entity, that evidence of services received, certificates for work done and any other supporting documents exists.”

700. We noted that Management of Lawra Municipal Assembly made payments totalling GH¢24,885.00 on 16 vouchers but accounted for only GH¢8,110.00 leaving a balance of GH¢16,775.00 not accounted for. Details provided below:

Date	PV No.	Details	Payee	Amt	Amt Retired	Amount Outstand.
19/04/23	10/4/23	Cost incurred by MCE to attend workshop	MCD	1,890.00	25.00	1,865.00
20/12/23	1533492	Payment of sitting allowance	MCD	1,550.00		1,550.00
20/12/23	1532737	Payment of sitting allowance	MCD	1,560.00		1,560.00
15/02/23	1250459	Funds released for logistics to organised Disability management	MCD	585.00	585.00	0.00
1/3/23	1260110	Funds released to a PWD person for payment of school fees	MCD/Tubdar Braain Ziem	1,000.00		1,000.00
1/3/23	1260130	Funds to pay medical Bills	MCD/Logr Naawemuo	2,000.00		2,000.00
1/3/23	1260156	Fund released to disable person pay his school fees at DR. Hilla Limann Technical University	MCD/Badebangna Keneneth	1,000.00		1,000.00
10/3/23	1260534	Support to pay medical bill	MCD/Dennis koyiri	1,000.00		1,000.00
3/4/23	1291948	Funds release for disable to attend Hospital	MCD/Banung-Yenge Kenneneth	1,500.00		1,500.00
3/4/23	1292056	Funds released for medical care	MCD/Langyuor Alex	1,800.00		1,800.00
27/04/23	1312443	Funds released to PWD to Attend Hospital	MCD/Dickens Sunkari	1,500.00	1,500.00	0.00
6/11/23	1490163	Funds released to PWD to pay school fees	MCD/Niber Eric	2,000.00		2,000.00
6/11/23	1489205	Funds released to PWD to attend hospital	MCD/Abdul Salam	2,000.00	2,000.00	0.00
6/11/23	1489135	Funds released to Kabo Tiernye to seek for medical care	MCD/Kabo Tienye	1,500.00		1,500.00



6/11/23	1489498	Fund released to pay school fees	MCD/Yirdem Be-ireme	2,000.00	2,000.00	0.00
3/11/23	1482730	Funds released to attend hospital	MCD/Tolob Edmund	2,000.00	2,000.00	0.00
		<b>Total</b>		<b>24,885.00</b>	<b>8,110.00</b>	<b>16,775.00</b>

701. Failure to properly acquit the payment vouchers could be indicative of fictitious payments.

702. We recommended to Management to refund the amount of GH¢16,775.00 and pay same into the Common fund account of the Assembly.

703. Management responded that these payment vouchers were fully acquitted and supported with all relevant documents before the start of the audit exercise and were available for verification.

704. However, Management provided acquittal documents covering GH¢8,110.00 leaving GH¢16,775.00 unaccounted, we therefore reiterated our earlier recommendation.

#### **Fuel not accounted For – GH¢16,577.00**

705. Regulation 78 of Public Financial Management Regulations, 2019 (L.I. 2378) stipulates that, “a Principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of that covered entity, the validity, accuracy, legality of the claim for payment and that evidence of services received, certificates for work done and any other supporting documents exists.”

706. We noted that Daffiama Bussie Issa District Assembly purchased fuel amounting to GH¢16,577.00 for official use. However, there were no vehicle numbers on the face of the fuel receipts or logged in vehicle logbooks to show their usage. Details are shown below:

Date	PV No.	Fuel date	Fuel type	Vehicle No.	Amount
30-11-23	05-11-23	10-02-23	Diesel	Nil	700.00
		01-12-23	Diesel	Nil	862.00
		22-07-23	Diesel	Nil	500.00
		10-08-23	Diesel	Nil	500.00
		08-08-23	Diesel	Nil	725.00
		28-08-23	Diesel	Nil	977.00
		26-08-23	Diesel	Nil	1,300.00
		16-03-23	Diesel	Nil	200.00

Date	PV No.	Fuel date	Fuel type	Vehicle No.	Amount
		28-03-23	Diesel	Nil	785.00
24-02-23	07-Feb	Nil		Nil	4,380.00
25-02-23	12-Feb	26-02-23	Super	Nil	3,898.00
		10-03-23	Diesel	Nil	1,200.00
		11-03-23	Super	Nil	550.00
<b>Total</b>					<b>16,577.00</b>

707. We could not confirm the authenticity of the payments which creates avenue for misuse of fuel which would indicate loss of funds to the Assembly.

708. We recommended that the Coordinating Director and Finance Officer should refund the amount of GH¢16,577.00 into the Assembly's DACF account.

709. Management responded that a number of fuel allocation were made to the decentralized department as well the Ghana Police service, Ambulance Service, Electoral Commission and others.

710. Management however could not provide evidence to show the distribution of fuel to these departments.

#### **Cash payments to third parties – GH¢52,522.00**

711. Regulation 83 of the Public Financial Management Regulations, 2019 (L.I. 2378) provides among other things that, “all payments for expenditure of covered entities to third parties shall be made by electronic transfer or crossed cheques.”

712. We noted that, Daffiama Bussie Issa District Assembly paid GH¢52,522.00 on three occasions for goods and services to third parties from the MP Common Fund account without using bank transfers or crossed cheques. Details are below:

Date	PV Num	Payee	Details	Amount
11/09/2023	DBI/MPf/03/09/23	Frankwab & Vidkat Ent.	MP funds for voter registration sensitization	12,562.00
06/10/2023	DBI/MP/01/10/23	Rasdin Ent.	Payment for fuel	30,000.00
22/12/2023	DBI/MP/08/08/23	Frimps Oil, Total Energies and Frankwab Enterprise	Payment for fuel, minerals and water	9,960.00
<b>Total</b>				<b>52,522.00</b>

713. The practice exposes the Assembly to cash improprieties and could lead to loss of funds.

714. We recommended to Management of the Assembly to ensure that, all future payments to third parties are processed and paid through the bank.

715. Management indicated that the said suppliers were not set up on the GIFMIS Platform but added that they would ensure all future payments due third parties are made through their bank accounts.

#### **Excessive Use of DACF on Recurrent Expenditure - GH¢1,512,494.56**

716. The 2023 Guidelines for the Utilization of the District Assemblies Common Fund state that Assemblies are to spend up to 10% of the Common Fund on recurrent expenditure.

717. Management of four Assemblies spent GH¢1,512,494.56 on recurrent expenditure in excess of the required 10 percent allocated for administration expenses. Details provided below:

No.	Assembly	Total DACF allocation (Gross)	10% allowable recurrent expenses	Actual disbursement on recurrent expenditure	Excess disbursement on recurrent expenditure	Actual Exp. as % of Gross DACF allocation
1	Daffiama Bussie Issa	797,933.92	79,793.39	402,071.88	322,278.49	50.39
2	Nadowli Kaleo	974,476.33	97,447.63	210,025.54	112,577.91	21.55
3	Wa East	977,238.54	97,723.85	661,450.01	563,726.16	67.69
4	Sissala West	1,000,216.46	100,021.65	613,933.65	513,912.00	61.38
<b>Total</b>		<b>3,749,865.25</b>	<b>374,986.53</b>	<b>1,887,481.08</b>	<b>1,512,494.56</b>	<b>50.33</b>

718. This has denied the Assemblies the use of the excess funds to carry out developmental projects.

719. We recommended to Management of the four Assemblies to spend in accordance with the guidelines. We further recommended to Management of the Assemblies to improve on their Internally Generated Funds collection to avoid the over reliance on the DACF allocations.

720. Management of the Assemblies attributed the anomaly to insufficient IGF generation, hence their reliance on DACF.

### **Failure to refund borrowed PWD Funds -GH¢20,000.00.**

721. Section 7 of the Public Financial Management Act, 2016 (Act 921) mandates a Principal Spending Officer of a covered entity to ensure the regularity and proper use of money appropriated in that covered entity.

722. We noted that Daffiama Bussie Issa District Assembly borrowed GH¢20,000.00 from People with Disability (PWD) account on 16/06/2023 into the DACF account but did not refund the borrowed amount into the PWD account as at 31 December 2023.

723. Management mentioned that delays in Common fund disbursements forced them to borrow the funds to run the districts.

724. This could lead to misapplication of PWD funds.

725. We recommended that Management of the Assembly should transfer the GH¢20,000.00 from the DACF back into the PWD account without further delay.

726. Management responded that they have since refunded the amount into the PWD account.

727. However, Management attached only a written Cheque without evidence of transfer.

### **Contract Irregularities**

#### **Delayed / Abandoned Projects - GH¢180,721.58**

728. Section 52 of the Public Financial Management Act, 2016 (Act 921) empowers, “Principal Spending Officer of a covered entity to establish a control system capable of ensuring that preventative mechanisms are in place to eliminate theft, loss, wastage, and misuse of assets.”

729. We noted that Nadowli Kaleo District Assembly awarded three projects with a total contract sum of GH¢522,844.44, out of which a total amount of GH¢180,721.58 had been paid to the Contractors but the projects had either been delayed or abandoned at various stages of completion. Details are provided below:

No.	Project Description and location	Contractor	Expected Date of completion	Period of abandoned / Delay	Amount paid	Contract Sum	Percentage of Completion
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1	Construction of 3unit classroom block with office, staff common room and 4-seater KVIP with 2No. urinal at Korinyiri	Nana Addae Nuro Kupper Memorial Ventures	08/03/23	7 months	50,000.00	275,035.86	55%
2	Renovation of three classroom block with office at Sampina	Rasham Limited	12/12/21	2years 8months	69,312.58	69,312.58	75%
3	Construction of 1 No CHPS Compound, Drilling and Mechanization of borehole at Papu	M/S Sat Link Limited	21/09/23	6 months	61,409.00	178,496.00	89%
	<b>Total</b>				<b>180,721.58</b>	<b>522,844.44</b>	

730. Management attributed the delay/abandonment to the irregular and untimely release of DACF funds to pay interim certificates presented by the contractors.

731. The continuous delay in the completion of these projects could lead to variation of contract prices due to changes in prices of building materials, hence additional cost to the Assembly.

732. We recommended that Management of the Assembly should place priority on the completion of these projects before new ones are awarded in the light of the irregular in-flows of the District Assembly's Common Fund.

#### **Award of Contracts without Pre-Qualification Documents – GH¢163,518.00**

733. Section 22 of the Public Procurement Act, 2003 (Act 663) as amended by Section 8 of the Public Procurement (Amendment) Act, 2016 (Act 914) provides amongst others that, “a tender in public procurement shall possess the necessary professional, technical and environmental qualifications, financial resources, equipment and other physical facilities, managerial capability, reliability, experience in the procurement object and reputation; and the personnel to perform the procurement contract, have the legal capacity to enter the contract and meet ethical and other standards applicable in the country.”

734. We noted that Wa East District Assembly awarded three contracts valued at GH¢163,518.00 for the supply of goods and services without pre-qualification documents to ensure that the contracts were awarded to duly qualified contractors. Details are shown below:

Date	PV No.	Particulars	Payee	Amount	Remark
03/04/23	DACF/07/ 04/23	Cost of consumables for Ramadan festivity	Mimiza enterprise	68,848.00	No business registration certificate, certificate of commencement of business, VAT clearance, Tax clearance, PPA
16/03/23	DACF/03/ 03/23	Payment for the repairs of 10no. boreholes	Jamas Ccompany Ltd	30,400.00	No business registration certificate, certificate of commencement of business, SSNIT, VAT clearance, Tax clearance, PPA
03/04/23	DACF/06/ 04/23	Second Payment of procurement of consumables for Ramadan festivity	Kanaronnye Ent.	34,270.00	No business registration certificate, certificate of commencement of business, SSNIT, VAT clearance, Tax clearance, PPA
03/04/23	DACF/05/ 04/23	Part Payment of procurement of consumables for Ramadan festivity	Kanaronnye Ent.	30,000.00	
<b>Total</b>				<b>163,518.00</b>	

735. This could result to award of contracts to unqualified bidders.

736. We recommended to the District Coordinating Director to ensure that in future all contractors or suppliers are pre-qualified before they proceed with further procedures of the procurement processes. We further recommended that the Coordinating Director and Finance Officer should be sanctioned in accordance with Section 92 of the Public Procurement Act, 2003 (Act 663) as amended.

737. Management responded that the contract documents were available for verification, however they could not present the pre-qualification documents for review.

### **Outstanding Liability to Contractors / Suppliers - GH¢158,068.80**

738. Regulation 78 of the Public Financial Management Regulations, 2019 (L.I. 2378) states that, “a principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of the covered entity, that there is a sufficient unspent amount of appropriation for making the payment.”

739. We noted that the Lambussie District Assembly was indebted to five suppliers to the tune of GH¢185,068.80 for various supplies made to the Assembly. Details are shown below:

<b>No.</b>	<b>Name</b>	<b>Description</b>	<b>Bal as at Jan 2023</b>	<b>Amount</b>	<b>Balance as at December 2023</b>
<b>1</b>	Al-Amarf Enterprise	Rehabilitation pf carpark at Hamile	189,911.25	147,700.00	42,211.25
<b>2</b>	Abfiassa Ventures	Rehabilitation of 1.No 3 Units semi-detached Bungalow at Hamile	145,065.95	100,000.00	45,065.95
<b>3</b>	Novma Enterprise	Rehabilitation of DCE official Bungalow at Lambussie	150,791.60	80,000.00	70,791.60
	<b>Total</b>		<b>485,768.80</b>	<b>327,700.00</b>	<b>158,068.80</b>

740. Management's continuous indebtedness to these suppliers could result in legal actions and the payment of judgment debts.

741. We recommended to Management to take steps to settle the debts promptly to forestall any legal actions against the Assembly.

742. Management indicated that they would ensure that the debt is settled as soon as they receive the Assembly's DACF allocation.

### **Sanitation Management Irregularities**

#### **Excess SIP deductions without communication - GH¢111,693.75**

743. Clause 5 of the Service Agreement on Sanitation Improvement Package (SIP) between Zoomlion Ghana Ltd (ZGL) and Lambussie District Assembly states in consideration of the Machinery and services being provided by Zoomlion Ghana Ltd



the Assembly hereby agrees to pay Zoomlion a quarterly service fee of GH¢53,187.50 from 2nd January 2019 to 1st January 2025.

744. Clause 6 of the agreement also provides that the service fees indicated in (clause 5) shall be reviewed annually by Zoomlion based on the prevailing economic conditions and that such reviews would be communicated to the Assembly before its implementation.

745. We noted that the Administrator of common fund deducted a total amount of GH¢484,006.25 for SIP instead of GH¢372,312.50 (over-deduction of GH¢111,693.75) from the Lambussie District Assembly's 2022 and 2023 share of DACF allocation without prior notice to the Assembly by ZGL. Details are provided below:

No.	Quarter	Amount per the Agreement	Amount deducted	Excess Deduction-30%
		SIP	SIP	
1	1 <sup>st</sup> Quarter, 2022	53,187.50	69,143.75	15,956.25
2	2 <sup>nd</sup> Quarter 2022	53,187.50	69,143.75	15,956.25
3	3 <sup>rd</sup> Quarter 2022	53,187.50	69,143.75	15,956.25
4	4 <sup>th</sup> Quarter 2022	53,187.50	69,143.75	15,956.25
5	1 <sup>st</sup> Quarter 2023	53,187.50	69,143.75	15,956.25
6	2 <sup>nd</sup> Quarter 2023	53,187.50	69,143.75	15,956.25
7	3 <sup>rd</sup> Quarter 2023	53,187.50	69,143.75	15,956.25
	<b>Total</b>	<b>372,312.50</b>	<b>484,006.25</b>	<b>111,693.75</b>

746. The practice could throw the Assembly's budget into disarray, and as a result its inability to carry out other planned activities.

747. To enable the Assembly implement their planned activities and for value for money to be achieved, we recommended that both parties should comply with the provisions of the agreement.

748. Management promised to comply with our recommendation, and further stated that they have written to the administrator of the DACF about the anomaly.

### **Non-supply / unrepaired Sanitation Improvement Package equipment**

749. Clause 3 and schedule one of the Service Agreement of the Sanitation Improvement Package (SIP) between Zoomlion Ghana Limited (ZGL) and Sissala East and Nandom Municipal Assemblies requires Zoomlion Ghana Ltd to provide a number of refuse trucks and containers to manage waste in the municipalities.



750. We noted that Zoomlion Ghana Limited did not supply 2 trucks and 18 containers to two Municipal Assemblies. Again, the company failed to repair refused truck with Reg. No. GS 8555Y belonging to Sissala East Municipal Assembly. Details are provided below:

Assembly	Fee per Qtr	Type of equipment	Contract Qty	Qty Supplied	Qty not supplied	Default period	Remarks
Sissala East Municipal	71,875.00	Skip Truck	3	2	1	3years	Mgt. did not notify ZGL
		Containers	20	11	9		
Nandom Municipal	69,143.75	Skip Truck	3	2	1	60 months	Mgt. did not notify ZGL
		Containers	20	11	9		

751. This could affect effective sanitation service delivery within the municipalities.

752. We recommended to the Coordinating Directors of the respective Assemblies to notify Zoomlion and demand replacement of the damaged equipment and the supply of the needed equipment in accordance with the service agreement without further delay or get a proportionate refund of the contract sum from the company.

753. Management of the Assemblies indicated that they have written to Zoomlion Ghana Limited to supply the outstanding equipment and repair the damaged truck.

## Stores / Procurement Irregularities

### Failure to follow due procurement Process

754. Section 50 of the Public Procurement Act, 2003 (Act 663) as amended requires that, "procurement entities shall use the appropriate Standard Tender Documents stipulated in Schedule six with such minimum changes acceptable to the Board."

755. We noted that Wa East District Assembly awarded two contracts to the tune of GH¢112,760.00 for the supply of food stuffs and Sowing Machines without using the standard tender documents like Tender forms, evaluation reports and contract agreement forms during the procurement process. Details provided below:

No.	Date	PV No.	Payee	Details	Amt	Remarks
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1	28/07/23	WEFDA/MPCF /01/07/23	Maltus Ventures	Being payment for supply of rice & cooking oil as the member of parliament support for Salla festivities	72,200.00	Failure to use Standard Tender Documents
2	15/08/23	WEFDA/MPCF /01/08/23	Maltus Ventures	Being payment for the supply of sewing machines	40,560.00	Failure to use Standard Tender Documents
<b>Total</b>					<b>112,760.00</b>	

756. This could lead to abuse of procurement process and as such, value for money might not be achieved.

757. We recommended to Management to always use the standard tender document in all future procurements above the relevant threshold. We further recommended that the Coordinating Director and Finance Officer should be sanctioned in accordance with Section 92 of the Public Procurement Act, 2003 (Act 663) as amended.

758. Management noted our recommendation for compliance.

### **Procurement above Entity Head Threshold**

759. Section 20 of the Public Procurement (Amendment) Act, 2016 (Act 914) states that, "an entity tender committee shall work within the method and thresholds specified in the fifth schedule and approval limits specified in the Second and Third Schedules in the conduct of its duties as regards tenders for works, food, or services." The third schedule gives approval limit for heads of entity under category F3 of GH¢50,000.00 for goods and services and up to GH¢90,000.00 for works.

760. Contrary to the above provision, we noted that Wa East District Assembly procured goods totalling GH¢72,200.00 vide PV no. WEFDA/MPCF/01/07/23 and dated 28/07/23 from the MP's common fund above the threshold of the Head of Entity without seeking the approval of the Entity Tender Committee.

761. The practice could serve as a fertile ground for abuse.

762. We recommended that Management should always comply with the provisions of Public Procurement Act. We further recommended that the

Coordinating Director and Finance Officer should be sanctioned in accordance with Section 92 of the Public Procurement Act (Act 663) as amended.

763. Management responded that they have provided the entity tender approval for verification. However, they failed to present it for review.

## Tax Irregularities

### Failure to withhold Tax - GH¢7,388.99.

764. Section 116 of the Income Tax Act, 2015 (Act 896) provides that, “the appropriate rate of tax should be withheld from payment made to a resident person for goods and services supplied.” Section 117 of the Act also stipulates that; “a withholding agent shall pay to the Commissioner-General within fifteen days after the end of each calendar month a tax that has been withheld in accordance with this Section.”

765. On the contrary, two Assemblies did not deduct taxes of GH¢7,388.99 from payments made to suppliers. The details are provided below:

Date	PV No.	Details	Payee	PV Amt.	Wht.
<b>Wa East</b>					
3/4/23	DACF/04/04/23	Cost of maintenance and repairs of official vehicle	Amisambo Enterprise	2,218.03	166.35
3/4/23	DACF/06/04/23	Second Payment of procurement of consumables for Ramadan festivity	Kanaronnye Ent.	34,270.00	988.56
3/4/23	DACF/05/04/23	Part Payment of procurement of consumables for Ramadan festivity	Kanaronnye Ent.	30,000.00	865.38
<b>Total</b>				<b>66,488.03</b>	<b>2,020.29</b>
<b>Wa West</b>					
31/08/23	1448665	Full payments of supply of motors and bicycle	Bagaya motors and Trading enterprise	27,590.00	827.70
12/12/23	1534058	food and snacks	Aminsco restaurant and services	9,540.00	384.00
1/12/23	1534169	Cost of fuel & bottle, Drinks water	DCD	9,680.00	968.00

4/12/23	1538196	Cost of building materials	Muniru business empire	38,000.00	1,900.00
1/12/23	1534205	Cost of drinks and biscuits, cost of foods(lunch), eighty-five pack of food and cost of bottle water	Ah-meh ventures, Aminsco restaurant and services, PAI- elma hotel and Sotek Solutions	6,240.00	624.00
05/12/23	1536397	Audit committee sitting allowance	Chairman & others	6,650.00	665.00
<b>Total</b>				97,700.00	5,368.70
<b>Grand Total</b>				<b>164,188.03</b>	<b>7,388.99</b>

766. As a result, tax revenue targets of the State might not be achieved.

767. We recommended that, the Coordinating Directors, and Finance Officers of the two Assemblies should personally pay the tax of GH¢7,388.99 to the Ghana Revenue Authority without further delay and subsequently recover same from the suppliers.

## Assets Management

### Death trap bridge

768. Section 52 of the Public Financial Management Act, 2016 (Act 921) mandates, “Principal Spending Officers of a covered entity, state owned enterprise or public corporation to be responsible for the assets of the institution under the care of the Principal Spending Officer and to ensure that proper control systems exist for the custody and management of the assets.”

769. We noted that the Ministry of Roads and Highways provided materials in June 2022 for the re-construction of a cracked and weak bridge located at Kambaa in the Nandom Municipality based on our 2021 management letter to the Assembly. However as at the time of our inspection in January 2024, no work has been done on the bridge while the materials were left at the site at the mercy of the weather.

770. The situation poses serious risk to the lives of thousands of motorists using the bridge daily.

771. We recommended that Management of the Assembly should take the necessary steps to repair the bridge without further delay.

772. Management responded that Central Government has initiated the repairs of the bridge by providing materials at site but yet to commence work.

## WESTERN REGION

### Introduction

773. The total Common Fund allocations received by the 14 Assemblies in the Western Region during the 2023 financial year was GH¢26,163,409.21. Out of this amount, the ADACF deducted GH¢9,385,789.96 at source in favour of the Assemblies' Service Providers, HIV/AIDS programmes and NALAG dues leaving net cash transfer of GH¢16,777,619.26 representing 64.13 percent of the total share of Common Fund as shown in Appendix 'A'.

### Cash Irregularities

#### Unsubstantiated payments – GH¢421,113.22

774. Regulation 78 of the PFMR, 2019 (L.I. 2378) provides among others that, “a Principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of the covered entity, the validity, accuracy and legality of the claim for the payment and that evidence of services received, certificates for work done and any other supporting document exists.”

775. In violation of the above provision, Management of three Assemblies made payments totalling GH¢421,113.22 on 60 payment vouchers without the relevant supporting documents such as receipts, invoices, statement of claims, certificates of claims etc. to authenticate the transactions. Details are provided below:

No	Assembly	Nature of Transaction	No of PVs	Amount GH¢
1	Effia Kwesimintsim Municipal	Funds released as financial assistance & other	21	46,500.00

		General Assembly Meeting, expenses on farmers day celebrattion and others	4	63,614.44
2	Sekondi-Takoradi Metropolitan	Drain desilting, payment of fees, supply of bags of rice and others	21	194,150.00
3	Wassa Amenfi Central Municipal	Installation and training of electronic records and funds for the maintenance of official vehicle	2	16,310.78
		Payment for football jerseys, building material, medical support and others	11	100,538.00
	<b>Total</b>		<b>60</b>	<b>421,113.22</b>

776. We could therefore not authenticate the genuineness of the expenditure and as a result recommended recovery of GH¢421,113.22 from the Coordinating Directors and the Finance Officers into the accounts of the Assemblies involved.

#### **Over-utilisation of Common Fund on administrative expenditure - GH¢238,929.49**

777. Category 6 of the 2023 DACF Guidelines stipulates that Assemblies could spend up to 10 percent of their DACF allocation on Administration.

778. We noted on the contrary that Management of Nzema East Municipal Assembly received DACF allocation of GH¢1,178,674.99 and spent an amount of GH¢356,796.99 on Administrative related expenditure instead of the required up to 10 percent amount of GH¢117,867.50 resulting in an excess spending of GH¢238,929.49.

779. Excess spending on expenditure items under the Fund stalls the implementation of other programmes to the disadvantage of the communities.

780. We recommended to Management to reimburse the DACF account with GH¢238,929.49 from the IGF account and desist from such practice.

#### **Contract Irregularities**

##### **Payment for no work done - GH¢7,000.00.**

781. Contrary to Regulation 78 of the PFMR, 2019 (L.I. 2378), we noted that the Sekondi Takoradi Metropolitan Assembly made payment of GH¢7,000.00 via PV No. STMA/CF/MP-ESSKET/DEC-23/GHB/039A and dated 28/12/23 to Jet-Kick

Ventures on 28 December 2023 for the construction of a bridge at Fijai which was not executed.

782. Payment for work not done constitutes loss of funds to the Assembly.

783. We recommended that the Coordinating Director should ensure the contractor undertakes the paid-for work at no additional cost to the Assembly otherwise the Coordinating Director and Finance Officer should jointly be held liable to refund the amount of GH¢7,000.00 into the DACF Account of the Assembly.

### **Delayed/abandoned projects – GH¢694,793.30**

784. Section 52 of the PFM Act, 2016 (Act 921) requires, “Principal Spending Officer of a covered entity to be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets for prevention of losses and wastage.”

785. In contravention of the above provision, we noted that two Assemblies expended a total amount of GH¢694,793.30 on five projects which were at various stages of completion but had been delayed or abandoned for periods ranging from 41 months to 43 months. Details are provided below.

Assembly	Name of Project	Contractor	Contract Sum	Payments To Date	Start Date	Expected Completion Date	Period abandoned/delay	Status of Workdone	Reason for Delay
Jomoro District	Construction of Community Based Health Planning Services compound at New Kabenlasuazo	Messrs Emnesdey Co. Ltd	339,400.00	201,950.90	20/01/2020	20/07/2020	41 months	70% complete	No reason was provided
	Construction of Community Based Health Planning Services compound at Allowulley	Messrs E.B.J. Ghana Ltd	324,000.00	114,614.26	20/01/2020	13/07/2020	41 months	38% complete	No reason was provided
	Construction of Market Sheds at Jeway Wharf	Messrs Cyson Ghana Ltd	134,080.00	101,593.26	20/01/2020	20/07/2020	41 months	65% complete	No reason was provided
	Construction of 2-Unit Classroom Block with Office, Staff Room, Kitchen, and Washrooms at Ekpu	Messrs Emnesdey Co. Ltd	220,400.00	76,299.50	17/01/2020	20/07/2020	41 months	39.38% complete	No reason was provided
<b>Sub-total</b>			<b>1,017,880.00</b>	<b>494,457.92</b>					
Wassa East District	Construction of a Police Station at Sekyere Himan	Nefeco Co. Ltd	271,440.81	200,335.38	14/11/2019	14/05/2020	43 months	90%	Lack of funds
	<b>Grand total</b>		<b>1,289,320.81</b>	<b>694,793.30</b>					



786. Delayed/abandoned projects denied the beneficiaries the benefit of the projects and also had the possibility of resulting in cost overrun.

787. We recommended to Management of the Assemblies involved to ensure the completion of the delayed/abandoned projects before awarding new ones for the communities to derive benefits from the projects.

## Sanitation Management Irregularity

### Non-supply and replacement of sanitation equipment

788. Clause 3(c) of the Service Agreement of Sanitation Improvement Package (SIP) contract between Zoomlion Ghana Limited (ZGL) and the three underlisted Assemblies requires ZGL to provide a number of refuse skip trucks and refuse containers for the Management of waste within the Assemblies. Also, Clause 3 (d) of the Agreement between Wassa East District Assembly and ZGL requires the Company to repair any refuse container that gets damaged due to normal wear and tear upon being notified by the Assembly.

789. We however noted that three Assemblies were not supplied with six skip trucks and 44 refuse containers by ZGL in spite of the full payments for the agreed deliverables in the SIP contracts from the quarterly deductions at source by the ADACF. We also noted that the Wassa East Assembly had six of the supplied refuse containers in a deplorable state in spite of notification for replacement/ repair of the containers to ZGL.

Assembly	Unsupplied trucks	Unsupplied Containers	Worn out Refuse Containers
Wassa East District Assembly			6
Wassa Amenfi East	2	15	
Wassa Amenfi West Municipal	2	13	
Jomoro	2	16	
<b>Total</b>	<b>6</b>	<b>44</b>	<b>6</b>

790. Non-delivery of equipment and replacement of damaged containers negatively affected the management of solid waste within the catchment areas of the Assemblies and also deprived the Assemblies of obtaining value for money from the payments made to ZGL.

791. We, however, could not quantify the cost of the portion of the un-executed services as the deliverables were not individually priced in the contracts.

792. We recommended to Management of the Assemblies involved to pursue ZGL for the supply of the outstanding skip trucks and refuse containers and also for replacement/repair of worn-out containers failing which the ADACF should be notified to suspend payments to the Company until the anomalies are addressed. We further recommended that Management should ensure that in subsequent contract revisions, deliverables in the contracts are priced individually for ease of apportioning cost to unperformed services.

## WESTERN NORTH REGION

### Introduction

793. The total Common Fund allocations received by the nine Assemblies in the Western North Region during the 2023 financial year was GH¢14,935,401.03. Out of this amount, the ADACF deducted GH¢5,675,245.29 at source in favour of the Assemblies' Service Providers, HIV/ AIDS programme, and NALAG dues leaving net cash transfers of GH¢9,260,155.74 representing 62.0 percent of the total share of Common Fund as shown in Appendix 'A'.

### Cash Irregularities

#### Unsubstantiated payments -GH¢924,338.55

794. Regulation 78 of the PFMR, 2019 (L.I. 2378) states that, "a Principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of that covered entity; that there is evidence of services received, certificates for work done and other supporting documents that exist."

795. We however noted that Management of six Assemblies made payments amounting to GH¢924,338.55 on 143 payment vouchers without the relevant supporting documents such as receipts, invoices, signed sheets etc. to substantiate the payments. Details are provided below:

No.	Assembly	Fund source	Transaction type	No. of PVs	Amount GH¢
1	Bibiani/ Anhwiaso/ Bekwai	PWD	Goods and Services	18	107,320.00
2	Bia West	MPCF	Goods and Services	1	15,200.00
3	Bodi	DACF	Goods and Services	5	14,820.00
		MAG funds	Goods and Service	9	120,630.00
		MPCF	Goods and Services	3	36,550.00
4	Juaboso	DACF	Goods and Services	3	10,650.00
5	Sefwi Akontombra	MPCF	Cost of goods and services	13	114,455.00

		DACF	Financial support, goods, and services	33	296,528.55
		MPCF	Cost of Financial support	45	117,600.00
		PWD	Cost of services	4	21,860.00
6	Suaman	DACF	Goods and Services	6	24,205.00
		MPCF	Services	3	44,520.00
	<b>Total</b>			143	<b>924,338.55</b>

796. Management of the Assemblies did not provide the reasons for the anomaly.

797. We could as a result not confirm whether the Assemblies involved benefited from the payments and therefore recommended recovery of the amount of GH¢596,013.55 from the Coordinating Directors and Finance Officers into the DACF and other designated accounts of the Assemblies.–We also recommended in the absence of the relevant document to account for payment of GH¢328,32500 from the MPCF, the amount should be recovered from the MPs.

#### **Misapplication of funds - GH¢115,004.46**

798. Section 30 of the PFM Act, 2016 (Act 921) states that, “a Principal Spending Officer shall plan and manage the activities of a covered entity in accordance with the policy statement and financial estimates of that covered entity.”

799. On the contrary, we noted that Management of four Assemblies misapplied GH¢82,005.46 earmarked for activities of two sub-structures on general administrative activities. Details are provided below:

Assembly	Fund	Details	No. of PVs	Misapplied Amount GH¢
Juaboso District	HIV/ AIDS	Transport to CAGD	2	2,120.00
Bia west District	PWD	Goods and Service	1	5,800.00
Suaman District	PWD	Transfer to DACF account	1	13,300.00
Bodi District	PWD	Goods and Services	1	60,784.46
<b>Total</b>			<b>5</b>	<b>82,005.46</b>

800. The practice renders the sub-structures of the Assemblies ineffective as their planned activities might not be implemented.

801. In a further development, we noted at Suaman District Assembly that an amount of GH¢33,000.00 was transferred from the MPCF account into the DACF account without the approval of the MP. This could disrupt the planned activities of the MP.

802. We recommended to Management of the three Assemblies to reimburse the sub-structure accounts with a total amount of GH¢82,005.46 from the IGF accounts whilst Management of Suaman District Assembly should reimburse the MPCF account with the amount of GH¢33,000.00 from the DACF account. Management of the Assemblies involved should desist from such practice or be held liable for losses attributed to non-implementation of planned activities due to misapplication of earmarked funds.

### **Payment outside GIFMIS**

803. Regulation 83 (1) of the PFMR, 2019, (L.I. 2378) states that, “all payments for expenditure of covered entities shall be made through the Ghana Integrated Financial Management Information System (GIFMIS).”

804. We noted on the contrary that, Management of three Assemblies resorted to the use of manual payment vouchers for the processing and payments of 82 transactions amounting to GH¢735,924.56 rather than using GIFMIS. A summary of the payments is provided below:

Assembly	No of PV's	Fund	Details	Amount GH¢
Bodi	25	DACF	Payments for construction works and others	290,350.50
	13	MPCF	Financial Support and others	87,030.00
	5	PWD	Disability activities	92,105.00
Sefwi Akotombra	2	DACF	Goods and services	11,792.31
	7	MPCF	Financial support and services	75,500.00
	14	PWD	Financial support and payment of ex-gratia	48,823.00
Suaman	9	DACF	Goods and Services	66,803.75
	7	MPCF	Goods and services	63,520.00
<b>Total</b>	<b>82</b>			<b>735,924.56</b>

805. The lapse could result in inconsistencies in the financial reporting of the Assemblies and undermine the purpose and objectives for implementing GIFMIS.

806. We recommended to the Coordinating Directors and the Finance Officers of the Assemblies involved to ensure that expenditures are processed through the GIFMIS and be sanctioned for financial indiscipline.

#### **Unpresented payment vouchers - GH¢236,957.00**

807. Regulation 82 of the PFMR, 2019 (L.I. 2378) requires that, “a payment by the covered entity should be accompanied with a payment voucher, authorized by the head of accounts and approved by the Principal Spending Officer.”

808. Management of Sefwi Akontombra Assembly sidestepped the above provision by failing to present for our review 18 payment vouchers used to disburse a total amount of GH¢236,957.00. Details are provided below:

No	Account	No. of PVs	Amount GH¢
1	DACF	10	185,457.00
2	MPCF	6	28,500.00
3	PWD	2	23,000.00
	<b>Total</b>	<b>18</b>	<b>236,957.00</b>

809. We were unable to authenticate the validity of the payments and consequently recommended that the total amount of GH¢236,957.00 should be recovered from the Coordinating Directors and Finance Officers into the designated accounts of the Assembly.

#### **Payments to third parties through Assembly staff**

810. Section 83 of the PFM Act, 2016 (Act 921) requires that, “all payments for expenditure of covered entities shall be made through the GIFMIS using the electronic funds transfer to third parties.”

811. We noted that the Management of Bodi Assembly engaged three suppliers and a contractor to render various services amounting to GH¢196,800.00. However, payments were made through cash cheques in the name of Assembly with payees on the payment vouchers being the Assembly staff rather than electronic funds transfers directly to the suppliers as detailed below:

Date	PV No.	Supplier	Details	Amount GH¢	Payee
03/03/23	1/3/23	Eric Assuah Enterprise	Payment for the supply of building materials	1,200.00	Bismark Okrah
01/04/23	1/4/23	Eric Assuah Enterprise	Payment for the supply of building materials	25,000.00	Bismark Okrah
06/04/23	2/4/23	X'Lent Enterprise	Payment for the supply of streetlight	25,000.00	Bismark Okrah
06/04/23	3/4/23	Mavisa Enterprise	Payment for the supply of coconut seedlings	25,000.00	Douglas Osei Yeboah
	4/4/23	Mavisa Enterprise	Payment for the supply of coconut seedlings	2,000.00	Christopher Nkansah
14/04/23	5/4/23	Eric Assuah Enterprise	Payment for the supply of building materials	22,600.00	Douglas Osei Yeboah
14/04/23	9/4/23	X'Lent Enterprise	Payment for the supply of streetlight	10,500.00	Douglas Osei Yeboah
19/04/23	10/4/23	X'Lent Enterprise	Payment for the supply of streetlight	20,000.00	Douglas Osei Yeboah
19/04/23	12/4/23	Mavisa Enterprise	Payment for the supply of coconut seedlings	20,000.00	Douglas Osei Yeboah
21/04/23	13/4/23	Eric Assuah Enterprise	Payment for the supply of building materials	5,500.00	Douglas Osei Yeboah
02/08/23	2/8/23	Kiafi Ventures	Payment for reshaping of Ahibenso feeder road	40,000.00	Bismark Okrah
		<b>Total</b>		<b>196,800.00</b>	

812. The lapse poses a weakness in the expenditure control systems for which the rightful suppliers may not receive their payments. Also, this has the tendency to distort the financial reporting of the Assembly and would not enhance decision-making as expenditure may be misclassified.

813. We recommended to Coordinating Director to ensure that all third-party payments are made by electronic fund transfer directly to the suppliers. We also recommended appropriate sanctions against the authorizing and approving officers in accordance with Section 96 of the PFM Act, 2016 (Act 921) for financial indiscipline and the avoidance of future occurrences.

### **Over-utilization of Common Fund on Administrative expenditure – GH¢318,899.66**

814. Contrary to the provision of the 2023 Guidelines for the Management and Utilization of the DACF, two Assemblies expended GH¢318,899.66 for administrative expenses more than the required 10 percent of the allocated amount. Details are provided below:

Assembly	No. of PVs	Allocated amount	10% Expenditure on Administration	Actual Expenditure on Administration	Excess	Excess %
Bodi	33	1,684,130.32	168,413.03	328,620.00	160,206.97	29%
Sefwi Wiawso	35	1,719,939.03	171,993.90	330,686.59	158,692.69	9%
<b>Total</b>		<b>3,404,069.35</b>	<b>340,406.93</b>	<b>659,306.59</b>	<b>318,899.66</b>	<b>38%</b>

815. The excessive use of the Common Fund on administrative expenditure denies the Assemblies the needed funds to embark on developmental projects that would be beneficial to the indigenes of their Districts.

816. We recommended to the Coordinating Directors and the Finance Officers of the Assemblies involved to ensure that the DACF accounts are reimbursed with GH¢318,899.66 from the IGF accounts.

#### **Failure to allocate funds to Zonal Councils-GH¢37,454.99**

817. Paragraph 3.3 of the 2023 Guidelines for the Management and Utilisation of the DACF requires that up to two percent of DACF receipts should be used for the establishment and strengthening of sub-district structures (Zonal, Urban, Town and Area Councils).

818. Contrary to the provisions of the Guidelines, two Assemblies received a total amount of GH¢1,872,750.34 as DACF allocations but did not allocate the required two percent amounting to GH¢37,454.99 to the Zonal Councils under them. Details are provided below:

Assembly	DACF Releases	2% Allocation	Unremitted
Sefwi Wiawso	1,399,091.17	27,981.81	27,981.81
Suaman	473,659.17	9,473.18	9,473.18
<b>Total</b>	<b>1,872,750.34</b>	<b>37,454.99</b>	<b>37,454.99</b>

819. This situation weakens the local governance structures in the districts and would not contribute effectively towards the development of their communities.



820. We recommended to the Coordinating Directors to ensure the allocation of the required funds to the sub-structures in strict adherence to the DACF disbursement guidelines.

### Contract Irregularities

#### Payment for defective boreholes (projects) - GH¢60,000.00

821. Section 7 of the PFM Act, 2016 (Act 921) states among others that, “a principal spending officer of a covered entity shall manage the resources received, held or disposed of by or on account of the covered entity and ensure the regularity and proper use of the money appropriated in that covered entity.”

822. We however noted that out of six boreholes drilled at a total cost of GH¢90,000.00 by the Management of Bibiani/Anhwiaso/Bekwai Municipal Assembly, water from four boreholes were not safe for human consumption.

823. This was contained in the water quality analysis report from Ghana Water Company Ltd, yet the total amount of GH¢90,000.00 was paid to the contractor and a defective liability certificate issued on 4 July 2023. Details are provided below:

Project	Location of Defective boreholes	Fund Source	Name of Contractor	Contract sum GH¢	Unit Cost per project	Payment to Date GH¢	Water Quality Analysis Anomalies
Drilling and mechanization of 6 No. borehole (phase 1)	Bibiani Government Hospital, Ahodwo, Breman, and Police Station	MP's Common Fund	Henhans Ventures	90,000.00	15,000.00	60,000.00	High Colour, Turbidity, Total Dissolved Solids and Total Coliform bacterial level
	<b>Total</b>					<b>60,000.00</b>	

824. This has led to a loss of GH¢60,000.00 to the Assembly because the water cannot be used.

825. We recommended that Management should either engage the contractor to reconstruct new boreholes for the affected communities at no extra cost or refund the amount of GH¢60,000.00 into the account of the Assembly.

826. Management responded that the project was at first phase during the audit and the contractor had been engaged to rectify the anomalies during the second phase of the project.

**Delayed/abandoned projects – GH¢3,372,608.89**

827. Contrary to Section 52 of the PFM Act, 2016 (Act 921), we noted that 26 projects of five Assemblies for which an amount of GH¢3,372,608.89 was expended had been delayed/abandoned for periods ranging from 10 months to 10 years. Details are provided below:

No.	Assembly	No. of projects	Name of Contractor	Contract Sum	Total payments	Start date	% of Completion	Expected completion date	Period of delay	Remarks
1	Aowin	Rehabilitation of Health Center at Boinsu	M/S Yakah-Nyaas	136,532.97	100,623.05	14/05/2018	90%	18/07/2018	65 months	Contract terminated on 19/9/2023 as contractor abandoned project and refusal to Assembly letters
2		Construction of CHPS Compound at Benaso	M/S Charnet Engineering	393,260.73	95,582.36	25/07/2016	60%	24/01/2017	83 months	Abandoned
3		Construction of 5 No. Boreholes at Ohiamadwene, Ayiteykrom, Adjoum Nyamebekyere, Adjakaa, Nyameasa	De-Vee Enter	127,816.00	69,712.40	25/07/2016	80%	24/01/2017	83 months	Abandoned
4		Construction of 1No. 6-Unit nurses quarters at Jema	Lucky Man Osman Ent. Ltd	221,415.60	103,212.34	18/04/2018	70%	18/11/2018	61 months	Contract terminated on 19/9/2023 as contractor abandoned project and refusal to Assembly letters

5	Rehabilitation of Municipal Administration block converting of basement and sub-basement into offices and stores at Enchi	Richnash company Ltd	333,244.50	147,149.17	15/11/2019	68%	15/05/2020	43 months	Delayed
6	Construction of 3 Bedroom Police Commander Bungalow-Akontombra	Tender Crown Cont.	296,642.86	86,731.31	01/02/2018	30%	01/10/2018	63months	Lack of Funds
7	Construction of CHIPs compound at Tumuda	Jimmiy Tom Const.	333,876.73	276,768.06	06/04/2016	80%	06/10/2016	86 months	Lack of Funds
8	Construction of 1No. 3Unit classroom block at Chorichori	Afram Ntow Const. works	190,001.41	181,515.43	06/04/2016	95%	06/10/2016	86 months	Lack of Funds
9	Construction of 1No. 3Unit Classroom block at Ackaakrom	Churk Turk Ventures	191,004.71	63,650.70	06/04/2016	40%	06/10/2016	86 months	Lack of Funds
10	Construction of 1No. 6-Unit Flat for Teachers (Later converted to 9 Unit flat) at Asanteman	Richko Const. LTD.	260,045.72	214,000.00	06/04/2016	80%	06/10/2016	86 months	Lack of Funds

11	Construction of 1No. 4-Unit Flat for Staff at Akontombra	James Tano Enterprise	388,308.59	172,765.78	06/04/2016	70%	06/10/2016	86 months	Lack of Funds
12	Construction of 1No. NHIS Office Complex at Akontombra	Zotime Enterprise Ltd	315,070.50	301,063.45	11/11/2012	100%	10/05/2013	127months	Lack of Funds
13	Construction Of 6 - Unit Classroom Block with Ancillary Facilities	Jakwadjie Construction Limited	249,203.68	76,551.42	14/06/2015	40%	27/01/2016	95 months	Delayed but has been budgeted for
14	Construction of 6-unit classroom block with ancillary facilities	Kingsley Attason Ventures	289,903.45	43,485.00	02/06/2016	20%	20/02/2017	82 months	Delayed but has been budgeted for
15	Construction of 6-Unit Classroom Block with ICT Facilities	Fenkrab Limited	285,339.15	67,820.87	31/05/2016	60%	20/02/2017	82 months	Delayed but has been budgeted for
16	Construction of 1 No. Community Center at Amoaya	Kingscom Const.Ltd	199,997.63	109,959.20	06/06/2019	70%	15/01/2022	23 months	Delayed but has been budgeted for
17	Construction of 4 No. 10 unit market stall	Paach Ent	360,857.14	138,000.00	27/10/2020	60%	2021	24 months	Delayed but has been budgeted for
18	Construction. of Security Post	Kiafi	76,379.00	60,241.00	13/02/2022	84%	24/05/2022	19 months	Lack of funds
19	Renovation of 1no. 6-unit classroom Block	Kiafi	304,695.50	90,000.00	10/08/2022	80%	27/02/2023	10 months	Lack of funds

20		Construction of 1no. 6-unit classroom Block	Moslvin	165,727.00	130,540.74	24/12/2015	79%	01/07/2016	90 months	Lack of funds
21		Const. of 1no. 4-unit Nurses Quarters	Sparkx	111,077.50	95,076.75	19/07/2013	86%	05/12/2013	120 months	Lack of funds
22		Const. of 1no. culvert	, Glovision	222,079.00	106,760.27	07/05/2020	86%	11/09/2020	39 months	Lack of funds
23		Construction of 1 No. 6 Unit Class Block	J.O Construction Ltd	159,814.85	112,841.60	19/07/2013	71%	05/12/2013	120 months	Lack of funds
24	Sefwi Wiawso	Construction of 1no maternity block for Sefwi-Wiawso Gov't Hospital	Messers Stephen Kwagya Ltd	799,965.18	341,101.27	09/02/2015	66%	26/07/2015	101 months	Lack of Funds
25		Construction of 1no 3-unit classroom with office, store and ancillary facilities	Messer Y.A Brenya	189,566.27	74,615.12	09/04/2015	39%	26/09/2015	99 months	Lack of Funds
26	Suaman	Construction of 1 No. 6 Unit Class Block	J.O Construction Ltd	159,814.85	112,841.60	19/07/2013	71%	05/12/2013	120 months	Lack of funds
		<b>Total</b>		<b>6,761,640.52</b>	<b>3,372,608.89</b>					

828. The delayed/abandoned projects are susceptible to cost overruns as a result of price hikes in building materials and additional works due to deterioration.

829. We recommended that Management of the Assemblies involved should give priority to the completion of the delayed/abandoned projects before new projects are initiated.

## Sanitation Management Irregularities

### Non-supply and replacement/repair of SIP equipment

830. Clause 1 and 5 of the Service Agreement between Zoomlion Ghana Limited (ZGL) and the Assemblies require ZGL to provide a number of solid waste containers, skip trucks, and haulage of solid waste to the final disposal site for a quarterly consideration. Also Clause 3 Paragraph (d) of the Sanitation Improvement Package (SIP) agreement dated 2/01/2019 between ZGL and four Assemblies provides that, sanitation equipment should be replaced or repaired upon notification by the Assemblies of any damage or defect.

831. We however noted that ZGL did not provide two skip trucks and 22 waste containers to three Assemblies. We also noted that ZGL failed to replace/ repair five unserviceable skip trucks and 15 damaged waste containers in spite of the notification of the conditions of the equipment to the Company. Details are provided below:

Assembly	Equipment	Non-supply	Non-replacement/repairs
Sefwi Wiawso	Skip trucks	0	2
	Containers	9	5
Bibiani	Skip trucks	1	
	Containers	10	
Juaboso	Skip trucks	1	
	Containers	3	4
Bodi	Skip trucks		1
	Containers		6
Enchi	Skip trucks		2
	Containers		
<b>Total</b>		<b>24</b>	<b>20</b>
<b>Skip trucks</b>		<b>2</b>	<b>5</b>
<b>Containers</b>		<b>22</b>	<b>15</b>

832. We could not quantify the cost of the unperformed service since the contract deliverables were not individually priced.

833. The non-delivery and non-replacement of the SIP equipment negatively affected the management of solid waste within the environment of the Assemblies involved.

834. We recommended to Management of the Assemblies involved to pursue ZGL for the supply of the outstanding skip trucks and refuse containers and also for replacement/repair of worn-out containers failing which the ADACF should be notified to suspend payments to the Company until the anomalies are addressed. We further recommended that Management of the Assemblies involved should ensure that the contract deliverables are priced individually in subsequent contract revisions for ease of apportioning cost to un-executed services.

### **Tax irregularities.**

#### **Failure to remit taxes to GRA - GH¢79,834.01**

835. Sections 117 of the Income Tax Act, 2015 (Act 896) requires, “the Assemblies as withholding agents to deduct applicable taxes from payments for goods, works and services and pay to the GRA within fifteen days after the end of the month in which the deductions are made.”

836. However, we noted that the Management of four Assemblies did not remit withheld taxes of GH¢79,834.01 to the GRA. Details are provided below:

<b>Assembly</b>	<b>No. of PVs</b>	<b>Gross GH¢</b>	<b>Net GH¢</b>
Akontombra	39	1,118,255	58,736.00
Aowin	2	45,000.00	2,750.00
Bodi	21	278,077.09	15,424.8
Suaman	3	81,338.00	2,923.21
<b>Total</b>	<b>65</b>	<b>1,522,670.09</b>	<b>79,834.01</b>

837. Non-adherence by Management to the above-stated provisions of the tax law would not contribute to the tax revenue mobilization efforts of the State.



838. We recommended that Management of the four Assemblies should ensure the remittance of the GH¢79,834.01 to GRA and the finance officers be held liable for any penalties that may arise.

#### **Failure to obtain VAT invoice for VAT paid - GH¢4,611.64**

839. Section 41 of VAT Act, 2013 (Act 870) stipulates that, “a taxable person shall, on making a taxable supply of goods and services, issue to the recipient, a tax invoice in the form and with the details that are prescribed by the Commissioner-General.”

840. We noted on the contrary that Bodi District Assembly paid GH¢117,681.00 inclusive of VAT of GH¢4,611.64 to suppliers without obtaining VAT invoices to bound the suppliers to remit the VAT amount to GRA. Details are provided below:

<b>Assembly</b>	<b>Fund</b>	<b>No. of Transactions</b>	<b>Amount GH¢</b>	<b>VAT Amount GH¢</b>
Bodi	MPCF	2	31,370.00	1,292.00
	DACF	6	86,311.00	3,319.64
	<b>Total</b>	<b>8</b>	<b>117,681.00</b>	<b>4,611.64</b>

841. The practice of paying VAT without obtaining a VAT invoice would aid the supplier to evade the payment of the VAT to GRA.

842. We recommended that Management of the Bodi District Assembly should obtain the VAT receipts from the Suppliers, or the VAT amount recovered from them. Failure of which the Finance Officer should be held liable to refund the GH¢4,611.64 into DACF account of the Assembly.

## PART IV

### DISTRICT ASSEMBLIES COMMON FUND – RESPONSIVENESS FACTOR GRANT (DACF-RFG) AND OTHER FUNDS

#### 2023 DACF-RFG releases to Assemblies

843. The Administrator of the District Assemblies Common Fund (DACF) did not disburse funds to the Assemblies under the DACF-RFG in 2023 fiscal year. The irregularities reported under DACF-RFG for 2023 are the expenditures incurred from the Assemblies 2022 fund balances.

#### AHAFO REGION

##### Contract Irregularities

##### Completed Projects not in Use – GH¢1,149,188.03

844. Section 52 of the Public Financial Management Act, 2016 (Act 921) requires, “Coordinating Directors as the Principal Spending Officers to institute proper control systems to prevent losses and wastage.”

845. We noted that, Management of the Asutifi North District Assembly expended a total amount of GH¢1,149,188.03 on 24 lockable market stores but failed to put them to use after the projects had been completed on 20 February 2023. Details are provided below:

Project	Contractor	Contract Sum	Revised Contract Sum	Funding Source	Starting Date	Expected Date of Completion
Construction of 24 Lockable stores at Kenyasi the Kenyasi Central Market (phase 2)	Appikub Const Limited	954,829.58	1,149,188.03	DDF	20/06/22	20/02/23

846. The Head of Works of the Assembly stated that the Assembly was examining applications submitted by the interested parties and the subsequent allocation.

847. The delay denied the communities the benefits from use of the projects and therefore, defeats the purposes for which the total amount of GH¢1,149,188.03 was invested.

848. We recommended that Management of Asutifi North District Assembly should expedite action on the review process and ensure that the stores are allocated to the people in the district.

849. Management responded that, the Assembly has received over Two Hundred applications from interested parties and they were being reviewed as at the time of the audit. Management further indicated that they have now written to successful applicants to pay the requisite amount and start using the stores as soon as possible.

## **ASHANTI REGION**

### **Contract Irregularities**

#### **Delayed in execution of DACF-RFG projects - GH¢1,054,856.19**

850. Section 52 of the PFM Act, 2016 (Act 921) requires, “a Principal Spending Officer of a covered entity to be responsible for the assets of the institution under the care of the Principal Spending Officer and ensure that proper control system exists for the custody and management of the assets to ensure that preventive mechanism are in place to eliminate wastage and misuse.”

851. We noted that two of the five projects at Atwima Mponua District Assembly started in 2020 whilst the remaining three commenced in 2022. On the contrary, the projects for which a total of GH¢1,054,856.19 had been spent were yet to be completed in spite of the expiration of the contractual completion date of 10 months to 32 months to 19 months as at the end of December 2023. Details are provided below:

Details	Name of Contractor	Contract Sum	Total payment as at 31 Dec. 2023	Date started	Expected completion date	Period of delay	% of work done
Construction of 8 unit holding center at Nyinahin	Frimtin Company Ltd.	307,556.00	192,149.16	19/11/2020	19/04/2021	32 months	93%
Const. of KG block with ancillary services at Kotokuom	Makossy Ent.	277,566.00	245,800.20	19/10/2020	19/04/2021	32 months	95%
Construction of 3-unit classroom blk. With office & staff common room at Saakrom	Makossy Ent	283,756.61	255,381.50	19/05/2020	19/05/2021	31 moths	96%
1No. KG Block with office and other facilities at Bayerebon No.3	Bismarth Ent.	264,131.00	198,737.65	04/08/2022	04/02/2023	10 months	85
<b>Total</b>		<b>1,383,822.85</b>	<b>1,054,856.19</b>				

852. The Chief Executive and the Coordinating Director explained that the delay was due to lack of funds. We did not agree with the reason given for the delayed completion because the DACF-RFG account showed a balance of GH¢233,506.76 at the end of 2023, which could have been used to complete most of the delayed projects.

853. Delay in executing projects could lead to cost overruns due to the effects of price increases in building materials and additional expenditure as a result of deterioration. Also, the beneficiary communities are deprived from the intended benefit of the projects.

854. We recommended that the Chief Executive and Coordinating Director should prioritize and execute the projects that can be completed with funds available and immediately put them to use. We also recommended that Management should be proactive in project management to avoid several abandoned and delayed projects.

#### **Completed projects not in use - GH¢316,170.39**

855. Contrary to Section 52 of the PFM Act, 2016 (Act 921), we noted at Atwima Nwabiagya Municipal Assembly that a completed 1 No. 30 Bed capacity ward with ancillary facilities at Asakraka at a cost of GH¢316,170.39 was yet to be put to use 13 months after completion. Details are shown below:

<b>Project</b>	<b>Contract Sum GH¢</b>	<b>Payment to date - GH¢</b>	<b>Date completed</b>	<b>No. of months not in use</b>	<b>Remarks/Reason</b>
1 No. 30 Bed capacity ward with ancillary facilities at Asakraka awarded to M/S Fapim Co. Ltd started on 13/04/2021	316,170.39	316,170.39	30/11/2022	13 months	Beds and other essential gadgets such as fridge, furniture and television are yet to be provided

856. Consequently, the beneficiary communities have been denied the benefits of the use of the projects. Also completed projects not put to use could deteriorate and result in additional cost to the Assembly.

857. We recommended to Management of Atwima Nwabiagya Municipal Assembly to ensure that the necessary action is taken including procurement of logistics and amenities to enable the facility to be put to use. We also recommended that future budgets for projects should include the necessary ancillaries to make them operational to prevent instances of completed projects not put to use.

## BONO REGION

### Contract Irregularities

#### Construction of Fence Wall without Columns – GH¢11,688.00

858. Section 52 of the Public Financial Management Act, 2016 (Act 921) states that, “a Principal Spending Officer of a covered entity, state-owned enterprise or public corporation shall be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets.”

859. Dormaa Central Municipal Assembly paid an amount of GH¢15,584.00 to M/S Petmat Construction in October 2022 for the erection of 16 columns as part of the construction of two fence walls for two kindergarten blocks located at Nsesereso and Amasu-Pampaso. We however noted that, the contractor erected only four columns leaving 12 columns valued at GH¢11,688.00 not erected. Details are provided below:

Details	No. of Columns Required	No. of columns constructed	Difference	Amount
Construction of Fence wall at Nsesereso K. G.	8	2	6	5,844.00
Construction of Fence wall at Amasu- Pampaso K. G.	8	2	6	5,844.00
<b>Total</b>				<b>11,688.00</b>

860. The absence of columns renders the walls weak against any external force exerted on it which could lead to its collapse.

861. We recommended that Management should hold on to any further payments to the contractor and ensure that the columns are erected to give support to the fence wall.

862. Management stated that they have written to the contractor to construct the additional columns otherwise he would not be paid his remaining balance.

**Payment of unexecuted portions of contract - GH¢54,409.60**

863. Regulation 78 of Public Financial Management Regulations, 2019 (L.I. 2378) states that, “a Principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of that covered entity the validity, accuracy and legality of the claim for the payment and that evidence for services received, certificates for work done and any other supporting documents exists.”

864. We however noted that Management of Dormaa West district Assembly paid a total amount of GH¢25,803.60 to M/S Beksfel Company Ltd for unexecuted portions of the Construction of 1 No. 3-Unit classroom Block, Office, Toilet and Urinal at Asuontam, even though the project has been handed over to the community for use.

865. We also noted that Management of Berekum East Municipal Assembly paid a total amount of GH¢28,606.00 to M/S Sad Samagy Limited for unexecuted portions of the Construction of Police Station with 4No. Offices, washrooms, supply of furniture, 12 No. Tables and 30 No. Chairs. Details provided below:

Contract	Contractor	Works Not Executed	Amount
Construction of 3-Unit Classroom Block, Office, Toilet and Urinal at Asuontam.	M/S Beksfel Company Ltd.	Provision of inner and outer plywood ceilings.	25,803.60
Construction of Police Station with 4No. Offices, washrooms, supply of furniture, 12 No. Tables and 30 No. Chairs	M/S Sad Samagy Limited	Supply of 12 tables and 30 chairs	15,000.00
		Construction of apron or drains with 15mm thick blocks with cement and mortar	13,606.00
	<b>Total</b>		54,409.60

866. The anomaly has led to loss of GH¢54,409.60 to the Assemblies.

867. We recommended that, the Works Engineers should notify the Contractors to return to site to complete the outstanding works or recover the amounts from the respective contractors or their retentions should be used to complete same, failing

which, the amount should be recovered from the Works Engineers and the Monitoring Teams. We also recommended that the Works Engineers and the Monitoring Teams should be sanctioned.

868. Management of Dormaa West district stated that it has contacted M/S Beksfel Company Ltd on the importance of the ceilings works and would continue its effort to ensure the implementation of the audit recommendation.

869. With respect to the Construction of Police Station, Management of Berekum East Municipal responded that a number of reviews were made to the bills of quantities in additions to an approval for the use of the contingency, which together were applied for the construction of an additional office within the facility.

#### **Completed projects not put to use - GH¢1,159,672.59**

870. Section 52 of the Public Financial Management Act, 2016 (Act 921) requires that, “a Principal Spending Officer of a covered entity shall be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets to prevent wastage and loss.”

871. We noted during our project inspection at Sunyani West Municipal Assembly that three projects, that were completed between 2020 and 2023 were yet to be put to use. Details are provided below:

No	Project Title	Funding source	Contractor	Date Completed	Reasons for not using the project	Contract Sum	Payment to Date
1	Construction of 10 No lockable stores at Fiapre market	DPAT	D K Agyemang Ltd	30/5/23	Awaiting commissioning	549,315.78	545,938.24
2	Construction of 1 No 4-unit workshop for Nsoatre Vocational and	DPAT	Chakaa ent	30/10/23	Awaiting commissioning & hand over	400,509.00	378,821.35



	Technical Institute						
4	Construction of warehouse for Nsoatre maize market	DACF-RFG	M/S 2 AM Ofosu-Hene Company Ltd	29/5/20	Inability to meet users additional request for fencing and landscaping the place.	238,213.00	234,913.00
<b>Total</b>						<b>1,188,037.78</b>	<b>1,159,672.59</b>

872. The anomaly has denied the intended users the benefit that would have been derived from the use of the facility.

873. We recommended to Management to take the necessary steps to ensure the projects are put to immediate use.

874. Management accepted our recommendation and promised to put the projects to use as soon as possible.

## CENTRAL REGION

### Cash Irregularity

#### Misapplication of funds – GH¢55,000.00

875. Section 30 of the PFM Act, 2016 (Act 921) states that, “a Principal Spending Officer shall, plan and manage the activities of a covered entity in accordance with the policy statement and financial estimates of that covered entity.”

876. We however noted that Management of Agona West Municipal Assembly misapplied GH¢55,000.00 of DACF-RFG funds to purchase noise detector equipment for which a provision had been made in the budget of Ghana Secondary Cities Support Program.

877. The practice could stall the implementation of DACF-RFG planned activities.

878. We recommended to Management of the Assembly to reimburse the DACF-RFG account with GH¢55,000.00 from the GSCSP account.

### **Contract Irregularities**

#### **Completed projects not put to use - GH¢256,529.24**

879. Section 52 of PFM Act, 2016 (Act 921) requires, “a Principal Spending Officer of a covered entity to be responsible for the assets of the institution under the care of the Principal Spending Officer and ensure that a proper control system exists for the custody and management of the assets to ensure that preventive mechanisms are in place to eliminate wastage and misuse.”

880. In violation of the above provision, we noted that Management of Effutu Municipal Assembly expended a total amount of GH¢256,529.24 on Satellite market project but failed to put it into use after completion on January 11, 2023 due to the non-availability of water system.

<b>Project name</b>	<b>Start date</b>	<b>Contract Sum</b>	<b>Payment to date</b>	<b>Expected completion date</b>	<b>% of Completion</b>	<b>Period of delay</b>
1 no. Satellite Market at Osubonpanyin awarded to M/S JHL Construction and Real Estate Ltd	May 2022	270,039.45	256,529.24	Jan. 2023	100	11 Months

881. Delay in operationalizing the projects would not improve the livelihood of residents in the communities and also defeat the purpose of the Fund.

882. We recommended to Management of the Assembly to ensure that the water challenge is resolved to put the facility to use. We also recommended that future budget for projects should include all ancillaries that would be needed to put them to use immediately after completion.

#### **Delayed/abandoned project - GH¢996,907.83**

883. Contrary to Section 52 of the PFM Act, 2016 (Act 921), we noted at two Assemblies that the completion of four projects for which an amount of GH¢996,907.83 was expended had been delayed/abandoned for periods ranging from four months to 60 months. Details are provided below:

No	Assembly	Name of Project	Name of Contractor	Start date	Contract Sum	Payment to date	Expected completion date	% of Completion	Period of delay
1	Gomoa West District	1 No. 6 Unit Teachers Quarters at Gomoa Mankoadze	EAK Company Limited	Jul. 2022	795,768.60	335,045.25	Jun. 2023	58	6 months
2	Awutu Senya East Municipal	1 No. CHPS compound at Iron City	Messer Dollar Family	May. 2018	158,000.00	100,434.94	Nov. 2018	80	60 months
		1 No. 6unit Classroom with store & offices at Nahadatu Schol	Messers Beeken Company Ltd	Feb. 2023	696,159.48	476,666.92	Aug. 2023	55	4 months
		2 Storey office building (1 <sup>st</sup> Phase) at Urban Council Kasoa	Messers Mizpah Construction Ltd	Jan. 2023	565,071.46	84,760.72	Dec. 2023	0	12 months
	<b>Total</b>	<b>4</b>			<b>2,214,999.54</b>	<b>996,907.83</b>			

884. Management of Awutu Senya East Municipal Assembly intimated that two of the Contractors had not received payment of certificates raised whilst one project has not commenced due to challenges at project site and reaching the contractor has become difficult. Management of Gomoa West District could however not give any reason for the delayed completion of the Teachers' quarters.

885. The practice of investing funds into projects for which completions are delayed/abandoned impact negatively on the smooth running of the operations of the Assemblies as the desired benefits are timely not achieved. Also, cost overruns can not be ruled out as a result of price hikes in building materials, repacking of contracts for re-award, and additional expenditure due to deterioration.

886. We recommended that Management of the Assemblies should prioritize the completion of the delayed/abandoned projects before new ones are awarded.

887. Management of Gomoa West District responded that the contractor had been informed to complete the project.

## EASTERN REGION

### Contract Irregularities

#### **Completed Market shed not in use - GH¢357,089.25.**

888. Section 52 of the PFM Act, 2016 (Act 921) requires that, "a Principal Spending Officer of a covered entity shall be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets to prevent losses and wastages among others."

889. On the contrary, we noted that in January 2022 Management of Yilo Krobo Municipal Assembly completed the construction of 5No. 20 Unit market shed, Akutunya market – Somanya, at a contract sum of GH¢357,089.25 but the facility had not been put to use. Details are provided below:

Project Description	Name of Contractor	Contract sum	Date awarded	Date completed
Construction of 5 No. 20 unit market shed at Akutunya market, Somanya	Sowabi Ventures	357,089.25	14/4/2021	June 2022
<b>Total</b>		<b>357,089.25</b>		

890. According to the Coordinating Director, the market Queen Mother intimated that some rituals ought to be performed before the traders would relocate to the market.

891. Failure to use the project denied the communities of their benefits and defeated the purpose for investing a sum of GH¢357,089.25 in the project.

892. We recommended to Management of the Assembly to ensure that the challenges hindering the use of the Market Sheds are resolved and immediately put to use to achieve the desired benefits.

#### **Abandoned projects - GH¢246,000.00**

893. Notwithstanding Section 52 of the PFM Act, 2016 (Act 921), we noted that Management of Nsawam Adoagyiri Municipal Assembly awarded two projects for which a total amount of GH¢246,000.00 was expended and were at 60 percent and 65 percent completion levels but had been abandoned for periods ranging between 18 months to 25 months as at December 2023. Details are provided below:

Project	Contract sum	Payment to date	Expected Date of Completion	Status	Period of delay
Completion of 1 CHPS compound to superstructure level at Bowkrom awarded to Natriku Co. Ltd with a start date of 26/7/2021	480,046.90	86,000.00	27/06/2022	60%	18 months
Completion of 1 No 6 Units classroom Block with a staff common room, urinals, toilets and female changing room to lintel level at Nsawam behind the Male Prisons yard awarded to Nakopong Company Ltd with a start date of 6/11/2020	582,027.75	160,000.00	29/11/2021	65%	25 months
<b>Total</b>	<b>1,062,074.65</b>	<b>246,000.00</b>			

894. Management attributed the abandoned projects to the delayed release of DACF-RFG Fund.

895. Consequently, the community is denied the benefit of the projects coupled with the possible cost overruns due to an increase in the cost of building materials.

896. We recommended to Management of the Assemblies to ensure that priority is given to the completion of the abandoned projects before new ones are awarded.

## GREATER ACCRA REGION

### Cash Irregularity

#### Unaccounted funds - GH¢ 54,823.48

897. Section 7 of the PFM Act, 2016 (Act 921) states that, “a Principal Spending Officer of a covered entity shall ensure the regularity and proper use of money appropriated in that covered entity.”

898. Contrary to the above provision, Management of Ada East Assembly did not account for GH¢54,823.48 out of an amount of GH¢55,279.35 disbursed on various activities.

No.	Date - PV No.	Details	Payee	Amount	Amount accounted	Unaccounted Amount
1	21/12/2023 - 497618	Payment of 2nd quarter GoG to Agric Dept	Dept of Agric	2,511.74	-	2,511.74
2	21/12/2023 - 497616	Release of 2nd quarter GoG funds to H. R Dept. to undertake their planned activities	Human Resource Dept.	1,255.87	455.87	800.00
3	21/12/2023 - 497613	Payment of 2nd quarter GoG to Physical Planning to undertake their planned activities	Works Dept.	2,511.74		2,511.74

4	24/01/2023 -01/01/2023	Funds for Officers who took part in the Inspection & monitoring of projects	DCD	10,000.00	-	10,000.00
5	31/05/2023 - 05/01/2023	Payment of accrued allowance for the District project inspection & monitoring team	DCD	24,000.00	-	24,000.00
6	21/12/2023 - 497620	Payment to implement Inter-sectorial Social Services (ISS), child protection programme based on the 3rd quarter tranche	Dept. of Social Welfare	15,000.00		15,000.00
<b>Total</b>				<b>55,279.35</b>	<b>455.87</b>	<b>54,823.48</b>

899. We could therefore not confirm the authenticity of the expenditure as in the absence of the relevant supporting documents, the funds can be used in the personal interest of an individual rather than that of the Assembly.

900. We recommended recovery of GH¢54,823.48 from the Coordinating Director and Finance Officer into the DACF RFG account of the Assembly.

## NORTH EAST REGION

### Delayed project - GH¢361,652.00

901. Section 52 of the Public Financial Management Act, 2016 (Act 921) requires that, “a Principal Spending Officer of a covered entity, state-owned enterprise or public corporation shall be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets. A control system specified in Sub-section (1) shall be capable of ensuring that preventive mechanisms are in place to eliminate theft, loss, wastage and misuse.”

902. We observed during our inspection of the Yunyoo Nasuan District Assembly’s DACF projects that the construction of 1 No. 3-Unit Classroom Block at Jimbale awarded to N-VIDIC Enterprise at a contract sum of GH¢361,652.00 had delayed. The



project was awarded in June 2022 for a six-month period and was expected to have been completed in January 2023. However, as at the time of the audit in January 2024, the project was about 60% complete as asserted by the District Works Engineer. Find pictures of the project below:



903. The District Engineer indicated that the Contractor had applied for a variation of the contract sum because of the rapid increases in material cost since the original contract sum could not complete the project. His application, however, has not been approved, hence, the delay.

904. The delay in completing the project had denied the communities the benefits to be derived from its use and has led to the impending cost overruns.

905. We recommended to Management to take the necessary steps to ensure timely completion of the project.

906. Management responded that the delay was as a result of financial challenges faced by the Assembly and promised to secure funding to complete the project.

## OTI REGION

### Contract Irregularity

#### Abandoned Projects – GH¢676,948.95

907. Section 52 of the Public Financial Management Act, 2016 (Act 921) provides that, “a Principal Spending Officer of a covered entity, State Enterprise or Public Corporation shall be responsible for the assets of the institution under the care of the Spending Officer and shall ensure that proper control system exist for the custody and management of the corporate assets, a control system specified should be capable of ensuring that preventive mechanism are in place to eliminate theft, loss wastage and misuse.”

908. We noted that two Assemblies expended a total amount of GH¢676,948.95 on three projects which were at various stages of completion but had been delayed or abandoned for periods ranging between 30 and 79 months. Details are provided below:

S/N	Name of Project	Name of Contractor	% of Completion	Start Date	Expected Completion Date	Contract Sum	Payment to date	Remarks
<b>Krachi Nchumuru District Assembly, Chinderi</b>								
1	Construction of 3-Unit classroom block with an office at Namondo	M/S Lion Hawk Ltd	60	16/12/16	17/4/17	189,045.00	145,055.58	Contractor left site due to lack of funds

	<b>Krachi West Municipal Assembly, Kete Krachi</b>							
2	Construction of Police Station at Ehiamankyene	Korban Company Ltd	29	1/11/20	30/5/21	507,824.00	186,872.84	Contractor's refusal to be on site
3	Extension of electricity to Ankaase - Matamallam	Abdul-Ganiu Ent.	80	1/11/20	30/5/21	535,627.28	345,020.53	Contractor's refusal to be on site
	<b>Total</b>					<b>1,232,496.28</b>	<b>676,948.95</b>	

909. Management of the Assemblies attributed the anomaly to the lack of funds and Contractors' refusal to be on site.

910. We recommended that Management should prioritize their spending to make funds available for the completion of the three projects before awarding new ones.

911. The Management of Krachi Nchumuru District Assembly stated that it made frantic efforts to get M/S Lion Hawk Ltd to the construction site to complete the project but all to no avail.

912. Management of Krachi West Municipal Assembly on their part responded that it had given priority to delayed projects before new ones are awarded.

## **SAVANNAH REGION**

### **Contract Irregularities**

#### **Completed projects not put to use - GH¢780,319.50**

913. Section 52 of the PFM Act, 2016 (Act 921) requires, "Principal Spending Officers of covered entities to institute proper control system to prevent losses and wastage."

914. We however noted that West Gonja Municipal Assembly had completed three projects between February 2022 and May 2023 at a total cost of GH¢780,319.50 but the facilities had not been put to use due to various reasons. Details are provided below:

Project	Date of Completion	Total Payment	Period not in use	Reason
Construction and furnishing of 1 No. 3 unit classroom block, office, staff common room 4-seater KVIP toilet and Urinal	11/05/23	448,664.00	7 months	TVET Secretariat yet to admit students.
Construction and furnishing of 1 No. Police Post at Larabanga	07/06/22	184,777.00	19 months	Ghana Police Service yet to deploy personnel to man the station.
Construction and furnishing of 1 No. Police Quarters at Larabanga	17/02/22	146,878.50	22 months	Ghana Police Service yet to deploy personnel to man the station.
<b>Total</b>		<b>780,319.50</b>		

915. The situation has denied the communities the benefits from use of the projects and therefore defeats the purposes for which the total amount of GH¢780,319.50 was invested.

916. We recommended to Management to impress upon the respective institutions to do the needful to enable the facilities to be put to their intended use.

917. Management stated that, water and electricity would be extended to the Police Post and quarters at Larabanga for the facilities to be put to use. With regards to the Vocational school, Management stated that students will be admitted during the next academic year, to ensure that the facility is utilized.

#### **Delayed projects - GH¢255,332.78**

918. Section 52 of the Public Financial Management Act, 2016 (Act 921) requires that, "Principal Spending Officers shall institute a control system that shall be capable of ensuring that proper procedures are in place for the effective, efficient, economical and transparent use of assets and to prevent wastages and misuse."

919. We noted that the Central Gonja District Assembly awarded a contract for construction of 1No CHPS Compound at Gbirigi to Alhaji Bamba Enterprise in a sum of GH¢324,850.00 to be completed by 1 July 2020 but the project was 90% completed as at December 2023 with a total payment of GH¢255,332.78 to the Contractor.

920. Management attributed their inability to complete the project to funding constraints.

921. The delay in executing the project could lead to cost overruns due to effects of price increases on building materials.

922. We recommended to Management to ensure that priority is given to the delayed project before new ones are awarded.

923. Management has accepted the recommendation for compliance and further gave the assurance that the projects would be worked on as soon as funds were made available.

## UPPER EAST REGION

### **Failure to execute projects according to specifications – GH¢17,053.37**

924. Section 7 of the Public Financial Management Act, 2016 (Act 921) states that, “a Principal Spending Officer of a covered entity shall ensure the regularity and proper use of money appropriated in that covered entity.”

925. We however noted that Management of Bongo District Assembly paid a total amount of GH¢17,053.37 from DDF account to three contractors for unexecuted portions of three contracts. Details are provided below:

Contractor	Contract title	Item description	Quantity of works to be done	Actual quantity of works done	Unit price	Works not done	Value of works paid for not done
Chambasco Co. Ltd	Renovation of Gowrie Area Council block	Non provision of Performance security	1	Nil	3,000.00	3,000.00	3,000.00
		Mortis Lock	5	2	250.00	3	750.00
		Ceiling Fans	7	1	650.00	6	3,900.00
		Louver blades	120	87	25.00	33	825.00
Messrs UMEX-Ghana Ltd	Drilling of 12no. Boreholes with fitted hand pumps at selected communities in the Bongo District-LOT A	Training for caretakers	11	Nil	366.67	11	4,033.37

Messrs Frontline Limited	Drilling of 9no. Boreholes with fitted hand pumps at selected communities in the Bongo District-Lot B	Training for caretakers	9	Nil	505.00	9	4,545.00
<b>Total</b>							<b>17,053.37</b>

926. This has resulted in payment for works or service not done and could lead to loss of funds.

927. We recommended that Management should notify the contractors to undertake the outstanding works at no cost to the Assembly failing which Management should recover the amounts from the contractors' retention.

928. Management accepted our recommendation for compliance.

## UPPER WEST REGION

### Cash Irregularities

#### Payments outside the GIFMIS platform

929. Regulation 83 of the PFMR, 2019 (L.I. 2378) states that, "all payments for expenditure of covered entities shall be made through the Ghana Integrated Financial Management Information System."

930. Management of Daffiama Bussie Issa Assembly made payments on seven payment vouchers amounting to GH¢186,249.70 outside the GIFMIS platform. Details are provided below:

Date	PV No.	Details	Payee	Amount
01/01/23	01/09/23	Payment for the construction of 3-unit Girls Dormitory block	Anasigi Ghana Ltd	168,348.00



22/06/23	06/06/23	Final payment for electricity extension to Maaduteng with transformer and Meters to 30 houses	E.K Kwasaak Co. Ltd	17,901.70
<b>Total</b>				<b>186,249.70</b>

931. Management attributed the lapse to technical challenges the Assembly's GIFMIS system faced during the period which made it difficult for the affected payments to be processed on the system.

932. Failure to process transactions through the GIFMIS platform could compromise transparency and accountability in the public expenditure management process. It could also lead to distortion in the financial reporting of the Assembly.

933. We recommended to the Assembly to liaise with the GIFMIS Secretariat to address the challenges the Assemblies may face in the use of the GIFMIS platform.

934. Management responded that this happened because of their inability to set the Suppliers up on the GIFMIS Platform.

## Contract Irregularities

### Delayed / Abandoned Projects - GH¢1,866,057.76

935. Section 52 of the Public Financial Management Act, 2016 (Act 921) requires, "the Principal Spending Officers to institute proper control systems to prevent losses and wastage."

936. We noted that two Assemblies awarded seven projects with a total contract sum of GH¢2,014,846.34 out of which a total amount of GH¢1,866,057.76 had been paid to the Contractors but the projects had either been delayed or abandoned at various stages of completion. Details are provided below:

No.	Contract	Contractor	Contract Sum	Amt Paid	Completion Date	% of Work done
<b>WA East</b>						
1	Construction of 1no. 2-unit semi-detached teacher's Quarters Kulkpong	M/S Novma Enterprise	328,452.70	312,030.06	17/03/23	98%

2	Drilling, construction and Mechanization of 1No. borehole with 1no polytank Kpalworgu	Messr Jamas Company Ltd	53,750.00	51,062.50	10/4/2023	95%
3	construction of 3-unit classroom block with ancillary facilities and furnishing at holomoni	Messr kanaronnye Enterprise	391,463.40	371,890.23	29/03/23	95%
4	construction of Double culvert at sawobe	Mimiza Enterprise	388,010.00	368,605.00	29/03/23	98%
5	Construction of 1no. general ward with ancillary facilities at Funsu	Dolo Construction and Trading Ltd	405,713.13	385,427.47	29/10/20	95%
<b>Sissala West</b>						
6	Const. of CHPS compound and KVIP toilet at Gumo	M/S Majid Seidu Enterprise	309,001.11	278,101.00	22/08/2023	98%
7	Drilling and Mechanization of 2 boreholes & extension of electricity to 3 facilities at Gumo, Kaa and Zini	M/S Lubie Construction Works Ltd.	138,456.00	98,941.50	27/06/2023	75%
	<b>TOTAL</b>		<b>2,014,846.34</b>	<b>1,866,057.76</b>		

937. Management attributed the anomaly to funding challenges and the provision of amenities such as electricity and furniture.

938. The continuous delay in the completion of these projects could lead to variation of contract prices due to changes in prices of building materials, hence additional cost to the Assemblies.

939. We recommended that Management of the Assemblies should place priority on the completion of these projects before new ones are awarded.

940. Management of Wa East District responded that they handed over the general ward to the Ghana Health Service in June 2022 and is in use. However, Management of Sissala West declined to respond to the management letter.



### **Overdue Liabilities to Contractors - GH¢73,513.00**

941. Clause 43.1 of the Contract Agreement between Nandom Municipal Assembly and two contractors states that Payments shall be adjusted for deductions for advance of payments and retention. The employer shall pay the contractor the amount certified by the consultants within 28 days of the date of each certificate. If the employer makes a late payment, the contractor shall be paid interest on the late payment in the next payment. Interest shall be calculated from the date by which the payment should have been made up to the date when the late payment is made at the prevailing rate of interest for commercial borrowing for each of the currencies in which payments are made.

942. Our audit revealed that the Nandom Municipal Assembly awarded contracts at a contract sum of GH¢735,126.00. The projects were completed and in use as at 31/12/2023. However, GH¢661,613.00 has been paid leaving a balance of GH¢73,513.00 still outstanding although the contractors had submitted their work certificates. Details are provided below:

No	Project name	Contractor	Contract sum	Total payment	Outstand. amount	Date awarded	Date Completed
1	Construction of 1no. 2unit KG Block,Office at Bu-Nandom	Zaabe Sons Ltd	339,236.00	305,312.00	33,924.00	9/9/22	19/5/23
2	Construction and furnishing Of 1no. CHPS Compound and WC at Tantuo	Madmud Mashud Ventures	395,890.00	356,301.00	39,589.00	9/9/22	23/2/2023
	<b>TOTAL</b>		<b>735,126.00</b>	<b>661,613.00</b>	<b>73,513.00</b>		

943. This could lead to payment of judgement debt.

944. We recommended to Management to prioritize the settlement of the debt to avoid possible legal action by the contractors.

945. Management responded that diligent efforts were being taken to defray the outstanding claims of the contractors.

## **VOLTA REGION**

### **Delayed/abandoned projects- GH¢1,187,256.07**

946. Section 52 of the PFM Act, 2016 (Act 921) requires that, “a Principal Spending Officer of a covered entity shall be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets to prevent losses and wastages among others.”

947. We however noted that two Assemblies disbursed a total amount of GH¢1,187,256.07 on three projects which were at various stages of completion but had been delayed/abandoned for period ranging from nine months to 96 months. Details are provided below:

Name of Assembly	Project Description	Source Of Funding	Name of Contractor	Contract Sum	Total Payment as at 31/12/2023	Start date	Expected Completion date	% of Completion	Period of delayed/ abandoned	Remarks/ Reason
Hohoe Municipal	Construct 1No. CHPS Compound with two (2) bedrooms for nurses, Consulting room, Delivery room, waiting area, storeroom, weighing Center and mechanized 1No. borehole at Wli-Dzogbega	DACF-RFG	Pesben Investment Ltd.	400,386.00	143,867.60	07/11/2022	16/05/2023	50%	7 months	Lack of funds
	Construct 1No. 3-unit classroom blocks with WASH facilities, and the landscape surroundings with protective grasses and economic trees at Hohoe-Ahado SDA Prim. Sch.	DACF-RFG	Bumecon Investment Ltd.	309,803.00	230,977.00	28/01/2022	28/01/2023	95%	11 months	Lack of funds
	Completion of 1No. 3-Unit lockable store at Kpetoe	DACF-RFG	Winnermerf Ghana Ltd.	1,592,564.47	812,411.47	15/08/2018	13/09/2021	75%	37 months	Funding constraints
Agotime-Ziope District	<b>Total</b>			<b>2,302,753.47</b>	<b>1,187,256.07</b>					

948. This was due to poor project planning and management coupled with cash flow challenges that hindered the timely payments of interim certificates to contractors.

949. Delay in completion of projects could result in cost overruns due to additional expenditure on deterioration, price hikes in building materials and the cost of repacking the contract for re-award. The communities have also been denied timely use of the facilities to improve their livelihood.

950. We recommended to Management of the Assemblies to be proactive in their planning and management of projects to mitigate such incidences and also ensure that priority is given to uncompleted projects before new ones are awarded.

#### **Completed projects not in use - GH¢415,933.75**

951. Management of Ho Municipal Assembly awarded the construction of Municipal Canteen to Messrs. Danmuz on 24 May 2022 at a contract sum of GH¢440,000.00 and to be completed by 30 August 2023. We noted that the project was completed on 30 August 2023 with GH¢415,933.75 paid to the Contractor but Management was yet to put the project to use contrary to Section 52 of PFM Act, 2016 (Act 921).

952. The Works Engineer attributed the non-use of the project to the absence of electricity and water.

953. To prevent the deterioration of the project which would result in additional cost to the Assembly, we recommended to Management to ensure that electricity and water are provided to put the project in use.

## **WESTERN REGION**

### **Contract Irregularity**

#### **Delayed projects - GH¢1,723,995.51**

954. Section 52 of the PFM Act, 2016 (Act 921) requires that, “a Principal Spending Officer of a covered entity shall be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets to prevent losses and wastages among others.”

955. In violation of the above provision, we noted that the underlisted four Assemblies expended a total amount of GH¢1,723,995.51 on ten projects which were at various stages of completion but had been delayed for periods ranging from two to ten months.

No.	Assembly	Name of Project	Contractor	Contract Sum	Payments to Date	Start Date	Expected Completion Date	Period Delay/ Abandoned	Status of Work Done	Reason for delay
1	Jomoro	Construction of 3-unit classroom block with 6-seater water closet toilet facility at Ndumsuazo	Zawest Co. Ltd	469,790.00	294,614.20	12/10/2022	12/04/2023	8 months	50% complete	No reason was provided
2		Construction of 2 No.6-seater water closet toilet facility with overhead water tank at Bawia-Nvellenu Bermant primary School and Mans Primary school at Bawia Nvellenu and Ahomasuazo	Emnesdey Co. Ltd	306,250.00	215,188.60	12/10/2022	12/04/2023	8 months	45% complete	No reason was provided
3		Construction and furnishing of 3-Bedroom bungalow for GES Directorate at Half Assini	E.K Construction and Civil Engineering Works	366,000.00	190,630.35	10/10/2022	10/04/2023	8 months	70% complete	No reason was provided
		<b>Total</b>		<b>1,142,040.00</b>	<b>700,433.15</b>					
4	Nzema East	Construction of 1No. 1unit modern lockable fish market with at Anyinase	Sekamet Infinity Ltd	657,519.39	98,627.91	24/07/2023	24/10/2023	2 months	0	Contractor Yet to Commence Work

5		Construction of 1No. 3-unit market sheds with 2No. Urinals at Nkroful	Sekamet Infinity Ltd	458,334.45	68,750.17	13/04/2023	13/09/2023	3 months	45%	Funding
6		Construction of 2No. 6-seater water closet toilets, with mechanized borehole at Baseke DA JHS	Projekt 1 Ltd	341,769.14	51,265.37	13/04/2023	13/09/2023	3 months	50%	Funding
		<b>Total</b>		<b>1,457,622.98</b>	<b>218,643.45</b>					
7	Wassa Amenfi Central District	Construction of 4No. 96-unit market stall at Adjakaa Manso -LOT1 at Adjakaa Manso	M/S MEGLOGI CS Company Ltd.	699,388.86	336,651.78	14/12/2022	15/09/2023	3 months	60%	Relocation of ECG cables
8		Construction of 1No. 2 bed room semi-detached teachers' quarters at Manso Amenfi (LOT - 1A) & continuation and completion of CHPS compound at Dwirigum (LOT - 18) at Manso Amenfi & Dwirigum	M/S MEGLOGI CS Company Ltd.	442,498.39	224,961.16	22/07/2022	23/04/2023	8 months	72%	Land litigation
		<b>Total</b>		<b>1,141,887.25</b>	<b>561,612.94</b>					
9	Wassa Amenfi West Municipal	Construction of 3NO. Market shed at Asankrangwa	Messrs Meikofso Company Ltd	210,000.00	147,124.50	10/10/2022	20/03/2023	9 Months	85%	lack of cooperation from community

10		Construction of Market shed at Asankrangwa -Cuba and Mumuni	2No.	Messrrs Meikofso Company Ltd	142,846.45	96,181.47	10/10/2022	10/02/2023	10 Months	85%	lack of cooperation from community
		<b>Total</b>			<b>142,846.45</b>	<b>243,305.97</b>					
		<b>Grand total</b>			<b>3,884,396.68</b>	<b>1,723,995.51</b>					



956. Delayed completion of the projects would result in avoidable cost due to price increase of building materials which would have been used to meet other commitments of the Fund in the Assemblies.

957. We recommended to Management of the Assemblies involved to ensure that priority is given to the completion of delayed projects before awarding new ones.

## **WESTERN NORTH REGION**

### **Procurement Irregularity**

#### **Award of contract to suppliers without evaluation**

958. Section 28 (e) of the Public Procurement Act, 2003 (Act 663) states that, “a procurement entity shall maintain a record of the procurement proceeding containing a summary of the evaluation and comparison of tenders, proposals under Section 60 offers or quotations including the application of any margin of preference pursuant to Section 60.”

959. In contravention of the above provision, we noted that Sefwi Akontombra Assembly awarded the supply of oil palm seedlings valued at GH¢92,700.00 to Messrs. Safe-Sol Enterprise without evaluation report to justify its choice of Supplier.

960. Not evaluating tenders and documenting the basis for which Suppliers/service providers are selected creates doubts in the transparency and authenticity of the procurement process.

961. In response to our Management letter, documents provided for our review however revealed the following;

- i. Management paid the Contractor on 5 October, 2023 whilst the evaluation report was prepared and signed by the evaluators on 27 October, 2023;
- ii. Management issued an award letter on 3 November 2023, and
- iii. Seedlings were supplied on 10 November 2023 after payment was made on 5 October, 2023 in contravention of the contract agreement which stated that the seedlings must be supplied before payment must be made.

962. The practice of circumventing the procurement process might lead to value for money not being achieved.

963. We recommended that Management should ensure compliance with the provisions of Public Procurement Act, 2003 (Act 663). We also recommended appropriate sanctions under Section 92 of the Public Procurement Act, 2003 (Act 663) against the Coordinating Director and the Finance Officer and any responsible officer involved.

## **Contract Irregularities**

### **Abandoned/delayed projects - GH¢1,197,014.87**

964. Section 52 of PFM Act, 2016, (Act 921) stipulates that, “a Principal Spending Officer of a covered entity shall be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets and the control system shall be capable of ensuring that preventive mechanisms are in place to eliminate theft, loss, wastage and misuse.”

965. We noted that three Assemblies delayed/abandoned the completion of five projects for which a total amount of GH¢1,197,014.87 had been incurred for periods ranging between five months and 19 months. Details are provided below:

Assembly	Project	Contractor	Contract Sum	Payment to date	Start date	Expected date of completion	Percentage of completion	Period of Delay	Reason
Bibiani	Construction of 1 No 6 Unit Classroom Block with Ancillary facilities at Anhwiaso	Henhans Ventures	790,307.50	318,546.13	24/04/2023	27/07/2023	70%	5 months	Delay release of DACF-RFG Fund
Suaman	Constructio of 1No Bedroom detached Nurses' quarters at Dadeiso	Christap Construction	252,240.00	98,154.40	16/9/202	16/05/2022	80%	19 months	Delay release of DACF-RFG Fund
Sefwi Wiawso	Construction of 1no.6unit classroom block with office, store and six-seater KVIP at Akyeamekrom	Messers Phimos Ltd.	610,070.48	482,009.46	10/06/2021	10/02/2022	85%	22 months	Delay release of DACF-RFG Fund
	Construction of 2No 10unit market shed at Sefwi Boako	Jeseth Const& Trading Co. Ltd	347,746.54	143,210.88	27/10/2022	26/04/2023	55%	8 months	Delay release of DACF-RFG Fund
	Reshaping of 20km feeder roads at Punikrom-keteboi, Datano-Nyamegyeso, Suhenso	Limensco limited	209,400.00	155,094.00	27/10/2022	26/02/2023	80%	10 months	Delay release of DACF-RFG Fund
	<b>Total</b>		<b>2,209,764.52</b>	<b>1,197,014.87</b>					

966. Delayed completion of the projects would result in the Assemblies paying more than the original contract sums due to variations in prices and as a result will impact negatively on the limited funds of the Programme.

967. We recommended to Management of the Assemblies involved to be proactive in project management by ensuring that priority is given to the early completion of the ongoing projects before new ones are awarded to prevent the situation of several uncompleted projects.

#### **Completed project not in use – GH¢495,411.51**

968. Contrary to Section 52 of the PFM Act, 2016 (Act 921), we noted that a completed 2No 20-unit market stalls at Aferi constructed at a contract sum of GH¢495,858.29 for which an amount of GH¢495,411.51 had been paid and handed over to the Bodi Assembly on 17 April 2023 was yet to be put to use.

969. The District Works Engineer explained that the Assembly was yet to allocate the stores to the occupants, hence the reason for the delay in putting the completed project to use.

970. The delayed use of the completed projects deprived the Assembly of revenue that would have accrued from the allocation of the stores.

971. We recommended that Management of the Assembly should immediately put the project to use by allocating the stores to the intended beneficiaries to rake in the expected revenue for other development projects.

### **Tax Irregularities**

#### **Unremitted withholding tax to GRA - GH¢16,828.78**

972. Section 117 of the Income Tax Act, 2015 (Act 896) requires, “a withholding agent to pay to the Domestic Tax Revenue Division (DTRD) of the Ghana Revenue Authority (GRA) within fifteen days after the end of each calendar month a tax that has been withheld.”

973. We however noted that Management of Bodi Assembly withheld taxes of GH¢16,828.78 from total payment of GH¢336,593.63 to three suppliers but did not remit the amount to the GRA.

Details	Amount paid	Tax withheld
Construction of 1 No 3 Unit Classroom with office staff common room and store at Denchmoase	57,253.63	2,862.68
Construction of 2 No 20 Unit market stalls at Bodi	239,340.00	11,966.10
Payment for the construction of staff accommodation for Bodi GES	40,000.00	2,000.00
<b>Total</b>	<b>336,593.63</b>	<b>16,828.78</b>

974. Management's failure to remit the withholding tax could attract a penalty resulting in avoidable cost that the Assembly could have used for other activities.

975. We recommended that the amount of GH¢16,828.78 should be remitted to the GRA without delay and any penalty for late payment should be borne by the Finance Officer.

#### **Failure to obtain VAT invoice for VAT paid - GH¢10,840.37**

976. Section 41 of VAT Act, 2013 (Act 870) stipulates that, "a taxable person shall, on making a taxable supply of goods and services, issue to the recipient, a tax invoice in the form and with the details that are prescribed by the Commissioner-General."

977. We noted on the contrary that Aowin District Assembly paid an amount of GH¢161,947.00 inclusive of VAT of GH¢6,228.73 to a supplier without obtaining VAT invoices and as a result, would not bound the supplier to remit the VAT amount to GRA.

978. We recommended that Management of the Aowin District Assembly should obtain the VAT receipts from the Supplier or be made to refund the VAT amount. Failure of which the Finance Officer should be held liable to refund GH¢6,228.73 into DACF account of the Assembly.

## APPENDICES

## APPENDIX A

## DACF ALLOCATIONS, DEDUCTIONS AND NET RELEASES - 2022

REGION	METRO./MUNI./DISTRICT ASSEMBLIES	Total Allocations	4TH QUARTER 2022	1ST QUARTER 2023	2ND QUARTER 2023	3RD QUARTER 2023	Total deductions	Net	% of Net amount
WESTERN	SEKONDI TAKORADI METRO.	2,748,845.76	700,686.17	646,787.24	700,686.17	700,686.17	939,665.54	1,809,180.22	65.82
	EFFIA KWESIMINTSIM MUNICIPAL	3,119,658.23	795,207.00	734,037.23	795,207.00	795,207.00	775,956.20	2,343,702.03	75.13
	SHAMA	1,774,573.53	452,342.27	417,546.71	452,342.27	452,342.27	614,851.50	1,159,722.02	65.35
	NZEMA EAST MUNICIPAL	1,592,501.94	405,931.87	374,706.34	405,931.87	405,931.87	763,433.52	829,068.42	52.06
	ELLEMBELLE	1,748,120.29	445,599.29	411,322.42	445,599.29	445,599.29	614,634.59	1,133,485.70	64.84
	TARKWA NSUEM MUNICIPAL	1,588,434.70	404,895.12	373,749.34	404,895.12	404,895.12	763,400.16	825,034.54	51.94
	PRESTEA-HUNI VALLEY MUNICIPAL	1,842,373.91	469,624.72	433,499.74	469,624.72	469,624.72	615,407.47	1,226,966.44	66.60
	AHANTA WEST MUNICIPAL	1,717,411.41	437,771.54	404,096.80	437,771.54	437,771.54	614,382.77	1,103,028.64	64.23
	AMENFI WEST MUNICIPAL	1,641,079.31	418,314.33	386,136.31	418,314.33	418,314.33	613,756.85	1,027,322.46	62.60
	AMENFI CENTRAL	1,630,141.55	415,526.28	383,562.72	415,526.28	415,526.28	613,667.16	1,016,474.39	62.35
	AMENFI EAST MUNICIPAL	1,544,883.95	393,793.95	363,502.11	393,793.95	393,793.95	612,968.05	931,915.90	60.32
	WASSA EAST	1,668,953.85	425,419.61	392,695.02	425,419.61	425,419.61	613,985.42	1,054,968.42	63.21
	JOMORO MUNICIPAL	1,921,983.79	489,917.44	452,231.48	489,917.44	489,917.44	616,060.27	1,305,923.52	67.95
	MPOHOR	1,624,447.01	414,074.73	382,222.83	414,074.73	414,074.73	613,620.47	1,010,826.55	62.23
TOTAL	SUB TOTAL	26,163,409.21	6,669,104.31	6,156,096.29	6,669,104.31	6,669,104.31	9,385,789.96	16,777,619.26	64.13
REGION	METRO./MUNI./DISTRICT ASSEMBLIES	Total Allocations	4TH QUARTER 2022	1ST QUARTER 2023	2ND QUARTER 2023	3RD QUARTER 2023	Total deductions	Net	% of Net amount
WESTERN NORTH	SEFWI WIAWSO MUNICIPAL	1,790,140.62	456,310.35	421,209.56	456,310.35	456,310.35	765,054.15	1,025,086.47	57.26
	SEFWI AKONTOMBRA	1,737,954.97	443,008.13	408,930.58	443,008.13	443,008.13	614,551.23	1,123,403.74	64.64
	BIBIANI AWIASO BEKWAI	1,698,703.03	433,002.73	399,694.83	433,002.73	433,002.73	614,229.36	1,084,473.66	63.84
	JUABOSO	1,555,173.24	396,416.71	365,923.11	396,416.71	396,416.71	613,052.42	942,120.82	60.58
	BODI	1,684,130.31	429,288.12	396,265.96	429,288.12	429,288.12	614,109.87	1,070,020.44	63.54
	BIA WEST	1,651,204.55	420,895.28	388,518.72	420,895.28	420,895.28	613,839.88	1,037,364.67	62.82
	BIA EAST	1,545,037.70	393,833.14	363,536.28	393,833.14	393,833.14	612,969.31	932,068.39	60.33
	AOWIN MUNICIPAL	1,745,300.31	444,880.47	410,658.90	444,880.47	444,880.47	614,611.46	1,130,688.85	64.78
	SUAMAN	1,527,756.31	389,428.08	359,472.07	389,428.08	389,428.08	612,827.60	914,928.71	59.89
	SUB TOTAL	14,935,401.03	3,807,063.01	3,514,212.01	3,807,063.01	3,807,063.01	5,675,245.29	9,260,155.74	62.00
REGION	METRO./MUNI./DISTRICT ASSEMBLIES	Total Allocations	4TH QUARTER 2022	1ST QUARTER 2023	2ND QUARTER 2023	3RD QUARTER 2023	Total deductions	Net	% of Net amount
	CAPE COAST METRO.	1,994,646.02	508,439.18	469,328.48	508,439.18	508,439.18	933,481.10	1,061,164.92	53.20
	MFANTSEMAN WEST MUN.	1,843,188.54	469,832.37	433,691.42	469,832.37	469,832.37	765,489.15	1,077,699.39	58.47

CENTRAL	EKUMFI	1,618,418.36	412,538.01	380,804.32	412,538.01	412,538.01	613,571.03	1,004,847.33	62.09
	KOM/EDI/EGU/ABI MUN.	1,799,584.70	458,717.67	423,431.70	458,717.67	458,717.67	765,131.59	1,034,453.11	57.48
	UPP. DENKY. EAST MUN.	1,594,307.66	406,392.15	375,131.21	406,392.15	406,392.15	763,448.32	830,859.34	52.11
	UPPER DENKYIRA WEST	1,613,868.97	411,378.36	379,733.88	411,378.36	411,378.36	613,533.73	1,000,335.24	61.98
	EFFUTU MUNICIPAL	1,878,022.57	478,711.64	441,887.66	478,711.64	478,711.64	765,774.79	1,112,247.79	59.22
	AWUTU SENYA	1,721,146.58	438,723.64	404,975.66	438,723.64	438,723.64	614,413.40	1,106,733.17	64.30
	AWUTU SENYA EAST MUNICIPAL	2,012,686.15	513,037.65	473,573.21	513,037.65	513,037.65	766,879.03	1,245,807.12	61.90
	AGONA WEST MUN.	1,737,462.42	442,882.58	408,814.69	442,882.58	442,882.58	764,622.19	972,840.23	55.99
	AGONA EAST	1,730,159.70	441,021.10	407,096.40	441,021.10	441,021.10	614,487.31	1,115,672.39	64.48
	ASSIN FOSU MUNICIPAL	2,034,398.08	518,572.06	478,681.90	518,572.06	518,572.06	767,057.06	1,267,341.02	62.30
	ASSIN NORTH	1,813,807.90	462,343.19	426,778.33	462,343.19	462,343.19	615,173.22	1,198,634.68	66.08
	ASSIN SOUTH	1,724,782.16	439,650.35	405,831.10	439,650.35	439,650.35	614,443.21	1,110,338.95	64.38
	TWIFO ATI-MORKWA	1,591,685.62	405,723.78	374,514.26	405,723.78	405,723.78	613,351.82	978,333.79	61.47
	TWIFO HEMANG/LOWER/DEN.	1,720,560.11	438,574.15	404,837.67	438,574.15	438,574.15	614,408.59	1,106,151.52	64.29
	AJU/ENY/ESSIAM	1,735,163.24	442,296.51	408,273.70	442,296.51	442,296.51	614,528.34	1,120,634.90	64.58
	GOMOA	1,909,391.00	486,707.51	449,268.47	486,707.51	486,707.51	615,957.01	1,293,434.00	67.74
	GOMOA EAST	2,071,693.94	528,078.85	487,457.40	528,078.85	528,078.85	617,287.89	1,454,406.04	70.20
	GOMOA CENTRAL	2,166,942.94	552,358.00	509,868.93	552,358.00	552,358.00	618,068.93	1,548,874.01	71.48
	ASI/ODO/BRAKWA	1,734,250.24	442,063.79	408,058.88	442,063.79	442,063.79	614,520.85	1,119,729.39	64.57
	ABURA/ ASEBU/KWAN.	1,697,302.46	432,645.73	399,365.29	432,645.73	432,645.73	614,217.88	1,083,084.58	63.81
	SUB TOTAL	39,743,469.37	10,130,688.27	9,351,404.56	10,130,688.27	10,130,688.27	14,899,846.45	24,843,622.92	62.51
	TOTAL								
REGION	METRO /MUNI/DISTRICT ASSEMBLIES	Total Allocations	4TH QUARTER 2022	1ST QUARTER 2023	2ND QUARTER 2023	3RD QUARTER 2023	Total deductions	Net	% of Net amount
GT. ACCRA	ACCRA METRO.	4,524,735.88	1,153,364.05	1,064,643.74	1,153,364.05	1,153,364.05	954,227.83	3,570,508.04	78.91
	OKAIKWEI NORTH MUNICIPAL	4,544,324.32	1,158,357.18	1,069,252.78	1,158,357.18	1,158,357.18	787,638.46	3,756,685.86	82.67
	ABLEKUMA NORTH MUNICIPAL	4,544,324.32	1,158,357.18	1,069,252.78	1,158,357.18	1,158,357.18	787,638.46	3,756,685.86	82.67
	ABLEKUMA WEST MUNICIPAL	4,544,324.32	1,158,357.18	1,069,252.78	1,158,357.18	1,158,357.18	787,638.46	3,756,685.86	82.67
	AYAWASO EAST MUNICIPAL	4,544,324.32	1,158,357.18	1,069,252.78	1,158,357.18	1,158,357.18	787,638.46	3,756,685.86	82.67
	AYAWASO NORTH MUNICIPAL	4,544,324.32	1,158,357.18	1,069,252.78	1,158,357.18	1,158,357.18	787,638.46	3,756,685.86	82.67
	AYAWASO WEST MUNICIPAL	4,544,324.32	1,158,357.18	1,069,252.78	1,158,357.18	1,158,357.18	787,638.46	3,756,685.86	82.67
	KORLE KLOTTEY MUNICIPAL	4,544,324.32	1,158,357.18	1,069,252.78	1,158,357.18	1,158,357.18	787,638.46	3,756,685.86	82.67
	AYAWASO CENTRAL MUNICIPAL	4,544,324.32	1,158,357.18	1,069,252.78	1,158,357.18	1,158,357.18	787,638.46	3,756,685.86	82.67
	ABLEKUMA CENTRAL MUNICIPAL	4,544,324.32	1,158,357.18	1,069,252.78	1,158,357.18	1,158,357.18	787,638.46	3,756,685.86	82.67
	LA DADE-KOTOPOON MUNICIPAL	2,383,545.92	607,570.53	560,834.33	607,570.53	607,570.53	769,920.08	1,613,625.84	67.70
	LEDZEKUKU MUNICIPAL	2,316,120.71	590,383.71	544,969.58	590,383.71	590,383.71	769,367.19	1,546,753.52	66.78
	KROWOR MUNICIPAL	2,439,501.43	621,833.70	574,000.34	621,833.70	621,833.70	770,378.91	1,669,122.52	68.42
	TEMA METRO.	2,562,924.40	653,294.46	603,041.04	653,294.46	653,294.46	938,140.98	1,624,783.42	63.40
	TEMA WEST MUNICIPAL	2,320,607.51	591,527.40	546,025.30	591,527.40	591,527.40	769,403.98	1,551,203.52	66.84
	KPONE AKATAMANSO MUNICIPAL	1,946,282.23	496,111.16	457,948.76	496,111.16	496,111.16	616,259.51	1,330,022.71	68.34
	ASHAIMAN MUNICIPAL	3,215,811.19	819,716.58	756,661.46	819,716.58	819,716.58	776,744.65	2,439,066.54	75.85
	ADENTA MUNICIPAL	2,050,951.54	522,791.57	482,576.83	522,791.57	522,791.57	767,192.80	1,283,758.74	62.59
	GA WEST MUNICIPAL	1,993,424.33	508,127.77	469,041.02	508,127.77	508,127.77	766,721.08	1,226,703.25	61.54
	GA NORTH MUNICIPAL	2,128,354.14	542,521.64	500,789.21	542,521.64	542,521.64	767,827.50	1,360,526.63	63.92
	GA SOUTH MUNICIPAL WEIJA -	3,533,125.62	900,600.65	831,323.68	900,600.65	900,600.65	779,346.63	2,753,778.99	77.94



EASTERN	GA SOUTH MUN. NGLESHIE	3,165,305.73	806,842.64	744,777.82	806,842.64	806,842.64	776,330.51	2,388,975.22	75.47
	GA CENTRAL MUNICIPAL	2,471,881.27	630,087.38	581,619.12	630,087.38	630,087.38	770,644.43	1,701,236.85	68.82
	GA EAST MUNICIPAL	2,199,247.57	560,592.52	517,470.02	560,592.52	560,592.52	768,408.83	1,430,838.74	65.06
	LA NKANTANANG MADINA	1,815,756.90	462,839.99	427,236.92	462,839.99	462,839.99	765,264.21	1,050,492.69	57.85
	ADA EAST	1,685,456.44	429,626.15	396,577.99	429,626.15	429,626.15	614,120.74	1,071,335.70	63.56
	ADA WEST	1,704,836.23	434,566.10	401,137.94	434,566.10	434,566.10	614,279.66	1,090,556.58	63.97
	SHAI/OSUDOKU	1,499,974.74	382,346.50	352,935.23	382,346.50	382,346.50	612,599.79	887,374.95	59.16
	NINGO/PRAMPAM	1,598,347.42	407,421.89	376,081.74	407,421.89	407,421.89	613,406.45	984,940.97	61.62
	SUB TOTAL	88,455,110.09	22,547,381.00	20,812,967.08	22,547,381.00	22,547,381.00	22,069,331.90	66,385,778.19	75.05
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REGION	METRO/MUNI/DISTRICT ASSEMBLIES	Total Allocations	4TH QUARTER 2022	1ST QUARTER 2023	2ND QUARTER 2023	3RD QUARTER 2023	Total deductions	Net	% of Net amount
EASTERN	NEW JUABEN MUNICIPAL	2,043,894.21	520,992.64	480,916.28	520,992.64	520,992.64	767,134.93	1,276,759.27	62.47
	NEW JUABEN NORTH	2,012,753.66	513,054.85	473,589.10	513,054.85	513,054.85	616,804.58	1,395,949.08	69.36
	NSAWAM/ADOAGYIRI MUNICIPAL	1,712,027.40	436,399.14	402,829.98	436,399.14	436,399.14	764,413.62	947,613.78	55.35
	AKUAPEM SOUTH	1,615,111.25	411,695.03	380,026.18	411,695.03	411,695.03	613,543.91	1,001,567.34	62.01
	WEST AKIM MUNICIPAL	2,600,300.77	662,821.76	611,835.48	662,821.76	662,821.76	771,697.47	1,828,603.30	70.32
	UPPER WEST AKIM	1,896,746.56	483,484.42	446,293.31	483,484.42	483,484.42	615,853.32	1,280,893.23	67.53
	EAST AKIM MUNICIPAL	1,856,499.83	473,225.45	436,823.49	473,225.45	473,225.45	765,598.30	1,090,901.53	58.76
	ABUAKWA NORTH	1,908,918.41	486,587.05	449,157.27	486,587.05	486,587.05	615,953.13	1,292,965.28	67.73
	ATIWA	1,735,186.34	442,302.40	408,279.14	442,302.40	442,302.40	614,528.53	1,120,657.81	64.58
	ATIWA EAST	1,753,839.89	447,057.23	412,668.21	447,057.23	447,057.23	614,681.49	1,139,158.40	64.95
	BIRIM CENTRAL MUNICIPAL	1,838,773.58	468,706.99	432,652.61	468,706.99	468,706.99	765,452.94	1,073,320.64	58.37
	ASENE/MANSO AKROSO	1,817,836.76	463,370.15	427,726.30	463,370.15	463,370.15	615,206.26	1,202,630.50	66.16
	BIRIM SOUTH	1,982,295.80	505,291.09	466,422.54	505,291.09	505,291.09	616,554.83	1,365,740.98	68.90
	ACHIASE	1,917,323.62	488,729.55	451,134.97	488,729.55	488,729.55	616,022.05	1,301,301.57	67.87
	BIRIM NORTH	1,741,751.49	443,975.87	409,823.88	443,975.87	443,975.87	614,582.36	1,127,169.13	64.71
	AKYEMANSO	1,853,883.56	472,558.55	436,207.90	472,558.55	472,558.55	615,501.85	1,238,381.71	66.80
	KWAHU WEST MUNICIPAL	1,912,789.15	487,573.71	450,068.04	487,573.71	487,573.71	766,059.87	1,146,729.28	59.95
	KWAHU EAST	1,839,867.60	468,985.86	432,910.02	468,985.86	468,985.86	615,386.91	1,224,480.69	66.55
	KWAHU SOUTH	1,629,610.29	415,390.86	383,437.72	415,390.86	415,390.86	613,662.80	1,015,947.49	62.34
	KWAHU AFRAM PLAINS NORTH	1,833,932.27	467,472.93	431,513.48	467,472.93	467,472.93	615,338.24	1,218,594.02	66.45
	KWAHU AFRAM PLAINS SOUTH	2,073,911.77	528,644.18	487,979.24	528,644.18	528,644.18	617,306.08	1,456,605.69	70.23
	AKUAPIM NORTH MUNICIPAL	1,767,032.02	450,419.93	415,772.24	450,419.93	450,419.93	764,864.66	1,002,167.36	56.71
	OKERE	1,812,755.22	462,074.86	426,530.64	462,074.86	462,074.86	615,164.59	1,197,590.63	66.06
	YILO KROBO MUNICIPAL	1,718,734.98	438,108.92	404,408.23	438,108.92	438,108.92	764,468.63	954,266.35	55.52
	MANYA KROBO MUNICIPAL	1,765,795.52	450,104.74	415,481.30	450,104.74	450,104.74	764,854.52	1,000,941.00	56.68
	UPPER MANYA KROBO	1,698,815.85	433,031.49	399,721.38	433,031.49	433,031.49	614,230.29	1,084,585.56	63.84
	SUHUM MUNICIPAL	1,720,009.33	438,433.75	404,708.08	438,433.75	438,433.75	764,479.08	955,530.26	55.55
	AYENSUANO	1,782,898.46	454,464.31	419,505.52	454,464.31	454,464.31	614,919.77	1,167,978.69	65.51
	KWAEBIBIRIM MUNICIPAL	1,829,921.34	466,450.54	430,569.73	466,450.54	466,450.54	615,305.35	1,214,615.98	66.38
	DENKYEMBOUR	2,191,242.81	558,552.09	515,586.54	558,552.09	558,552.09	618,268.19	1,572,974.62	71.78
	ASUOYAMAN	1,802,285.41	459,406.08	424,067.15	459,406.08	459,406.08	615,078.74	1,187,206.67	65.87
	FANTEAKWA	1,709,761.35	435,821.52	402,296.79	435,821.52	435,821.52	614,320.04	1,095,441.31	64.07
	FANTEAKWA SOUTH	1,746,566.37	445,203.19	410,956.79	445,203.19	445,203.19	614,621.84	1,131,944.52	64.81

TOTAL	SUB TOTAL	61,123,072.85	15,580,391.12	14,381,899.49	15,580,391.12	15,580,391.12	21,811,859.20	39,311,213.65	64.31
REGION	METRO/MUNI/DISTRICT ASSEMBLIES	Total Allocations	4TH QUARTER 2022	1ST QUARTER 2023	2ND QUARTER 2023	3RD QUARTER 2023	Total deductions	Net	% of Net amount
VOLTA	HO MUNICIPAL	1,883,830.95	480,192.20	443,254.34	480,192.20	480,192.20	765,822.41	1,118,008.54	59.35
	HO WEST	1,824,036.69	464,950.53	429,185.10	464,950.53	464,950.53	615,257.10	1,208,779.59	66.27
	AGORTIME-ZIOPE	1,552,329.38	395,691.80	365,253.97	395,691.80	395,691.80	613,029.10	939,300.28	60.51
	ADAKLU-	1,638,966.53	417,775.78	385,639.18	417,775.78	417,775.78	613,739.53	1,025,227.00	62.55
	KETA MUNICIPAL	1,804,173.19	459,887.28	424,511.34	459,887.28	459,887.28	765,169.22	1,039,003.97	57.59
	ANLOGA	1,817,136.74	463,191.72	427,561.58	463,191.72	463,191.72	615,200.52	1,201,936.21	66.14
	HOHOE MUNICIPAL	1,893,959.97	482,774.11	445,637.64	482,774.11	482,774.11	765,905.47	1,128,054.50	59.56
	AFADZETO	1,888,474.56	481,375.87	444,346.96	481,375.87	481,375.87	615,785.49	1,272,689.07	67.39
	KETU SOUTH MUNICIPAL	1,921,495.14	489,792.88	452,116.50	489,792.88	489,792.88	766,131.26	1,155,363.88	60.13
	KETU NORTH MUNICIPAL	1,865,854.07	475,609.86	439,024.49	475,609.86	475,609.86	615,600.00	1,250,254.06	67.01
	SOUTH DAYI	1,610,539.41	410,529.65	378,950.45	410,529.65	410,529.65	613,506.42	997,032.98	61.91
	NORTH DAVI	1,646,062.14	419,584.47	387,308.74	419,584.47	419,584.47	613,797.71	1,032,264.43	62.71
	AKATSI SOUTH	1,775,041.09	452,461.46	417,656.73	452,461.46	452,461.46	614,855.34	1,160,185.76	65.36
	AKATSI NORTH	1,617,340.54	412,263.28	380,550.72	412,263.28	412,263.28	613,562.19	1,003,778.35	62.06
	SOUTH TONGU	1,611,609.91	410,802.52	379,202.33	410,802.52	410,802.52	613,515.20	998,094.70	61.93
	CENTRAL TONGU	1,582,297.50	403,330.74	372,305.29	403,330.74	403,330.74	613,274.84	969,022.66	61.24
	NORTH TONGU	1,736,385.52	442,608.07	408,561.30	442,608.07	442,608.07	614,538.36	1,121,847.16	64.61
	KPANDO MUNICIPAL	1,754,650.39	447,263.82	412,858.91	447,263.82	447,263.82	764,763.13	989,887.25	56.42
TOTAL	SUB TOTAL	31,424,183.70	8,010,086.04	7,393,925.58	8,010,086.04	8,010,086.04	11,813,453.31	19,610,730.39	62.41
REGION	METRO/MUNI/DISTRICT ASSEMBLIES	Total Allocations	4TH QUARTER 2022	1ST QUARTER 2023	2ND QUARTER 2023	3RD QUARTER 2023	Total deductions	Net	% of Net amount
OTI	KRACHI EAST MUNICIPAL	1,980,169.29	504,749.03	465,922.19	504,749.03	504,749.03	616,537.39	1,363,631.90	68.86
	KRACHI WEST	1,571,138.21	400,486.21	369,679.58	400,486.21	400,486.21	613,183.33	957,954.88	60.97
	KRACHI NTSUMURU	1,802,043.84	459,344.51	424,010.31	459,344.51	459,344.51	615,076.76	1,186,967.08	65.87
	JASIKAN	1,655,773.02	422,059.79	389,593.65	422,059.79	422,059.79	613,877.34	1,041,895.68	62.93
	GUAN	-	-	-	-	-	-	-	-
	BLAKOVE	1,629,388.99	415,334.45	383,385.65	415,334.45	415,334.45	613,660.99	1,015,728.00	62.34
	NKWANTA SOUTH MUNICIPAL	1,756,580.41	447,755.79	413,313.04	447,755.79	447,755.79	614,703.96	1,141,876.45	65.01
TOTAL	NKWANTA NORTH	1,662,664.57	423,816.46	391,215.19	423,816.46	423,816.46	613,933.85	1,048,730.72	63.08
	KADJEBI	1,620,753.99	413,133.37	381,353.88	413,133.37	413,133.37	613,590.18	1,007,163.80	62.14
	SUB TOTAL	13,678,512.32	3,486,679.61	3,218,473.49	3,486,679.61	3,486,679.61	4,914,563.80	8,763,948.52	64.07
REGION	METRO/MUNI/DISTRICT ASSEMBLIES	Total Allocations	4TH QUARTER 2022	1ST QUARTER 2023	2ND QUARTER 2023	3RD QUARTER 2023	Total deductions	Net	% of Net amount



REGION	METRO/MUNI/DISTRICT ASSEMBLIES	Total Allocations	4TH QUARTER 2022	1ST QUARTER 2023	2ND QUARTER 2023	3RD QUARTER 2023	Total deductions	Net	% of Net amount
BONO	SUNYANI MUNICIPAL	1,689,005.93	430,530.92	397,413.16	430,530.92	430,530.92	764,224.85	924,781.08	54.75
	SUNYANI WEST	1,722,258.94	439,007.18	405,237.40	439,007.18	439,007.18	614,422.52	1,107,836.41	64.32
	DORMAA CENTRAL MUN.	1,614,029.72	411,419.34	379,771.70	411,419.34	411,419.34	763,610.04	850,419.68	52.69
	DORMAA WEST	1,679,461.29	428,097.98	395,167.36	428,097.98	428,097.98	614,071.58	1,065,389.70	63.44
	DORMAA EAST	2,054,562.22	523,711.94	483,426.41	523,711.94	523,711.94	617,147.41	1,437,414.81	69.96
	BEREKUM MUNICIPAL	1,808,843.60	461,077.78	425,610.26	461,077.78	461,077.78	765,207.52	1,043,636.08	57.70
	BEREKUM WEST	1,948,265.02	496,616.57	458,415.30	496,616.57	496,616.57	616,275.77	1,331,989.25	68.37
	WENCHI MUNICIPAL	1,732,352.91	441,580.15	407,612.45	441,580.15	441,580.15	764,580.29	967,772.61	55.86
	TAIN	1,669,685.11	425,606.01	392,867.09	425,606.01	425,606.01	613,991.42	1,055,693.70	63.23
	BANDA	1,510,067.92	384,919.27	355,310.10	384,919.27	384,919.27	612,682.56	897,385.37	59.43
TOTAL	JAMAN SOUTH MUNICIPAL	1,716,652.31	437,578.04	403,918.19	437,578.04	437,578.04	614,376.55	1,102,275.76	64.21
	JAMAN NORTH	1,671,638.68	426,103.98	393,326.75	426,103.98	426,103.98	614,007.44	1,057,631.24	63.27
	SUB TOTAL	20,816,823.66	5,306,249.17	4,898,076.15	5,306,249.17	5,306,249.17	7,974,597.95	12,842,225.70	61.69
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REGION	METRO/MUNI/DISTRICT ASSEMBLIES	Total Allocations	4TH QUARTER 2022	1ST QUARTER 2023	2ND QUARTER 2023	3RD QUARTER 2023	Total deductions	Net	% of Net amount
BONO EAST	TECHIMAN MUNICIPAL	1,812,822.90	462,092.11	426,546.56	462,092.11	462,092.11	765,240.15	1,047,582.75	57.79
	TECHIMAN NORTH	1,665,609.28	424,567.07	391,908.07	424,567.07	424,567.07	613,958.00	1,051,651.28	63.14
	KINTAMPO MUNICIPAL	1,667,504.97	425,050.29	392,354.11	425,050.29	425,050.29	764,048.54	903,456.43	54.18
	KINTAMPO SOUTH	1,673,268.73	426,519.48	393,710.29	426,519.48	426,519.48	614,020.80	1,059,247.93	63.30
	ATEBUBU AMANTIN MUNICIPAL	1,742,379.66	444,135.99	409,971.69	444,135.99	444,135.99	614,587.51	1,127,792.15	64.73
	PRU	1,822,513.51	464,562.27	428,826.71	464,562.27	464,562.27	615,244.61	1,207,268.90	66.24
	PRU WEST	1,874,404.46	477,789.37	441,036.34	477,789.37	477,789.37	615,670.12	1,258,734.34	67.15
	NKORANZA SOUTH MUN.	1,725,010.19	439,708.48	405,884.75	439,708.48	439,708.48	764,520.08	960,490.10	55.68
	NKORANZA NORTH	1,723,044.17	439,207.34	405,422.16	439,207.34	439,207.34	614,428.96	1,108,615.20	64.34
	SENE WEST	1,615,920.64	411,901.34	380,216.62	411,901.34	411,901.34	613,550.55	1,002,370.09	62.03
TOTAL	SENE EAST	1,670,265.77	425,754.02	393,003.71	425,754.02	425,754.02	613,996.18	1,056,269.59	63.24
	SUB TOTAL	18,992,744.28	4,841,287.76	4,468,881.01	4,841,287.76	4,841,287.76	7,209,265.50	11,783,478.78	62.04
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REGION	METRO/MUNI/DISTRICT ASSEMBLIES	Total Allocations	4TH QUARTER 2022	1ST QUARTER 2023	2ND QUARTER 2023	3RD QUARTER 2023	Total deductions	Net	% of Net amount
AHAFO	ASUNAFU NORTH MUNICIPAL	1,726,941.08	440,200.67	406,339.08	440,200.67	440,200.67	764,535.92	962,405.16	55.73
	ASUNAFU SOUTH	1,730,416.83	441,086.64	407,156.90	441,086.64	441,086.64	614,489.42	1,115,927.42	64.49
	TANO SOUTH MUNICIPAL	1,744,372.61	444,644.00	410,440.61	444,644.00	444,644.00	614,603.86	1,129,768.75	64.77
	TANO NORTH MUNICIPAL	1,764,758.59	449,840.42	415,237.31	449,840.42	449,840.42	614,771.02	1,149,987.57	65.16
	ASUTIFI NORTH	1,586,573.47	404,420.69	373,311.40	404,420.69	404,420.69	613,309.90	973,263.57	61.34
	ASUTIFI SOUTH	1,638,401.43	417,631.74	385,506.22	417,631.74	417,631.74	613,734.89	1,024,666.54	62.54

TOTAL	SUB TOTAL	10,191,464.01	2,597,824.16	2,397,991.53	2,597,824.16	2,597,824.16	3,855,445.00	6,356,019.00	62.37
REGION	METRO./MUNI./DISTRICT ASSEMBLIES	Total Allocations	4TH QUARTER 2022	1ST QUARTER 2023	2ND QUARTER 2023	3RD QUARTER 2023	Total deductions	Net	% of Net amount
NORTHERN	TAMALE METRO.	2,214,668.42	564,523.32	521,098.45	564,523.32	564,523.32	935,285.28	1,279,383.14	57.77
	SAGNERIGU MUNICIPAL	1,788,685.98	455,939.56	420,867.29	455,939.56	455,939.56	614,967.23	1,173,718.75	65.62
	YENDI MUNICIPAL	1,679,133.54	428,014.43	395,090.25	428,014.43	428,014.43	764,143.90	914,989.65	54.49
	MION	1,917,074.38	488,666.02	451,076.32	488,666.02	488,666.02	616,020.01	1,301,054.37	67.87
	KPANDAI	1,842,756.65	469,722.28	433,589.80	469,722.28	469,722.28	615,410.60	1,227,346.05	66.60
	NANUMBA NORTH MUNICIPAL	1,980,580.32	504,853.81	466,018.90	504,853.81	504,853.81	616,540.76	1,364,039.56	68.87
	NANUMBA SOUTH	1,816,124.64	462,933.73	427,323.44	462,933.73	462,933.73	615,192.22	1,200,932.42	66.13
	SAVELUGU	1,711,800.33	436,341.26	402,776.55	436,341.26	436,341.26	764,411.76	947,388.57	55.34
	NANTON	1,736,916.39	442,743.39	408,686.21	442,743.39	442,743.39	614,542.71	1,122,373.68	64.62
	GUSHEGU MUNICIPAL	1,747,332.76	445,398.55	411,137.12	445,398.55	445,398.55	614,628.13	1,132,704.63	64.82
	KARAGA	1,625,796.32	414,418.67	382,540.31	414,418.67	414,418.67	613,631.53	1,012,164.79	62.26
	ZABZUGU	1,686,365.14	429,857.78	396,791.80	429,857.78	429,857.78	614,128.19	1,072,236.94	63.58
	TATALE SANGULI	1,675,083.42	426,982.05	394,137.27	426,982.05	426,982.05	614,035.68	1,061,047.73	63.34
	SABOBA	1,630,022.80	415,496.01	383,534.78	415,496.01	415,496.01	613,666.19	1,016,356.61	62.35
	TOLON	1,676,081.80	427,236.54	394,372.19	427,236.54	427,236.54	614,043.87	1,062,037.93	63.36
	KUMBUNGU	1,511,975.77	385,405.59	355,759.00	385,405.59	385,405.59	612,698.20	899,277.57	59.48
TOTAL	SUB TOTAL	28,240,398.66	7,198,532.99	6,644,799.68	7,198,532.99	7,198,532.99	10,453,346.27	17,787,052.39	62.98
REGION	METRO./MUNI./DISTRICT ASSEMBLIES	Total Allocations	4TH QUARTER 2022	1ST QUARTER 2023	2ND QUARTER 2023	3RD QUARTER 2023	Total deductions	Net	% of Net amount
SAVANNAH	WEST GONJA	1,679,033.05	427,988.82	395,066.60	427,988.82	427,988.82	614,068.07	1,064,964.98	63.43
	NORTH GONJA	1,726,052.14	439,974.07	406,129.91	439,974.07	439,974.07	614,453.63	1,111,598.51	64.40
	CENTRAL GONJA	1,741,067.90	443,801.62	409,663.04	443,801.62	443,801.62	614,576.76	1,126,491.14	64.70
	EAST GONJA MUNICIPAL	1,811,514.21	461,758.53	426,238.64	461,758.53	461,758.53	615,154.42	1,196,359.80	66.04
	NORTH EAST GONJA	1,964,438.79	500,739.30	462,220.89	500,739.30	500,739.30	616,408.40	1,348,030.39	68.62
	BOLE	1,579,566.49	402,634.59	371,662.70	402,634.59	402,634.59	613,252.45	966,314.04	61.18
	SAWLA-TUNA-KALBA	1,770,184.99	451,223.63	416,514.12	451,223.63	451,223.63	614,815.52	1,155,369.48	65.27
	SUB TOTAL	12,271,857.57	3,128,120.56	2,887,495.90	3,128,120.56	3,128,120.56	4,302,729.23	7,969,128.34	64.94
REGION	METRO./MUNI./DISTRICT ASSEMBLIES	Total Allocations	4TH QUARTER 2022	1ST QUARTER 2023	2ND QUARTER 2023	3RD QUARTER 2023	Total deductions	Net	% of Net amount
NORTH EAST	EAST MAMPRUSI MUNICIPAL	1,875,989.23	478,193.33	441,409.23	478,193.33	478,193.33	615,683.11	1,260,306.12	67.18
	WESTMAMPRUSI MUNICIPAL	1,820,738.53	464,109.82	428,409.07	464,109.82	464,109.82	615,230.06	1,205,508.47	66.21
	MAMPRUGU - MOAGDURI	1,639,764.99	417,979.31	385,827.06	417,979.31	417,979.31	613,746.07	1,026,018.92	62.57
	BUNKPURUGU	1,885,160.54	480,531.12	443,567.19	480,531.12	480,531.12	615,758.32	1,269,402.22	67.34

	YUNYOO NASUAN CHERIPONI	1,915,047.28 1,586,376.70 10,723,077.27	488,149.31 404,370.53 2,733,333.42	450,599.36 373,265.11 2,523,077.01	488,149.31 404,370.53 2,733,333.42	488,149.31 404,370.53 2,733,333.42	616,003.39 613,308.29 3,689,729.23	1,299,043.89 973,068.41 7,033,348.04	67.83 61.34 65.59
TOTAL	SUB TOTAL						-		
REGION	METRO/MUNI/DISTRICT ASSEMBLIES	Total Allocations	4TH QUARTER 2022	1ST QUARTER 2023	2ND QUARTER 2023	3RD QUARTER 2023	Total deductions	Net	% of Net amount
UPPER WEST	WA MUNICIPAL	1,618,175.84	412,476.20	380,747.26	412,476.20	412,476.20	763,644.04	854,531.80	52.81
	WA WEST	1,575,797.99	401,674.00	370,776.00	401,674.00	401,674.00	613,221.54	962,576.45	61.09
	WA EAST	1,558,527.23	397,271.65	366,712.29	397,271.65	397,271.65	613,079.92	945,447.31	60.66
	LAWRA MUNICIPAL	1,558,019.91	397,142.33	366,592.92	397,142.33	397,142.33	613,075.76	944,944.14	60.65
	NANDOM	1,570,741.79	400,385.16	369,586.30	400,385.16	400,385.16	613,180.08	957,561.71	60.96
	SISSALA EAST EAST	1,502,598.42	383,015.28	353,552.57	383,015.28	383,015.28	612,621.31	889,977.12	59.23
	SISSALA WEST	1,463,388.50	373,020.60	344,326.71	373,020.60	373,020.60	612,299.79	851,088.72	58.16
	JIRAPA MUNICIPAL	1,594,050.69	406,326.65	375,070.75	406,326.65	406,326.65	613,371.22	980,679.47	61.52
	LAMBUSSIE KANI	1,512,065.84	385,428.55	355,780.20	385,428.55	385,428.55	612,698.94	899,366.90	59.48
	NADOWILI KALEO	1,513,679.66	385,839.91	356,159.92	385,839.91	385,839.91	612,712.17	900,967.49	59.52
	DAFFIAMA-BUSSIE-ISSA	1,504,606.62	383,527.18	354,025.09	383,527.18	383,527.18	612,637.77	891,968.85	59.28
	SUB TOTAL	16,971,652.51	4,326,107.50	3,993,330.00	4,326,107.50	4,326,107.50	6,892,542.55	10,079,109.95	59.39
TOTAL									
REGION	METRO/MUNI/DISTRICT ASSEMBLIES	Total Allocations	4TH QUARTER 2022	1ST QUARTER 2023	2ND QUARTER 2023	3RD QUARTER 2023	Total deductions	Net	% of Net amount
UPPER EAST	BOLGA MUNICIPAL	1,697,300.45	432,645.21	399,364.81	432,645.21	432,645.21	764,292.86	933,007.58	54.97
	BOLGA EAST	1,776,580.93	452,853.96	418,019.04	452,853.96	452,853.96	614,867.96	1,161,712.96	65.39
	TALENSI	1,686,237.63	429,825.28	396,761.80	429,825.28	429,825.28	614,127.15	1,072,110.48	63.58
	NABDAM	1,564,310.96	398,745.93	368,073.17	398,745.93	398,745.93	613,127.35	951,183.61	60.81
	BAWKU MUNICIPAL	1,741,221.56	443,840.79	409,699.19	443,840.79	443,840.79	764,653.02	976,568.55	56.09
	BINDURI	1,664,689.09	424,332.51	391,691.55	424,332.51	424,332.51	613,950.45	1,050,738.64	63.12
	PUSIGA	1,636,418.19	417,126.21	385,039.57	417,126.21	417,126.21	613,718.63	1,022,699.56	62.50
	GARU	1,766,571.00	450,302.41	415,663.76	450,302.41	450,302.41	614,785.88	1,151,785.11	65.20
	TEMPANE	1,770,978.69	451,425.94	416,700.87	451,425.94	451,425.94	614,822.03	1,156,156.66	65.28
	BAWKU WEST	1,597,182.64	407,124.99	375,807.68	407,124.99	407,124.99	613,396.90	983,785.74	61.60
	KASSENA NANKANA MUN.	1,742,128.56	444,071.99	409,912.60	444,071.99	444,071.99	764,660.45	977,468.11	56.11
	KASSENA NANKANA WEST	1,585,542.67	404,157.93	373,068.86	404,157.93	404,157.93	613,301.45	972,241.22	61.32
TOTAL	BUILSA NORTH	1,600,310.22	407,922.21	376,543.58	407,922.21	407,922.21	613,422.54	986,887.67	61.67
	BUILSA SOUTH	1,550,574.19	395,244.40	364,840.99	395,244.40	395,244.40	613,014.71	937,559.49	60.47
	BONGO	1,607,255.49	409,692.58	378,177.76	409,692.58	409,692.58	613,479.49	993,775.99	61.83
	SUB TOTAL	24,987,302.27	6,369,312.34	5,879,365.24	6,369,312.34	6,369,312.34	9,659,620.88	15,327,681.39	61.34
G/TOTAL	Grand total	510,000,000.00	130,000,000.00	120,000,000.00	130,000,000.00	130,000,000.00	173,566,650.00	336,433,350.00	65.97

## NATIONAL SUMMARY OF MMDAs IRREGULARITIES

IRREGULARITIES	AHAFO REGION	ASHANTI REGION	BONO REGION	BONO EAST REGION	CENTRAL REGION	EASTERN REGION	GREATER ACCRA REGION	NORTH EAST REGION	NORTHERN REGION	OTI REGION	SAVANNAH REGION	UPPER EAST REGION	UPPER WEST REGION	VOLTA REGION	WESTERN REGION	WESTERN NORTH REGION	TOTAL		No OF MMDAs
																	GHC	GHC	
<b>CASH IRREGULARITIES</b>																			
Over-utilisation of DACF on Administration		391,083.44			1,660,215.78			20,205.41			718,460.77		1,137,508.03	394,507.70	238,929.49	318,899.66	4,879,810.28		13
Unreported payments		116,040.00	102,775.00	134,546.72	1,108,845.76			116,319.67		38,457.00				39,889.97	421,113.22	924,338.55	3,002,325.89		29
Failure to allocate resources to Sub Structures		431,383.06				117,999.31	70,900.00				90,119.30					37,454.99	747,946.66		8
Unrepresented payments vouchers	30,500.00	37,400.00			383,420.77		44,850.00									256,957.00	733,327.77		8
Unaccounted funds							236,805.00		117,316.90		10,592.00		4,770.00				358,891.90		5
Misapplication of funds		92,787.80			4,000.00	100,000.00	33,491.92										322,876.18		9
Non-release of PWD / HIV / AIDS funds by the ADACF					107,519.56							69,663.50		142,052.03		82,004.46	319,235.09		4
Unauthorised withdrawals from / Indebtedness to MPTCF account			55,640.00						100,000.00					25,000.00		33,000.00	213,640.00		4
Payment of avoidable judgement debt								125,996.51						62,969.28			186,965.79		2
Failure to refund advance granted	100,000.00												20,000.00				120,000.00		2
Unjustified payment						103,206.00											103,206.00		1
Payment made for non-replacement of faulty HV switches					100,000.00												100,000.00		1
Abuse of COVID-19 / PWD funds					10,000.00									27,820.00			37,820.00		2
<b>Sub-Total</b>	<b>130,500.00</b>	<b>1,068,894.30</b>	<b>158,415.00</b>	<b>134,546.72</b>	<b>3,374,001.87</b>	<b>321,205.31</b>	<b>386,136.92</b>	<b>125,996.51</b>	<b>353,841.98</b>	<b>38,457.00</b>	<b>819,172.07</b>	<b>69,663.50</b>	<b>1,162,278.03</b>	<b>692,238.98</b>	<b>660,042.71</b>	<b>1,632,654.66</b>	<b>11,126,045.56</b>		
<b>CONTRACT IRREGULARITIES</b>																			
Delayed / abandoned projects	1,627,611.44	3,887,513.43	1,049,941.84	1,600,313.33	4,377,687.53	2,635,302.52	1,541,919.61	97,206.30	384,809.44	352,353.18	418,414.41	2,166,484.05	180,721.58	5,156,155.21	694,793.30	3,372,608.89	29,534,036.06		69
Completed projects not in use		1,360,535.71	276,772.69	951,204.65			225,652.06	305,961.00	400,208.50		148,909.20			2,886,862.05			6,652,105.86		12
Payment for unexecuted portion of works	102,750.50	803,476.58	15,640.00	241,056.00							153,882.80	270,000.00					1,593,605.88		9
Payment for defective borehole																60,000.00	111,475.00		2
Duplication of Payment to a contractor										19,332.43							19,332.43		1
Payment for works without certified progress report and IPC		47,445.00															47,445.00		1
<b>Sub-Total</b>	<b>1,730,361.94</b>	<b>6,088,970.72</b>	<b>1,342,354.53</b>	<b>2,792,573.98</b>	<b>4,377,687.53</b>	<b>2,635,302.52</b>	<b>1,765,571.67</b>	<b>401,167.30</b>	<b>785,072.94</b>	<b>371,885.61</b>	<b>721,006.41</b>	<b>2,436,484.05</b>	<b>180,721.58</b>	<b>8,194,492.26</b>	<b>701,793.30</b>	<b>3,432,608.89</b>	<b>37,958,000.23</b>		
<b>SANITATION MANAGEMENT IRREG.</b>																			
Deduction and payment for fumigation for no work done		80,500.00															80,500.00		1
<b>PROC./STORES IRREGULARITIES</b>																			
Payment for items not supplied					12,430.00												12,430.00		1
Fuel Purchases not accounted for	15,631.18							148,982.08					16,577.00				181,190.26		3
<b>Sub-Total</b>	<b>15,631.18</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,430.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>148,982.08</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,577.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>193,620.26</b>		
<b>TAX IRREGULARITIES</b>																			
Unremitted withheld taxes		20,314.71	20,498.28		52,887.61						11,672.82					79,834.01	185,207.43		13
Payment of VAT without invoices	16,993.41			6,531.20	14,182.15						1,943.00			6,586.77		4,611.64	50,848.17		9
Taxes not Withheld	13,505.33		2,191.75					21,243.06				5,952.44	7,388.99				50,281.57		6
Penalty for non-payment of taxes								8,791.96									8,791.96		1
<b>Sub-Total</b>	<b>30,498.74</b>	<b>20,314.71</b>	<b>22,690.03</b>	<b>6,531.20</b>	<b>67,069.76</b>	<b>-</b>	<b>-</b>	<b>30,035.02</b>	<b>-</b>	<b>-</b>	<b>13,615.82</b>	<b>5,952.44</b>	<b>7,388.99</b>	<b>6,586.77</b>	<b>-</b>	<b>84,445.65</b>	<b>295,129.13</b>		29
<b>GRAND TOTAL</b>	<b>1,906,991.86</b>	<b>7,258,879.73</b>	<b>1,523,459.56</b>	<b>2,933,651.90</b>	<b>7,831,189.16</b>	<b>2,956,507.83</b>	<b>2,151,708.59</b>	<b>525,163.81</b>	<b>1,317,877.02</b>	<b>410,342.61</b>	<b>1,553,794.30</b>	<b>2,512,099.99</b>	<b>1,366,965.60</b>	<b>8,893,318.01</b>	<b>-</b>	<b>5,149,709.20</b>	<b>49,653,595.18</b>		

AHAFO REGION - SUMMARY OF IRREGULARITIES

APPENDIX C

No.	MMDAs	CASH IRREGULARITIES				CONTRACT IRREGULARITIES		TAX IRREGULARITIES	
		Failure to refund advance granted	Unpresented payment vouchers	Items not issued to beneficiaries	Fuel Purchases not accounted for	Certification / Payment for parts of contracts not executed	Abandoned/ Delayed Projects	Taxes not Withheld	Failure to obtain Vat Invoice for taxable supplies procured
1	Asunafo South District						504,836.26	13,505.33	16,993.41
2	Tano North Municipal	100,000.00					421,562.88		
3	Asunafo North Municipal		30,500.00	9,846.15					
4	Tano South Municipal				15,631.18				
5	Asunafo North District								
6	Asutifi North District						311,202.90		
7	Asutifi South District					102,750.50	390,009.40		
Total		100,000.00	30,500.00	9,846.15	15,631.18	102,750.50	1,627,611.44	13,505.33	16,993.41
No. of MMDAs		1	1	1	1	1	4	1	1



## ASHANTI REGION - SUMMARY OF IRREGULARITIES

NO	MMDAs	CASH IRREGULARITIES					CONTRACT IRREGULARITIES					SANITATION MANAGEMENT IRREGULARITIES					TAX IRREG.
		Unsupported payments	Unpresented payment vouchers	Misapplication of DACF	Over-utilization of DACF on Social Services expenditure	Failure to allocate resources to MAG and Local Governance activities	Payments outside GIFMIS	Delayed/ abandoned projects	Completed projects not in use	Inappropriate valuation resulting in overpayment	Payment for works without certified progress report and IPC	Deduction and payment for fumigation for no work done	Excess SIP and fumigations without deductions without communication	Non-supply, replacement, or repair of sanitation equipment			
1	Adansi Asokwa District							64,830.00									
2	Adansi North District									47,445.00							
3	Adansi South District						54,850.74	137,480.00	282,330.00						1	6	
4	Afigye Kwabre South District										80,500.00						
5	Akrofuom District							545,845.18							1		
6	Amanase South District												222,867.00	2	1	5	7,332.56
7	Amanse West District									803,476.58							
8	Atwima Kwanwoma District							346,922.91									
9	Atwima Mponua District														1		
10	Atwima Nwabigiya North District																
11	Bekwai Municipal								326,438.00						1	4	4,836.95
12	Bosome Freho District														1	6	8,145.20
13	Ejisu Municipal														3		
14	Ejura-Sekyedumase Municipal							101,670.25							9	2	
15	Juaben Municipal	66,600.00															
16	Kumasi Metropolitan			92,787.80	391,083.44	431,383.06		1,528,866.96									
17	Kwadaso Municipal							15,000.00								5	
18	Mampong Municipal																
19	Obuasi East District								751,767.71			84,525.00					
20	Obuasi Municipal													2			
21	Offinso Municipal							151,922.29									
22	Offinso North District							714,056.58								3	
23	Old Tafo Municipal																
24	Sekyere Afram Plains District	49,440.00	15,600.00														
25	Sekyere Central District							270,919.26							1	1	
26	Sekyere East District		22,000.00														
Total		116,040.00	37,600.00	92,787.80	391,083.44	431,383.06	54,850.74	3,877,513.43	1,360,535.71	803,476.58	47,445.00	80,500.00	307,392.00	2	20	34	20,314.71
No. of MMDAs		2	2	1	1	1	1	10	3	1	1	1	2	1	9	10	3

## BONO REGION - SUMMARY OF IRREGULARITIES

No.	MMDAs	CONTRACT IRREGULARITIES					CONTRACT IRREGULARITIES				SANITATION MANAGEMENT IRREGULARITIES			TAX IRREGULARITIES	
		Unsupported payment	Budget overrun	Payment not effected through the GIFMIS platform	Indebtedness of the Assembly to the Member of Parliament	Abandoned / delayed projects	Completed projects not put to use	Payment for unexecuted portions of Contract	Outstanding obligations to contractor	Failure to supply, repair or replace SIP equipment			Taxes not withheld	Tax not remitted to GRA	
										Unsupplied Containers	Damaged Truck	Damaged Containers			
1	Banda District	97,355.00													20,498.28
2	Dormaa Central	5,420.00													
3	Wenchi Municipal		532,848.61												
4	Tain District		112,703.60			727,846.55									
5	Dormaa West			42,496.08											
6	Dormaa East District				55,640.00							2	2,191.75		
7	Sunyani West Municipal						276,772.69	15,640.00	371,151.48	6		5			
8	Berekum West District										1				
9	Jaman South					322,095.29									
Total		102,775.00	645,552.21	42,496.08	55,640.00	1,049,941.84	276,772.69	15,640.00	371,151.48	6	1	7	2,191.75	20,498.28	
No. of MMDAs		2	2	1	1	2	1	1	1	1	1	2	1	1	1

## APPENDIX C

## BONO EAST REGION - SUMMARY OF IRREGULARITIES

	MMDAs	CASH IRREGULARITIES		CONTRACT IRREGULARITIES				SANITATION MANAGEMENT IRREGULARITIES		STORES IRREGULARITIES		TAX IRREGULARITIES
No.		Unsupported payment	Expenditure Outside the GIFMIS platform	Abandoned / Delay projects	Completed Projects not in Use	Poor execution of project	Indebtedness to suppliers	Failure to repair or replace SIP equipment	Purchases from Unregistered Supplier with PPA	Uncompetitive Procurement		
1	Sene East	134,546.72	105,288.00									
2	Kintampo South											
3	Techiman North District											
4	Pru West			168,690.08	396,933.50				36,316.80	14,320.00		
5	Kintampo South District			245,553.00							6,531.20	
6	Kintampo North Municipal			320,503.14			226,140.37					
7	Sene West			444,332.11				1				
8	Techiman Municipal			421,235.00		241,056.00						
9	Pru East				554,271.15							
	Total	134,546.72	105,288.00	1,600,313.33	951,204.65	241,056.00	226,140.37	1	36,316.80	14,320.00	6,531.20	
	No. of MMDAs	1	1	5	2	1	1	1	1	1	1	

## CENTRAL REGION - SUMMARY OF IRREGULARITIES

No.	MMDAs	CASH IRREGULARITIES								CONTRACT IRREG.	SANITATION MANAGEMENT IRREGULARITIES					PROCUREMENT IRREGULARITY	TAX IRREGULARITIES		
		Commitment of expenditure without the use of GEMIS	Over-utilization of DACF on expenditure items	Unrepresented payment vouchers	Unsupported payments	Payment made for non-replacement of faulty HV switches	Misapplication of funds	Abuse of COVID-19 funds	Non-release of PWD funds by ADACF		Non-supply and replacement of sanitation equipment				Excess deduction of SIP quarterly service charge without communication		Payments for items not supplied	Payment of VAT without invoices	Unremitted tax
											Unsupplied Skip Trucks	Unsupplied Containers	Unserviceable Trucks	Worn out Containers					
1	Abura-Asebu-Kwamankese District									124,083.70			1	5					
2	Agona East District																		
3	Agona West Municipal									438,933.20									
4	Ajumako-Enyan-Essiam District																		
5	Asikuma Odoben Brakwa District									434,521.45					1	2		17,021.81	
6	Assin Fiso Municipal									149,268.60									
7	Assin North District																		
8	Assin South District				59,204.16										1				
9	Awutu Municipal				28,000.00														
10	Awutu Senya District		580,874.44																
11	Awutu Senya East Municipal	341,622.10	171,713.48					10,000.00		328,359.47								9,429.50	
12	Cape Coast Metropolitan				254,760.41	100,000.00													
13	Efutu Municipal		540,062.63	50,000.00											4				
14	Ekumfi District									470,580.20				4					
15	Gomoa Central District			4,500.00	44,433.75			4,000.00										4,023.80	
16	Gomoa East District	73,300.00								871,501.37									
17	Gomoa West District	179,995.00	367,565.23		2,407.00				107,519.56	356,987.74									
18	Komenda-Edina-Eguafo-Abrem Municipal				39,682.50														
19	Mfantseman Municipal			328,920.77	339,522.81														
20	Twifo Atti-Morkwa District									187,878.00					1	4		22,412.50	
21	Twifo Hemang Lower Denkyira District				240,205.13										1	4			
22	Upper Denkyira East Municipal				82,760.00					205,956.70									
23	Upper Denkyira West District				17,870.00					809,617.10							9,678.08		
	Total	594,917.10	1,660,215.78	383,420.77	1,108,845.76	100,000.00	4,000.00	10,000.00	107,519.56	4,377,687.53	8	17	6	38	129,375.00	12,430.00	14,182.15	52,887.61	
	No. of MMDAs	3	4	3	10	1	1	1	1	11	5	4	5	10	1	1	3	4	

## EASTERN REGION - SUMMARY OF IRREGULARITIES

No.	MMDAs	CASH IRREGULARITIES				CONTRACT IRREG.	SANITATION MANAGEMENT IRREGULARITIES			
		Misapplication of funds	Failure to allocate funds to sub-structures	Unjustified payment	Unutilized PWD funds		Non-supply and replacement of sanitation equipment			
							Unsupplied Skip Trucks	Unsupplied Containers	Unserviceable Trucks	Damaged Containers
1	Abuakwa North Municipal					286,536.40				
2	Atiwa East District Assembly							1		2
3	Atiwa West District Assembly									2
4	Ayensuano District Assembly	100,000.00		103,206.00	111,290.87					
5	Denkyembaour District Assembly							2		
6	Fanteakwa South District Assembly									2
7	Kwaebibirem Municipal					266,787.02				
8	New Juaben South Municipal		19,340.77							
9	Nsawam Adoagyiri Municipal		82,244.45							
10	Suhum Municipal				148,704.80	210,528.38	2	4	8	
11	Upper Manya District Assembly		16,414.09			1,803,622.29				
12	West Akim Municipal					67,828.43		1		1
13	Yilo Krobo Municipal									
Total		100,000.00	117,999.31	103,206.00	259,995.67	2,635,302.52	2	4	4	12
No of MMDAs		1	3	1	2	5	1	1	4	4

## GREATER ACCRA REGION - SUMMARY OF IRREGULARITIES

NO	MMDAs	CASH IRREGULARITIES						CONTRACT IRREGULARITIES		SANITATION MANAGEMENT IRREGULARITIES		
		Unaccounted funds	Unpresented payment vouchers	Failure to allocate funds to Local Governance sub-structures	Misapplication of funds	Non-compliance to PWD fund Management guidelines	Completed projects not in use	Delayed/ abandoned projects	Failure to provide/ repair SIP Equipment			
									Unsupplied Trucks	Unsupplied Containers	Defective Trucks	
1	Accra Metropolitan							413,179.00				
2	Ada East District	236,805.00	44,850.00		33,491.92							
3	Ada West District							344,365.17				
	Ashaiman Municipal											2
4	Ga South Municipal							144,250.86				
5	Krowor Municipal									2		
6	Ningo-Prampram District					15,735.00		255,668.00	1	5		
7	Shai-Osudoku District			70,990.00					1	5		
8	Tema Metropolitan							384,456.58				
9	Weija Gbawe Municipal						223,652.06					
	Total	236,805.00	44,850.00	70,990.00	33,491.92	15,735.00	223,652.06	1,541,919.61	2	12	2	2
	No of MMDAs	1	1	1	1	1	1	5	2	3	1	1

# **NORTH EAST REGION - SUMMARY OF IRREGULARITIES**

No.	MMDAs	CASH IRREGULARITIES	CONTRACT IRREGULARITIES	
		Payment of Judgement debt	Abandoned Projects	Completed project not in use
1	Bunkpurugu Nakpanduri	123,996.51		
2	Chereponi District Assembly			303,961.00
3	Mamprugu Moagduri District		97,206.30	
<b>Total</b>		<b>123,996.51</b>	<b>97,206.30</b>	<b>303,961.00</b>
<b>No. of MMDAs</b>		<b>1</b>	<b>1</b>	<b>1</b>

**NORTHERN REGION - SUMMARY OF IRREGULARITIES**

No.	MMDAs	CASH IRREGULARITIES						CONTRACT IRREGULARITIES			SANITATION				TAX IRREGULARITIES	
		Unsupported payment	Payments not Fully Accounted for	Fuel not accounted	Unapproved Transfers from MP's Common fund	Over-utilization of DACF on recurrent expenditure	Abandoned Projects	Completed projects not in use	Failure to supply, repair or replace SIP equipment				Payment of Penalty for non-payment of taxes	Failure to withhold / remit taxes		
									Unsupplied Skip Trucks	Unsupplied Containers	Unserviceable Trucks	Damaged Containers				
1	Nanumba North Municipal	96,915.00	21,400.00	148,982.08	100,000.00				1	13	1					
2	Tolon District	12,654.67														
3	Tatale Sanguli District	6,750.00	49,516.90													
4	Kpandai District		46,400.00					400,208.50			1	3		21,243.06		
5	Nanumba South District					20,205.41										
6	Gushiegu Municipal Assembly						203,509.24				2	9				
7	Karaga District Assembly						181,300.20					6				
8	Tolon District												8,791.96			
9	Tamale Metropolitan										1	3				
10	Mion District											1				
	Total	116,319.67	117,316.90	148,982.08	100,000.00	20,205.41	384,809.44	400,208.50	1	13	5	22	8,791.96	21,243.06		
	No. of MMDAs	3	3	1	1	1	2	1	1	1	4	5	1	1		



## OTI REGION - SUMMARY OF IRREGULARITIES

No.	MMDAs	CASH IRREGULARITIES		CONTRACT IRREGULARITIES	SANITATION MANAGEMENT IRREGULARITIES	
		Unsupported Payments	Duplication of Payment to a contractor	Abandoned project	Failure to repair or replace SIP equipment	
					Unserviceable Trucks	Damaged Containers
1	Nkwanta South Municipal	38,457.00				
2	Krachi Nchumuru District		19,332.43	89,470.00	1	7
3	Krachi West Municipal			263,083.18	1	6
Total		38,457.00	19,332.43	352,553.18	2	13
No. of MMDAs		1	1	2	2	2

## SAVANNAH REGION - SUMMARY OF IRREGULARITIES

No.	MMDAs	CASH IRREGULARITIES			CONTRACT IRREGULARITIES			SANITATION MANAGEMENT IRREGULARITY				TAX IRREGULARITIES	
		Over-utilisation of Common Fund on administration	Failure to allocate funds to Sub-Structures of the Assembly	Unsubstantiated investment of Assembly funds	Abandoned Projects	Completed project not put to use	Payment for unexecuted portions of a contracts	Unsupplied Skip Trucks	Unserviceable Trucks	Damaged Containers	Failure to obtain VAT Invoices	Taxes not withheld/ remitted	
1	East Gonja Municipal	273,111.51		10,592.00			49,386.80	1	5	1	5		
2	Central Gonja District	445,349.26	90,119.30		418,414.41		97,580.00						
3	Bole District					148,909.20	6,716.00						
4	West Gonja Municipal											1,943.00	
5	North East Gonja												11,672.82
	Total	718,460.77	90,119.30	10,592.00	418,414.41	148,909.20	153,682.80	1	5	1	5	1,943.00	11,672.82
	No. of MMDAs	2	1	1	1	1	3	1	1	1	1	1	1

**UPPER EAST REGION - SUMMARY OF IRREGULARITIES**

		CASH IRREGULARITIES				CONTRACT IRREGULARITIES			SANITATION MANAGEMENT IRREGULARITIES		STORES IRREGULARITIES	TAX IRREGULARITIES
No.	MMDAs	Payments not processed through GIEMIS	Outstanding PWD Allocations to the Assembly	Undisbursed MP's share of Common Fund	Delayed/ abandoned projects	Award of contracts to unqualified bidders	Poor execution of project	Failure to repair or replace SIP equipment		Unserviceable Trucks	Uncompetitive procurement	Failure to deduct and remit withholding taxes
1	Garu District	42,045.00			319,118.39							
2	Kassena Nankana Municipal		69,663.50				270,000.00					
3	Talensi District			521,537.70	138,000.00			1				
4	Builsa North					181,997.80						
5	Bawku Municipal				1,709,365.66							
6	Bolgatanga Municipal											
7	Tempene District										45,805.00	5,952.44
8	Nabdam District							1				
	<b>Total</b>	<b>42,045.00</b>	<b>69,663.50</b>	<b>521,537.70</b>	<b>2,166,484.05</b>	<b>181,997.80</b>	<b>270,000.00</b>	<b>2</b>			<b>45,805.00</b>	<b>5,952.44</b>
	<b>No. of MMDAs</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>3</b>	<b>1</b>	<b>1</b>	<b>2</b>			<b>1</b>	<b>1</b>

UPPER WEST REGION - SUMMARY OF IRREGULARITIES

Ghana: WEST REGION - SUMMARY OF IRREGULARITIES																
CASH IRREGULARITIES				CONTRACT IRREGULARITIES			SANITATION MANAGEMENT IRREGULARITIES				STORE/PROCUREMENT IRREGULARITIES		TAX IRREGULARITIES			
No.	MMDAs	Payments not processed through the GIEMIS system	Payments not accounted for	Fuel not Accounted For	Cash Payments to Third Parties	Excessive use of DACF fund on recurrent expenditure	Failure to refund borrowed PWD Funds	Delayed/ abandoned projects	Award of Contracts without Pre-Qualification Documents	Outstanding Liability to Contractors/ Suppliers	Failure to supply, repair or replace SIP equipment			Failure to follow due procurement Process	Procurement above Entity Head Threshold	Failure to withhold and Remit Tax
											Unsupplied Skip Trucks	Unsupplied Containers	Unserviceable Trucks			
1	Sissala West	233,305.00				413,890.36										
2	Lawra	123,723.86	4,770.00													
3	Wa West	50,956.60														5,368.70
4	Daffiama/Bussie/Issa Dist.			16,577.00	52,522.00	242,485.10	20,000.00									
5	Nadowli-Kaleo District					15,130.27		180,721.58								
6	Wa East					466,002.30			163,518.00					112,760.00	72,200.00	2,020.29
7	Lambussie District									158,068.8						
8	Sissala East										1	9	1			
9	Nandom Municipal										1	9				
	Total	407,985.46	4,770.00	16,577.00	52,522.00	1,137,508.03	20,000.00	180,721.58	163,518.00	158,068.80	2	18	1	112,760.00	72,200.00	7,388.99
	No. of MMDAs	3	1	1	1	4	1	1	1	1	2	2	1	1	1	2

## VOLTA REGION - SUMMARY OF IRREGULARITIES

NO	MMDAs	CASH IRREGULARITIES							CONTRACT IRREGULARITIES			SANITATION MANAGEMENT IRREGULARITIES		TAX IRREG.
		Non-release of HIV/AIDS and PWD Funds by the ADACF	Abuse of PWD Funds	Unsupported payments	Payment of Avoidable Judgment Debt	Unauthorised withdrawals from MPCF account	Over-utilisation of DACF allocations on Administration	Delayed/ abandoned projects	Completed projects not in use	Malfunctioning of a borehole	Broken down Trucks	Failure to replace broken-down skip trucks and refuse containers.	Damaged Containers	
1	Adaklu District					25,000.00		135,629.42		51,475.00	1		4	
2	Adzato South District							983,977.60						
3	Agotime-Ziope District		27,820.00	39,889.97	62,969.28		394,507.70	1,328,797.52			2			
4	Anloga District							543,812.00	2,337,540.43		5			6,586.77
5	Central Tongu District							543,578.10						
6	Ho Municipal	7,018.19						579,079.95	649,321.62					
7	Ho West District	135,033.84						72,027.70						
8	Hohoe Municipal							438,703.92						
9	Keta Municipal							530,549.00						
10	Keta North Municipal										1		6	
11	Kpando Municipal										2		14	
12	North Dayi District										2		6	
	Total	142,052.03	27,820.00	39,889.97	62,969.28	25,000.00	394,507.70	5,156,155.21	2,986,862.05	51,475.00	13		30	6,586.77
	No of MMDAs	2	1	1	1	1	1	9	2	1	6		4	1

## WESTERN REGION - SUMMARY OF IRREGULARITIES

NO	MMDAs	CASH IRREGULARITIES		CONTRACT IRREGULARITIES		SANITATION MANAGEMENT IRREGULARITIES		
		Unsubstantiated payments	Over-utilisation of Common Fund on administrative expenditure	Payment for no work done	Delayed/ abandoned projects	Non-supply and replacement of sanitation equipment		
						Unsupplied trucks	Unsupplied Containers	Worn out Refuse Containers
1	Effia Kwesimintsim Municipal	110,114.44						
2	Jomoro District				494,457.92	2	16	
3	Nzema East Municipal		238,929.49					
4	Sekondi-Takoradi Metropolitan	194,150.00		7,000.00				
5	Wassa Amenfi Central Municipal	116,848.78						
6	Wassa Amenfi East District					2	15	
7	Wassa Amenfi West Municipal					2	13	
8	Wassa East District				200,335.38			6
Total		421,113.22	238,929.49	7,000.00	694,793.30	6	44	6
No of MMDAs		3	1	1	2	3	3	1

## WESTERN NORTH REGION - SUMMARY OF IRREGULARITIES

NO	MMDAs	CASH IRREGULARITIES								CONTRACT IRREGULARITIES		SANITATION MANAGEMENT IRREGULARITIES				TAX IRREGULARITIES	
		Unsubstantiated payments	Misapplication of funds	Withdrawal from MPCF with the MP Approval	Payment outside GFMS	Unpresented payment vouchers	Payments to third parties through Assembly staff	Over-utilization of Common Fund on Administrative expenditure	Failure to allocate funds to Zonal Councils	Payment for defective boreholes (projects)	Delayed/ abandoned projects	Non-supply and replacement/repair of SIP equipment				Failure to remit taxes to GRA	Failure to obtain VAT invoice for VAT paid
												Unsupplied trucks	Unsupplied Containers	Damaged Truck	Damaged Containers		
1	Aowin District Assembly										516,279.32					2,750.00	
2	Bia West District Assembly	15,200.00	5,800.00														
3	Bibiiani/Anhwiaso/Bekwai Municipal	107,320.00								60,000.00		1	10				
4	Bodi District Assembly	172,000.00	60,784.46		469,485.50		196,800.00	160,206.97			435,816.49			1	6	15,424.80	4,611.64
5	Enchi District Assembly													2			
6	Juaboso District Assembly	10,650.00	2,120.00								595,460.36	1	3		4		
7	Sefwi Akontombra District Assembly	550,443.55			136,115.31	236,957.00					1,296,494.73					58,736.00	
8	Sefwi Wiawso District Assembly							158,692.69	27,981.81		415,716.39		9	2	5		
9	Suaman District Assembly	68,725.00	13,300.00	33,000.00	130,325.75				9,473.18		112,841.60					2,923.21	
	<b>Total</b>	<b>924,338.55</b>	<b>82,004.46</b>	<b>33,000.00</b>	<b>735,924.56</b>	<b>236,957.00</b>	<b>196,800.00</b>	<b>318,899.66</b>	<b>37,454.99</b>	<b>60,000.00</b>	<b>3,372,608.89</b>	<b>2</b>	<b>22</b>	<b>5</b>	<b>15</b>	<b>79,834.01</b>	<b>4,611.64</b>
	<b>No of MMDAs</b>	<b>6</b>	<b>4</b>	<b>1</b>	<b>3</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>6</b>	<b>2</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>1</b>

## DISTRICT ASSEMBLIES COMMON FUND - RESPONSIVENESS FACTOR GRANT - SUMMARY OF IRRIGULARITIES

MMDAs	CASH IRRIGULARITIES			CONTRACT IRRIGULARITIES				PROCUREMENT IRRIGULARITY	TAX IRRIGULARITIES		
	Misapplication of funds	Unaccounted funds	Overdue Liabilities to Contractors	Payment of unexecuted portions of contract	Construction of Fence Wall without Columns	Delayed/ abandoned projects	Completed projects not in use		Unremitted withholding tax to GRA	Failure to obtain VAT Invoice for VAT Paid	Total
<b>AHAFO REGION</b>											
Asutifi North District Assembly							1,149,188.03				1,149,188.03
<b>ASHANTI REGION</b>											-
Atwima Mponua District						1,054,856.19	316,170.39				1,054,856.19
Atwima Nwabiagya Municipal						1,054,856.19	316,170.39	-		-	1,371,026.58
<b>Sub-Total</b>	-	-							-	-	-
<b>BONO REGION</b>											
Dormaa Central Municipal Assembly					11,688.00						11,688.00
Dormaa West district Assembly				25,803.60							25,803.60
Berekum East Municipal Assembly				28,606.00							28,606.00
Sunyam West Municipal Assembly						361,652.00	1,159,672.59				1,521,324.59
<b>Sub-Total</b>	-	-	-	54,409.60	11,688.00	361,652.00	1,159,672.59	-	-	-	1,587,422.19
<b>CENTRAL REGION</b>											-
Agona West Municipal Assembly		55,000.00									55,000.00
Effutu Municipal Assembly							256,529.24				256,529.24
Awutu Senya East Municipal Assembly						661,862.58					661,862.58
Comoa West District Assembly						335,045.25					335,045.25
<b>Sub-Total</b>	55,000.00	-				996,907.83	256,529.24	-	-	-	1,308,437.07
<b>EASTERN REGION</b>											-
Yilo Krobo Municipal Assembly							357,089.25				357,089.25
Nkwam Adagyiri Municipal Assembly						246,000.00					246,000.00
<b>Sub-Total</b>	-	-	-	-	-	246,000.00	357,089.25	-	-	-	603,089.25
<b>GREATER ACCRA REGION</b>											-
Ada East Assembly		54,823.48									54,823.48
<b>Sub-Total</b>	-	54,823.48								-	54,823.48
<b>NORTH EAST REGION</b>											-
Yunyoo Nsuan District Assembly						361,652.00					361,652.00
<b>OTI REGION</b>											-
Krachi Nchumuru District Assembly						145,055.58					145,055.58
Krachi West Municipal Assembly						531,893.37					531,893.37
<b>Sub-Total</b>	-	-	-	-	-	676,948.95	-	-	-	-	676,948.95
<b>SAVANNAH REGION</b>											-
West Goma Municipal Assembly							780,319.50				780,319.50
Central Gonja District Assembly						255,332.78					255,332.78
<b>Sub-Total</b>	-	-	-	-	-	255,332.78	780,319.50	-	-	-	1,035,652.28
<b>UPPER EAST REGION</b>											-
Bongo District Assembly				17,053.37							17,053.37
<b>UPPER WEST REGION</b>											-
Wa East District Assembly						1,489,015.26					1,489,015.26
Sissala West District Assembly						377,042.50					377,042.50
Nandom Municipal Assembly							73,513.00				73,513.00
<b>Sub-Total</b>	-	-	73,513.00	-	-	1,866,057.76	-	-	-	-	1,939,570.76
<b>Volta region</b>											-
Fiohne Municipal						374,844.60					374,844.60
Agotime-Ziope District						812,411.47	415,933.75				812,411.47
Ho Municipal						1,187,256.07	415,933.75				1,603,189.82
<b>Sub-Total</b>											-
<b>WESTERN REGION</b>											-
Jonono Municipal						700,433.15					700,433.15
Nzema East Municipal						218,643.45					218,643.45
Waasam Central District Assembly						561,612.94					561,612.94
Waasam West Municipal						243,305.97					243,305.97
<b>Sub-Total</b>	-	-				1,723,995.51	-	-	-	-	1,723,995.51
<b>WESTERN NORTH REGION</b>											-
Setra Akomombra District								92,700.00			92,700.00
Bibiani Municipal						318,546.13					318,546.13
Suaman District						98,154.40					98,154.40
Setra Wawso Municipal						780,314.34					780,314.34
Bodi District							495,411.51				495,411.51
Aowin District											16,828.78
<b>Sub-Total</b>	-	-				1,197,014.87	495,411.51	92,700.00	16,828.78	10,840.37	1,812,795.53
<b>Grand Total</b>	55,000.00	54,823.48	73,513.00	71,462.97	11,688.00	9,927,673.96	4,930,314.26	92,700.00	16,828.78	10,840.37	15,244,844.82



# MISSION STATEMENT

The Ghana Audit Service exists

**To Promote**

Good governance in the areas of transparency,  
accountability and probity in Ghana's Public  
financial management system

**By auditing**

to recognised international standards

**And**

reporting audit results to Parliament

