



REPUBLIC OF THE GAMBIA  
MINISTRY OF LANDS,  
REGIONAL GOVERNEMENT & RELIGIOUS AFFAIRS  
THE QUADRANGLE  
BANJUL

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## **FINAL AUDIT REPORT**

### **GOVERNOR OFFICE CENTRAL RIVER REGION**

System Audit for the Governor's Office CRR for the Period 1<sup>st</sup> January 2022 to 31<sup>st</sup> JULY 2022

14<sup>th</sup> March 2023.

Assignment Ref: PA 14/103/01/22



REPUBLIC OF THE GAMBIA  
MINISTRY OF LANDS.  
REGIONAL GOVERNMENT & RELIGIOUS AFFAIRS  
THE QUADRANGLE  
BANJUL

PA 14/103/01/22

14<sup>TH</sup> MARCH 2023

**The Governor**  
Governor's Office  
Central River Region  
JANJANBUREH

**System Audit for the Governor's Office CRR for the Period 1<sup>st</sup> January 2022 to 31<sup>st</sup> July 2022**

I am pleased to present the final audit report on the above-mentioned audit engagement.

This final report incorporates your management response to our findings and recommendations as well as the agreed upon timelines for the implementation of the proposed recommendations. Please note that follow-up audits will be conducted to ascertain the progress being made by management to address the issues raised.

We would like to take this opportunity to express our gratitude to all the staff of the Governor's office for their cooperation and support during the audit.

Please do not hesitate to get in touch with us should you need any clarification on any component of this report.

Regards,

Fatou Dahaba

Head Internal Audit Unit  
Ministry Of Lands, Regional Government & Religious Affairs

Cc: : **Permanent Secretary –Ministry of Lands, Regional Government & Religious Affairs**  
**Permanent Secretary –Ministry of Finance & Economic Affairs**  
**Auditor General - National Audit office**  
**Director General - Directorate of Internal Audit**  
**Accountant General – Accountant General's Department**

*File*

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## Acronyms

MOFEA	Ministry of Finance and Economic Affairs
AGD	Accountant General Department
PFA	Public Finance Act
DIA	Directorate of Internal Audit
PV's	Payment Vouchers
GMD	Gambian Dalasi
PS	Permanent Secretary
FI	Financial Instructions
GPPA	Gambia Public Procurement Authority
FR	Financial Regulation

## 1. Introduction

The Directorate of Internal Audit is mandated by the Public Finance Act and the Internal Audit Charter to conduct an audit on all government institutions including Ministries, Departments, Agencies, and other institutions allocated directly or indirectly allocated government funds.

The audit of the Governor Office formed was part of the 2021 approved annual Risk-based audit plan of the Directorate of Internal Audit.

During the audit engagement, an entrance meeting was held with the officials of the Governor's Office to discuss the audit objective, the scope and the methodology to be applied during the audit. Furthermore, a briefing was held with the management team of the office to give an overview on the audit observation as well as sought clarification where required.

Process / Business Objective	Number of findings identified as:				
	Controlled	Minor Improvement Needed	Moderate improvement Needed	Significant Improvements Needed	Unsatisfactory
Finance Issues	-	1	1	16	3
Human Resource	-	1	1	1	1
Procurement Issues	-	1	1	4	1
Fuel Issues	-	1	1	2	1
Assets Issues	-	1	1	2	1
Imprest Issues	-	1	1	1	1
Internal Control Issues	-	1	1	3	1
Total	-	1	1	27	4

Audit Rating	Definition
Unsatisfactory	Controls are not functioning and/or fraudulent activities have been detected which will or have a material impact on both the financial statements and operations of the Ministry.
Significant Improvements Needed	The control environment is lacking which would encourage misuse and/or risk of loss by misappropriation contributing to financial losses. Immediate management actions need to be taken to address the control deficiencies noted.
Moderate Improvements Needed	Some controls are in place and functioning; however, several major issues were noted that could jeopardize the accomplishment of the Ministry's objectives.
Minor Improvements Needed	Many of the controls are functioning as intended; however, some minor changes are necessary to make the control environment more effective and efficient.

## 2. Background

The decentralization of local government have been part of a major public sector reform instituted by the Government of The Gambia in partnership with its relevant stakeholders to promote participatory development and the effective eradication of poverty. The Local government and its decentralization process have been the cornerstone of major government policies such as The Program for Accelerated Growth and Employment, a national blueprint that aimed to promote growth and economic development. Despite some successes, there remain some major challenges that continue to impede the effective implementation of local government and decentralization policies.

## 3. Audit Objectives

The key objective of this audit was to assess and evaluate the adequacy and effectiveness of the internal controls, risk management, and governance processes of the Governor's Office. Furthermore, the audit seeks to provide recommendation for improvement and as well as ascertain the following.

- Identify any potential risks.
- Check if system procedural and administrative controls are in place.
- An effective compliance with all the relevant policies with regards to the office operations as well as to ensure that the key controls set by management are effective and efficient.
- Determine whether public funds have been used for the intended purposes.

## 4. Audit Scope

The scope of the audit was from 1<sup>st</sup> January 2022 to 31<sup>st</sup> July 2022. The engagement scope includes a review of the following systems:

- Control Environment
- Expenditure Management (Journal Vouchers)
- Reconciliation Processes

## 5. Audit Methodology

The audit methodology includes a review and detailed testing of the design and operating effectiveness of internal controls, risk management and governance surrounding the sample activities/processes as follows.

- ✓ Expenditure
- ✓ Financial and non- financial Records keeping and reporting and,
- ✓ Fixed Assets and inventory management
- ✓ Interview of management team and other relevant personnel

## 6. AUDIT FINDINGS AND RECOMMENDATION

### 6.1. RELATED PARTY AND CONFLICT OF INTEREST WITH THE FORMER GOVERNOR WORTH GMD1,277,740.

THE CODE OF CONDUCT FOR THE CIVIL SERVICE OF THE GAMBIA, **INTRODUCTION SECTION** states that: *In the general orders of the civil servants, it requires all civil servants to uphold and practice seven fundamental ethical values and standards.*

1. To demonstrate loyalty to the Government of the day and to the country.
2. **To place the public interest before private interest and to ensure that private advantage does not conflict with public duty.**
3. To eschew the use of public position for personal advantage.
4. To serve with efficiency and industry and to perform tasks honestly and conscientiously.
5. To avoid bringing outside pressures or personal relationships in pursuit of personal claims.
6. To refrain from accepting gifts, presents and other favours that will compromise their integrity and objectivity.
7. To avoid divulging confidential information available to them in the course of the execution of their official duties.

The same code of conduct states that: **3. DEFINITION OF UNETHICAL CONDUCT**

*Unethical conduct includes those practices which are unquestionably immoral behavioural acts such as bribery and misappropriation of funds and such other activities as patronage, nepotism, conflict of interest, influence peddling, seeking of personal benefits by using official position, granting of favours to relatives and friends, leaking or misusing confidential government information and engaging in unsanctioned political activity.*

The same code of conduct **section 03115** also state: *Public officers shall, on appointment to the public service, disclose to the Secretary General particulars of any investment or shareholdings which he may possess in any public or private company carrying on business in The Gambia, or any other direct or indirect interest in such company. If the Secretary General decide that the officer's private affairs might be brought into real or apparent conflict with his public duties or in any way influence him in the discharge of his duties, the officer shall, to such extent as the Secretary General directs, divest himself of such investments or interests.*

According to GPPA Act 2014 **section 27. Conduct of public officials and bidders**

**(1) A public officer involved in requisitioning, planning, preparing and conducting procurement proceedings and administering the implementation of procurement contracts shall –**

- (a) discharge his or her duties impartially so as to ensure fair competitive access to public procurement by suppliers.
- (b) act in the public interest, and in accordance with the objectives and procedures set out in this Act and in the Regulations.
- (c) avoid conflicts of interest and the appearance of impropriety in carrying out his or her duties and conducting himself or herself; and
- (d) not commit or abet corrupt or fraudulent practices, including the solicitation or acceptance of improper inducements.

#### Observation

We noted that Sankulay firms a business owned by former Governor/vote controller (**HON. ABBA SANYANG**) received numerous procurement awards amounting **GMD1,277,740 (one million, two hundred and seventy seven thousand, seven hundred and forty dalasi )** from January 2022 to July 2022, Further review revealed that contracts were awarded to the said business without following due processes. It was also noted that the business was awarded contracts of different categories as indicated in the table below. This is a total violation of the code of conduct for civil servants and the GPPA Regulation as well. Nonetheless, the audit team later discover that the name of the proprietor has been changed from **ABBA SANYANG to MODOU LAMIN SANYANG (FAMILY)** below are the payments made to Sankulay firms.

Date	Details	Pv number	Payee	Amount GMD
5th/4/2022	Purchase of small office equipment	16pv22000617	Sankulay firms	62,100
23 <sup>rd</sup> /6/2022	Maintenance of vehicle	16PV22001146	Sankulay firms	158,400
23 <sup>rd</sup> /6/2022	Maintenance of building	16PV22001142	Sankulay firms	162,540
23 <sup>rd</sup> /6/2022	Maintenance. Of building	16PV22001144	Sankulay firm	120,600
23 <sup>rd</sup> /6/2022	Office equipment	16PV22001145	Sankulay firm	315,500
5 <sup>th</sup> /4/2022	Miscellaneous expenses	16PV22000619	Sankulay firm	44,100

23 <sup>rd</sup> /6/2022	Furniture and Fittings	16pv22001143	Sankulay firm	225,000
26 <sup>th</sup> /4/2022	NO PYAMENT VOUCHER SEEN	N/A	Sankulay firm	44,500
6 <sup>th</sup> /6/2022	NO PAYMENT VOUCHER SEEN	N/A	Sankulay firm	72,500
6 <sup>th</sup> /6/2022	NO PAYMENT VOUCHER SEEN	N/A	Sankukay firm	72,500
<b>Total</b>				<b>1,277,740</b>

### Risk rating

Risk	Unsatisfactory
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### Implications

Awarding business ventures to a self-owned business, possess the risk of potential procurement fraud and a risk of anti-competitiveness in the procurement processes.

### Recommendation

We recommend management to ensure all conflicts of interest are declared and that procurement processes are strictly compliant with GPPA Regulations to ensure a fair, transparent and competitiveness in all future procurements. In addition, we recommend management to conduct investigation and ensure all monies illegally obtained are recovered.

### Management Response

Action Plan:	<p>The auditor should have started with the concluding statement that modou Lamin Sanyang trading as sankulay firm inherited this firm from his father even before his appointment as governor. Furthermore, allocation are always late as a result the institution depends on vendors who could pre finance their need before allocations arrive this include sankulay firm, arcolley. All processing of supply and contracts are discussed by the deputy governor and the accountant and the governor which serves as the contract committee.</p> <p>We may agree in violation of GPPA regulation, but this could be very much relative availability funds mode contract like suppliers' availability and emergency of need so in that area of the country were GPPA official aren't easily accessible. Notwithstanding the recommendation are well noted and immediate change will be put in place.</p>
Responsibility:	
Timeframe:	

### Auditor's Comment.

Regardless of the business being inherited by Modou Lamin Sanyang it is still a conflict of interest and related party transaction for the office engaging Sankulay Firm on procurements without declaration of the potential conflict of interest. Full investigation should be done on this abnormalities and act accordingly.

## 6.2. FORMER GOVERNOR & DEPUTY GOVERNOR CLAIMING INAPPROPRIATE EXPENSES AMOUNTING GMD702,560

### Observation

Having reviewed the procurement process, we noted that the Governor who is the vote controller and the Deputy Governor being the two most seniors, have initiated procurements and claiming inappropriate and unsubstantiate payments amounting to **D702,560 (Seven hundred and two thousand, five hundred and sixty dalasi.)**. Conducting a further review on the issue, we noted inappropriate expenses were initiated with the pretense of **buying cash power, telecommunications expense, miscellaneous expenses, maintenance of vehicle, official entertainment, uniform & protective cloth** e.tc and then impose the invoice on the accountant for payments. Below are the claims.

Date	Pv number.	Details	payee		Amount GMD
5 <sup>th</sup> /4/2022	16PV22000620	Being payment for claim official entertainment	Hon Abba Sanyang	Former Governor	25,000
5 <sup>th</sup> /4/2022	16PV22000628	claim Official entertainment	Hon Abba Sanyang	Former Governor	30,560
5 <sup>th</sup> /4/2022	16PV22000627	Claim for miscellaneous expense	Hon Abba Sanyang	Former Governor	20,000
6 <sup>th</sup> /4/2022	16PV22000607	Claim for uniform and protective	Hon Abba Sanyang	Former Governor	50,000
5 <sup>th</sup> /4/2022	16PV22000626	Claim for maintenance of. Vehicle	Hon Abba Sanyang	Former Governor	40,000
5 <sup>th</sup> /4/2022	16PV22000613	Claim for feeding	Hon Abba Sanyang	Former Governor	35,000
16 <sup>th</sup> /8/2022	16PV22001505	Being payment for claim telephone expense	Hon Abba Sanyang	Former Governor	50,000
16 <sup>th</sup> /8/2022	16PV22001506	Being payment for claim maintenance of motor vehicle	Hon Abba Sanyang	Former Governor	57,000
5 <sup>th</sup> /5/2022	16PV22000606	Being payment for claim official entertainment	Hon Abba Sanyang	Former Governor	50,000
5 <sup>th</sup> /4/2022	16PV22000604	Being payment for claim telecommunication expenses	Hon Abba Sanyang	Former Governor	25,000
12 <sup>th</sup> /8/2022	16PV22001497	Payment for claim telecommunication expense	Ousman Bah	Current Governor	40,000
16 <sup>th</sup> /8/2022	16PV22001513	Payment for claim official entertainment	Ousman Bah	Current Governor/former deputy governor	75,000
14 <sup>th</sup> /9/2022	16PV22001858	Payment for claim official entertainment	Ousman Bah	Current Governor/former deputy governor	20,000
12 <sup>th</sup> /8/2022	16PV22001501	Payment for claim official entertainment	Ousman Bah	Current Governor/former deputy governor	75,000
28 <sup>th</sup> /5/2022	No PV	Cheque withdrawal by Ebrima Badjie IRO ABBA SANYANG	ABBA SANYANG	Former Governor	<b>50,000</b>
28 <sup>th</sup> /5/2022	NO PV	Cheque withdrawal by Ebrima Badjie IRO ABBA SANYANG	ABBA SANYANG	Former Governor	<b>60,000</b>
Total					<b>702,560</b>

### Risk rating

Risk	Significant Improvement Needed
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### Implication

Having the vote controller initiating and carrying out procurements, there is a risk of conflict of interest which might lead to potential procurement fraud.



## Recommendation

We recommend management to implement the segregation of duty process and desist from initiating procurements and claiming inappropriate payments. In addition, we recommend all procurements to be handled by a specialized procurement officer.

We recommend the matter to be investigate and the unsubstantiated amount should be recovered.

## Management Response

Action Plan:	Official entertainment feeding and other miscellaneous expense are incurred due to the in availability of the allocations. It has to be noted that offices our office particularly operates mainly thorough pre financing and most miscellaneous expenditure and other head cost like telecommunication, electricity are purchase though mobile apps and these amounts has be subsequently claim for
Responsibility:	
Timeframe:	

## Auditor's Comment

All claims made if it is official and approved within the budget must be back by receipts as proved of expenditure for the office and not for personal.

### 6.3. CLAIMS OF NIGHT ALLOWANCE WITHOUT ADEQUATE SUPPORTING DOCUMENTS AMOUNTING TO GMD250,000.00

According to the Financial Regulation 2016, Section **26. Execution of government budget, personnel payments**, subsection **(21)** state that ***"Payment vouchers shall be accompanied by the appropriate supporting documents which may include original invoices, time pay sheets, and local purchase orders."*** And subsection **(22)"** ***In the case of imprest holders, the appropriate supporting documents must include the relevant receipts***

## Observation

We noted that there was payment of night allowances totaling **D250,000.00** without adequate supporting documents. This is none compliance to the Public Finance act and other financial regulation.

Date	Pv number	Details	Payee	GMD	Remarks
05 <sup>th</sup> /4/2022	16PV22000625	Travel expenses	Pa modou jobe	39,000	Only PV and claim form is attached
5 <sup>th</sup> /4/2022	16pv22000618	Travel expenses	Pa modou jobe	60,000	Only PV and claim form is attached
16 <sup>th</sup> /8/2022	16pv22001519	Travel expenses	Pa modou jobe	100,000	Only PV and claim form is attached
13 <sup>th</sup> /9/2022	16pv22001856	Travel expenses	Pa modou jobe	51,000	Only PV and claim form is attached

## Risk rating

Risk	Significant Improvement Needed
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## Implication

There is risk of issuing deliberate misleading information to defraud the state

## Recommendation

Management should make sure that payment without evidence should be recovered and paid into the account to which it was originally paid from.

## Management Response

Action Plan:	The issue of night allowance supporting document will be attached henceforth.
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Responsibility:	
Timeframe:	

#### Auditor's comment

Audit still insist that the supporting documents for all the transactions listed above must be provided to determine the purpose of the payment.

#### 6.4. PAYING FOR MORE THAN 14 DAYS NIGHT ALLOWANCE AMOUNTING TO GMD 33,000

According to the **Financial Regulation Act 2016**, Section **8 Duties In Respect of Payments subsection (2)(f) of the financial regulation 2016** state that “*The head of accounts section of a department shall ensure that*

*(f) if any payment is made in excess of the amounts actually due-*

- I. The overpayment shall be recovered immediately and paid into the account from which it was originally paid and*
- II. The officer concerned shall report the circumstance immediately to the head of department or the appropriate authority.*

#### Observation

We noted that more than 14 days night allowances were paid to officials without any adequate supporting documents.

Date	Number of days	Actual days	Extra days	
16 <sup>th</sup> /8/2022	Pa modou jobe (accountant)	17 days x 1500 = 25,500	3x 1500 = 4500	
	Ousman Bah (Governor )	33 days x 1500 = 43,500	19 x 1500 = 28,500 28,500 + 4500 = 33,000	

#### Risk rating

Risk	Significant Improvement Needed
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#### Implication

There is risk of issuing deliberate misleading information to the defraud the state.

#### Recommendation

Management should make sure that excess payment should be recovered and paid into the account to which it was originally paid from.

#### Management Response

Action Plan:	It was an accumulated payment henceforth due process will be followed
Responsibility:	
Timeframe:	

#### Auditor's Comment

If this was an accumulated claims all the details of the various dates and duration should have been indicated for evidence of claim accumulation.

## 6.5. WITHDRAWALS BY THE ACCOUNTANT WITHOUT SUPPORTING DOCUMENTS AMOUNTING TO GMD3,068,662

### Observation

we noted that the accountant withdraws the below amounts on bank statement and no document had shown us for the reason for the withdrawals.

Date	Cheque number	Amount GMD
11 <sup>th</sup> /1/2022	20805090	206,601
11 <sup>th</sup> /1/2022	20805091	206,601
27 <sup>th</sup> /1/2022	20805095	825,000
21 <sup>st</sup> /3/2022	20805125	25,000
21 <sup>st</sup> /3/2022	20805122	60,000
5 <sup>th</sup> /4/2022	20805133	428,124
27 <sup>th</sup> /4/2022	20805146	218,181
19 <sup>th</sup> /5/2022	20805153	214,062
6 <sup>th</sup> /6/2022	05479736	214,062
28 <sup>th</sup> /6/2022	05479752	100,000
4 <sup>th</sup> /7/2022	05479755	214,062
16 <sup>th</sup> /7/2022	05479768	216,969
24 <sup>th</sup> /8/2022	05479768	51,000
9 <sup>th</sup> /2/2022	20805099	50,000
19 <sup>th</sup> /3/2022	20805118	39,000
TOTAL		<b>3,068,662</b>

### Risk rating

Risk	Unsatisfactory
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### Implication

This is a risk of potential misappropriation of public funds as there is no evidence to prove that funds were withdrawn for official use.

### Recommendation

The accountant should ensure that Supporting documents for the above payment are provided to the auditors.

The Governor should not authorize any withdrawal without the required supporting documents attached.

### Management Response

Action Plan:	Most of the payments listed above badge messengers cheques and thirty party payments.
Responsibility:	
Timeframe:	

### Auditor's Comment

Audit still insist that the supporting documents for all the transactions listed above must be provided to determine the purpose of the payment withdrawals.

## 6.6. PAYMENTS WITHOUT ADEQUATE SUPPORTING DOCUMENT AMOUNTING TO GMD2,308,640

According to the Financial Regulation 2016, Section 26. Execution of government budget, personnel payments, subsection (21) state that “Payment vouchers shall be accompanied by the appropriate supporting documents which may include original invoices, time pay sheets, and local purchase orders.” And subsection (22) “In the case of imprest holders, the appropriate supporting documents must include the relevant receipts.”

### Observation

We noted that there is a weak internal control mechanism in place surrounding raising of payments, as payments were processed without adequate supporting documentation to show the transparency of that payments.

DATE	PV NUMBER	DETAILS	PAYEE on PV	GMD ON PV
25 <sup>th</sup> /4/2022	16PV22000624	Purchase of fuel	Petro gas	150,000
16 <sup>th</sup> /8/2022	16PV22001514	Purchase of fuel	Petro gas	80,000
5 <sup>th</sup> /4/2022	16PV22000609	Purchase of fuel January 2022	Petro gas	100,000
5 <sup>th</sup> /4/2022	16PV22000621	Purchase of fuel March 2022	Petro gas	120,000
16 <sup>th</sup> /8/2022	16PV22001510	Purchase of fuel	Petro gas	50,000
5 <sup>th</sup> /4/2022	16PV22000615	Purchase of fuel February 2022	Petro gas	75,000
16 <sup>th</sup> /8/2022	16PV22001508	Purchase of fuel	Petro gas	105,000
23 <sup>rd</sup> /6/2022	16PV22001146	Payment of maintenance of vehicle	Sankulay firm	158,400
5 <sup>th</sup> /4/2022	16PV22000612	Payment of stationery	Arcolleys enterprise	112,500
5 <sup>th</sup> /4/2022	16PV22000617	Purchase of small office equipment	Sankulay firm	62,100
23 <sup>rd</sup> /6/2022	16PV22001145	Office equipment	Sankulay firm	315,000
5 <sup>th</sup> /4/2022	16PV22000619	Miscellaneous expenses	Sankulay firm	44,100
23 <sup>rd</sup> /6/2022	16PV22001144	Maintenance of building	Sankulay firm	120,600
23 <sup>rd</sup> /6/2022	16PV22001143	Furniture and fittings	Sankulay firm	225,000
23 <sup>rd</sup> /6/2022	16PV22001142	Maintenance of building	Sankulay firm	162,540
5 <sup>th</sup> /4/2022	16PV22000616	Maintenance of vehicle	Musa Jeng	40,500
15 <sup>TH</sup> /9/2022	16PV22001895	Maintenance of building	Arcolleys enterprise	122,400
14 <sup>th</sup> /9/2022	16PV22001881	Miscellaneous expenses	Arcolleys enterprise	63,000
15 <sup>th</sup> /9/2022	16PV22001896	Supply of furniture's	Arcolleys enterprise	202,500

### Risk rating

Risk Significant Improvement Needed

### Implication

There is a risk of funds being diverted to other purposes instead of the intended purpose.

There is a risk of inability to ascertain the authenticity of such payments.

### Recommendation

Management should ensure that adequate supporting documents are provided for all transactions to further ensure accountability and transparency before they are approved and signed.

## Management Response

Action Plan:	Henceforth management is resolved that adequate supporting document will be attached accordingly.
Responsibility:	
Timeframe:	

## 6.7. DELIBERATE UNDERSTATEMENT OF PAYMENT VOUCHERS AGAINST ACTUAL BANK WITHDRAWALS AMOUNTING TO D146,460.00

### Observations

We noted that payment vouchers amounting to **D146,460.00** were deliberately understated against the bank statement withdrawals, when we engage the accountant on the issue, we were told the reason for the understatement was due to pressure from management.

Date	Pv number	Details	Payee	Amount on PV	AMOUNT ON BANK STATEMENT	DIFFERENCE
5 <sup>th</sup> /4/2022	16PV22000617	Purchase of small office equipment	Sankulay firms	62,100	63,000	900
5 <sup>th</sup> /4/2022	16PV22000627	Payments of claims for miscellaneous	Hon Sheriff Abba Sanyang	20,000	95,560	75,560
5 <sup>th</sup> /4/2022	16PV22000613	Payment for claims	Hon sheriff abba sanyang	35,000	105,000	70,000

### Risk rating

Risk	Unsatisfactory
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### Implications

Deliberately understating the payment voucher is a clear and potential red flag for fraud.

There is a risk of deliberate attempt to give misleading information for review. Having contradicting information on payment vouchers will make it difficult to reconcile and give accurate financial status of the sub-treasury.

### Recommendation

We recommend management to investigate the matter and recover the funds with immediately effect. Management should ensure cheques are drawn as to the actual amounts on the payment vouchers.

## Management Response

Action Plan:	Absolutely the claim was handed to me by the former governor
Responsibility:	
Timeframe:	

### Auditor's comment

The management response is not addressing the observation and recommendation of the auditor and therefore we stress on the management to investigate and act on this matter with immediate effect.

## 6.8. MISSING PAYMENT VOUCHER AMOUNTING TO GMD70,000

According to the financial regulation 2016, **Section 9. Duties of other financial officer, subsection (7) (W), (X)** states that “A sub treasury accounts officer or finance attaché shall

*(w) Produce records and answer questions raised by internal auditors on financial and operational systems in the department in accordance with these regulations and the internal audit charter and*

*(x) Carry out financial responsibilities as may devolve upon his or her department”*

### Observation

We noted that numerous payment vouchers totaling **GMD70,000** were not presented for audit verification. Detail is show below

Date	PV Number	Payee	Description	Amount (GMD)
5 <sup>TH</sup> /4/2022	16PV22000610	NAWEC	Cash power	25,000
22 <sup>nd</sup> /9/2022	16PV22002177	Ousman Bah	Cash power	20,000
8 <sup>TH</sup> /4/2022	16PV22000604	Abba Sanyang	Telephone expenses	25,000

### Risk rating

Risk	Significant Improvement Needed
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### Implication

Payment voucher not presented for audit verification will cast doubts in the genuineness of the payment.

### Recommendation

Management should make sure the payment voucher are avail to the audit team for review the amounts involved should be recovered from the officers concerned.

### Management Response

Action Plan:	Some of the payments were not presented while they were under process
Responsibility:	
Timeframe:	

### Auditor's Comment

The management response is not addressing the observation and recommendation of the auditor and therefore we stress on management to provide all the payment vouchers or recover the incur funds from relevant payee with immediate effect

## 6.9. PAYMENTS MADE WITHOUT INVOICE AMOUNTING TO GMD50,000

According to the financial regulation 2016, section 26 Execution of Government Budget, Personnel Payment subsection (21) state that “payment vouchers shall be accompanied by the appropriate supporting documents which may include original invoices, time pay sheets and local purchase order”

### Observation

We noted that there were payments amounting to GMD50,000 made with no invoices attached.

Date on PV	PV number	Payee on PV	Description on PV	Amount in PV	Cheque paid to	Cheque number
6 <sup>th</sup> /4/2022	16PV22000614	Nawec	Payment of cash power for	25,000	Abba sanyang	20805109

			the month of February 2022			
5 <sup>th</sup> /4/2022	16PV22000622	Nawec	Payment of cash power for March 2022	25,000	Hassana Baldeh	20805127

### Risk rating

Risk	Significant Improvement Needed
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### Implication

There is a risk that fictitious payments can be made with no invoices attached.

### Recommendation

Management should ensure that invoices/ supporting documents are always attached with payment voucher before payments are process.

### Management Response

Action Plan:	
Responsibility:	
Timeframe:	

### 6.10. NON-CHARGING OF WITHHOLDING TAX AMOUNTING TO GMD35,000

*“According to the GRA ACT a person who retains the services of a contractor or subcontractor to carry out work, or Supply Labor or materials for Carrying out the work shall withhold tax at the rate of Ten per cent of Gross Fees or Other payments made to the contractor or Subcontractor in respect of the services “*

### Observation

We noted that there was system in built deduction of withholding tax charge amounting to **GMD35,000**. However, When the accountant raised payments, the system charges the 10% withheld tax but the accountant issues a cheque of the full amount to vendors without deducting the tax.

Date	Pv number	Details	Payee	Payment before tax GMD	Payment after tax GMD	Amount paid out to supplier in the bank statement	Tax to be paid
5 <sup>th</sup> /4/2022	16pv22000612	Payment for stationary	Arcolleys enterprise	125,000	112,500	125,000	12,500
15 <sup>th</sup> /9/2022	16pv22001894	Payment for furniture's	Arcolley enterprise	225,000	202,500	225,000	22,500

### Risk rating

Risk	Significant Improvement Needed
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### Implication

This could lead to potential loss of tax revenue for the Gambia Government which would have a negative impact on Governments' ability to fund development initiatives.

It is also a serious violation of the requirement set of the tax laws of the Gambia.

There is a risk of deliberately refusal to deduct tax.

There is risk of cheque being inflated for kick back on personal gain.

### Recommendation

The accountant should ensure that withheld tax is charged on all contract payment.

The management should ensure that all the money are recover and remit to GRA within stipulated time.

### Management Response

Action Plan:	Withholding tax was deducted for these payment when the cheque was drawn.
Responsibility:	
Timeframe:	

### Auditor's Comment

The management response is not addressing the observation and recommendation of the auditor and therefore we stress on management to investigate and recover amount to be withhold for GRA remittance. Audit confirm that the full amount was paid to the suppliers as per the bank statement without deducting tax withholding.

## 6.11. DESCREPANCY BETWEEN THE PAYMENT VOUCHER AND THE BANK STATEMENT

According to the Financial Regulation Act Section **26. Execution of government budget, personnel payments** states that:

*(41) A paying officer shall satisfy himself or herself that the person claiming payment is the person named in the payment voucher as the recipient or is a properly authorized representative of the recipient*

### Observation

We noted that the **payee details** on the payment voucher is different from that of the bank statement. We further noticed that monies are not paid to names as it is in the PV. Additionally we noted that details of amount in the payment voucher is different as that of the bank statement. This led to uncertainty and doubtfulness as to whom the payments are paid to.

Date	Pv number	Payee on Pv	Payee on bank statement	Amount on Pv	Amount on bank statement
6th/4/2022	16pv22000614	NAWEC	ABBA SANYANG	25,000	105,000
5 <sup>th</sup> /4/2022	16PV22000622	NAWEC	HASANA BALDEH	25,000	25,000
5 <sup>th</sup> /4/2022	16PV22000616	Musa Jeng	ABBA SANYANG	40,500	40,500

### Risk rating

Risk	Significant Improvement Needed
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### Implication

There is risk that funds are misappropriate or diverted and not use for the exact purpose.

There is risk high of malpractice and fraudulent activities in this transaction.

### Recommendation

Management should ensure that payments are made as the details are shown on the payment Vouchers.



### Management Response

Action Plan:	It was the nature of receipts presented to me
Responsibility:	
Timeframe:	

### Auditor's Comment

The management response is not addressing the observation and recommendation of the auditor and therefore we stress on management to investigate and act on this matter with immediate effect

## 6.12. FORMER GOVERNOR INITIATING AND APPROVING PAYMENTS AT THE SAME TIME

### Observation

We noted that the former Governor who is signatory to the cheque of the sub treasury account, has both the initiating and approval right in the IFMIS SYSTEM, which allows him to raise and approve inappropriate payments at the same time, there by bypassing the internal control systems put in place by the budget execution guidelines.

### Risk rating

Risk	Significant Improvement Needed
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### Implication

This is a total violation of the government accounting procedure manual. Having both the initiating and approval rights gives room for fraud and misappropriate expenses.

### Recommendation

We recommend Accountant General to limit the initiating rights of the vote controller.

We advise management to desist from such an unethical behavior.

### Management Response

Action Plan:	
Responsibility:	
Timeframe:	

## 6.13. NO SIGNATURES ON PAYMENT VOUCHERS/ NO MINUTES ON INVOICES BY THE VOTE CONTROLLER.

According to the Financial Regulation Act **Section 8 Duties in Respect of Payments** subsection 2 (a) states that “ *the head of the accounts section of a department shall ensure that*

a) *the officer instructing the payment is authorized to do so*

### Observation

We noted that the payment vouchers are not sign by the authorizing offers and invoices are not minute by the vote controller to process the payments

### Risk rating

Risk	Singnificant Improvement Needed
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### Implication

There is a risk that the vote controller may not authorize the payment and fraudulent transaction may be raised

## Recommendation

The vote controller should ensure that he minutes the invoices and sign the payment vouchers before payments are process.

## Management Response

Action Plan:	
Responsibility:	
Timeframe:	

### 6.14. PAYMENTS MADE FROM WRONG VOTE LINE

According to the Public Finance Act 2014, Section 6. Accountant General's Department subsection (4) (G) states that: *"it is the duty of the Accountant General to charge all expenditures under the proper Heads of Accounts, sub-Heads and items"*.

In addition, Section 9, subsection 7 (g) of the Financial Regulation, Duties of other Financial Officers and their Responsibilities states that: *"It is the duty of a Vote Controller, Sub Treasury Account Officer or Finance Attaché to charge promptly in his accounts under the proper Heads, Subheads and Items of expenditure all disbursement of public fund"*.

## Observation

We noted that payments totaling to D2500 were misclassified as detailed below

Date	PV Number	Payee	Description	From vote	Amount	Remark
23 <sup>rd</sup> /6/2022	16PV22001143	Sankulay firms	Furniture and fitting	Office equipment	50,000	Use for furniture and fitting

## Risk rating

Risk	Significant Improvement Needed
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## Implication

There is a risk that some expenditure head will be inflated and could lead to unnecessary exhausting budget line

This may also lead to inaccurate financial reporting because it does not provide management with accurate and realistic information on the expenditure details.

## Recommendation

The accountant should ensure that payments are done from the right vote line. Management should be vigilant to ensure approval are given to payments from right vote line.

## Management Response

Action Plan:	It was the nature of receipts presented to me
Responsibility:	
Timeframe:	

## Auditor's Comment

The management response is not addressing the observation and recommendation of the auditor and therefore we stress on management to charged transactions on the correct budget line.

### 6.15. ISSUING CHEQUE PRIOR TO RAISING PAYMENTS VOUCHERS ON TIME

## Observation

We noted that several payments were made by issuing cheques which were never supported by payment voucher at the time of issuing the cheques. We further noted that payment vouchers were only raised after months of effecting payments.

Risk rating

Risk	Significant Improvement Needed
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**Implication**

There is risk that expenditures are incur without proper records. In addition, there is risk that actuals amount drawn on the cheques are different from the amount on the payment vouchers

**Recommendation**

Management should ensure that payment vouchers are raised and approved by the Vote Controller and all necessary accounting procedures are followed prior to issuing any cheques or payments

**Management Response**

Action Plan:	Henceforth the necessary accounting process will be upheld
Responsibility:	
Timeframe:	

**6.16. NO CHEQUE REGISTER/CHEQUE NOT ATTACHED TO PAYMENT VOUCHERS**

According to the financial regulation act section **26. Execution of government budget, personnel payments** states that:

*(39) A record of issuance of a crossed cheque shall be kept in a way-book.*

*(40) The recipient of a crossed cheque shall, where a paying officer hands the crossed cheque over the counter, sign the way-book.*

**Observation**

During our review of payment vouchers and discussions with management, it was noted that cheques were issued without being recorded in cheques way book. Furthermore, copies of issued cheques were not attached to the payment vouchers

Risk rating

Risk	Significant Improvement Needed
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**Implication**

Not having a cheque way book could create the risk of not being able to trace the recipient of the cheque issued and could affect accountability

**Recommendation**

The management should ensure that a cheque register is developed and maintained, there-by taking in record, the recipient’s details for future references.  
Photocopy of the issued cheques should be attached to the payment vouchers.

**Management Response**

Action Plan:	Henceforth the management will ensure the cheque way book as required.
Responsibility:	
Timeframe:	

**6.17. BANK RECONCILIATION NOT DONE FOR THE PERIOD UNDER REVIEW**

According to the of the Financial Regulations Act 2016, Section 31 Cheque Books and Bank Reconciliation Subsection (15) states that: **"An officer who operates a government bank account shall, at least once in a month, reconcile his or her cash book with a bank statement"**.

Subsection 16 of the same regulation also states that: **"A reconciliation statement shall fully explain any difference between the balance shown in the cash and the balance as shown on the bank statement"**

**Observation**

We noted that the accountant did not prepare bank reconciliation statement for the period under review. The cashbook balances were not reconciled with the bank statements as required by the regulations.

**Risk rating**

Risk	Significant Improvement Needed
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**Implication**

There is a high risk that errors, bank charges and fraud might not be detected.

**Recommendation**

The accountant should make sure that bank reconciliation is regularly carried out for all the account that is maintained by the Governor's office. Any difference that arises from the reconciliation of bank statements should be investigated immediately by the management and ensure that necessary action is taken.

**Management Response**

Action Plan:	Henceforth reconciliation will be done accordingly
Responsibility:	
Timeframe:	

**6.18. PAYMENT VOUCHERS NOT STAMPED AS PAID OR VOID**

According to the financial regulations 2016, Section 26. Execution of Government budget, personnel payments, Subsection (51) states that *"The paying officer shall, immediately after payment has been made, stamp the payment vouchers and supporting documents with the "PAID" date stamp and append his or her initials to each of the documents."*

**Observation**

We noted that payment vouchers were not stamped as "PAID" or "VOID" and The PAID or VOID mark identifies whether the payment has been processed or not. With that regards payment cannot be double in any case.

**Risk rating**

Risk	Significant Improvement Needed
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**Implication**

This can lead to misappropriation of Government funds as payments could be process twice.

**Recommendation**

1. Going further, the accountant should ensure that all payment vouchers are stamp accordingly and file appropriately.
2. Management should improve on the supervision over the activities of the accountant to ensure compliance in this aspect.

**Management Response**

Action Plan:	Henceforth vouchers will be stamp as required
Responsibility:	
Timeframe:	

**6.19. NO RECIPIENT SIGNATURE ON RECEIPT OF PAYMENT**

According to the Financial Regulations 2016, Section 48 Preparation of receipts Subsection (5) stated that *“A receipting officer shall sign any receipt that he or she issues and shall not use a signature stamp copy of that receipt.”*

**Observation**

During the review of payment vouchers we noted that payments are being made to individuals and staff without acknowledgment of recipient signatures.

**Risk rating**

Risk	Significant Improvement Needed
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**Implication**

There is a risk that the recipient did not actually receive the money since he/she did not sign receipt on the payment voucher

**Recommendation**

The accountant should ensure that all the recipients are signed before being given any cash for accountability and transparency purpose.

**Management Response**

Action Plan:	Point noted and it will be initiated henceforth
Responsibility:	
Timeframe:	

**6.20. NO ANNUAL PROCUREMENT PLAN**

According to the GPPA Regulation Section 25(1) states that *“Procuring organizations shall provide to the Authority an annual procurement plan describing the extent, timing and purposes of projected procurement requirements for the budgetary period.”*

**Observation**

During our audit exercise, we asked them for the annual procurement plan submitted to GPPA and relevant documents concerning the procurement of goods and services, the audit team noted that there was no annual procurement plan that would guide them to follow due process. Thus, procurement process was not in line with the best practice

**Risk rating**

Risk	Significant Improvement Needed
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**Implication**

There is a risk of non-compliance to GPPA rules and regulations and therefore hinder the authority’s responsibility to overlook the procurements of public institutions.

There is a risk that value for money, efficiency, economy and effectiveness in public procurement is not achieved due to the failure of developing an annual procurement plan.

**Recommendation**

The Governor, the contract committee members, should ensure that Annual procurement plans are prepared and strictly followed in order to avoid unplanned procurement activities during the year.

### Management Response

Action Plan:	The management will adhere to contract committee meetings accordingly
Responsibility:	
Timeframe:	

### Auditor's Comment

The management response is not addressing the observation and recommendation of the auditor and therefore we stress on management to have a procurement plan every year for the office procurements.

### 6.21. SINGLE SOURCE

According to the GPPA Regulation 2018, Section 40(1), Conditions for use of single-source procurement states that: **“Single source procurement may not be justified on the grounds that only one bidder has the capacity or the exclusive right to manufacture or deliver goods, works or services if functionally equivalent goods, works or services from other bidders would meet the needs of the procuring organization”.**

**(2) “In the case of single-source procurement on the grounds of urgency referred to in section 45(1) (c) of the Act, the procuring organization shall limit the procurement to the quantity needed to deal with the urgent circumstances”.**

### Observation

During our audit exercise, the audit team observed found out that some goods that were procured using single source exceeding the single source threshold as stated in the GPPA regulations without the approval of GPPA.

### Risk rating

Risk	Unsatisfactory
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### Implication

There is a risk of non-compliance to GPPA rules and regulations and therefore weakens the responsibility of the authority to oversee the procurements of public institutions

There is a high risk that the value for money, efficiency, economy and effectiveness in public procurement are not achieve due to failure to follow due process in procurements

There is risk of fair and equal opportunity for vendor/contractor participation in public procurement

### Recommendation

The Governor and contract committee members should make sure that GPPA regulations are always applied during any procurement process carried out by the office.

The contract committee should abide by the rules and regulations stipulated in the GPPA act and regulation before processing any payment.

### Management Response

Action Plan:	The management is resolve henceforth the would be no single sourcing
Responsibility:	
Timeframe:	

### Auditor's Comment

The management response is not addressing the observation and recommendation of the auditor and therefore we stress on management to be fully in compliance with the GPPA laws.

**6.22. NO MINUTES OF THE CONTRACT COMMITTEE**

According to the GPPA Act, Section 47. Establishment of Contract Committee Subsection (5), States that *“the Secretary of the Contracts Committee shall take minutes of meetings of the Contracts Committee and maintain a file of all matters considered by the Contracts Committee”*

**Observation**

During our audit exercise, we noted found that there is a contract committee available in the Governor’s Office, and that contract committee for procurement purposes was holding meetings. The audit team noted that contract committee minutes were not kept. There was no evidence of contract committee minutes made available to the audit team to identify what was discussed in a particular meeting.

**Risk rating**

Risk	Significant Improvement Needed
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**Implication**

Failure of not providing contracts committee minutes casts doubt as to whether the contract committee meetings took place during their procurement process.

There is a high risk that members of the contract committee are being paid allowance without regular meetings.

**Recommendation**

Management should ensure that every seating the contract committee secretary takes minutes and file it as evidence for audit activities or to keep it for other future evidence.

**Management Response**

Action Plan:	Henceforth there will be minutes of the contract committee
Responsibility:	
Timeframe:	

**6.23. NO DELIVERY NOTE**

According to the Accounting Procedures Manual Section 6.5.3- states that (1)*“The supplier shall deliver goods and submit a delivery note to the DOS Supplies Officer;(2)The DOS Supplies Officer shall inspect the delivered Goods against Delivery Note and Purchase Order and record Delivery Note details.”*

**Observation**

During the review of files and supporting documents, it was noted that delivery notes that serve as confirm evidence of goods delivered were not attached to the payment vouchers. We contacted the accountant, and we were informed that delivery notes are not collected in all payments, and that is clearly not in line with the accounting procedure manual

**Risk rating**

Risk	Significant Improvement Needed
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**Implication**

There is a risk payment without delivery notes as required by the regulations would lead to difficulty in ensuring accountability and transparency.

There is a risk to ascertain whether the supplied goods met all the specifications portrayed in the purchase order

**Recommendation**

Management should ensure that all suppliers making delivery of goods avail a delivery note. The items should be delivered and delivery note should be attached to the payment voucher before making a payment.

The accountant should ensure that payment for goods should not be processed if the delivery note is not attached to the supporting documents.

## Management Response

Action Plan:	Henceforth delivery note will be attached
Responsibility:	
Timeframe:	

### 6.24. PURCHASE ORDER NOT SIGNED

Section 119. of the GPPA Regulation states that “ (1) In accordance with section 45(1)(a) of the Act –

(a) The Local Purchase Order Form shall be used for goods and non-consultant services below the threshold established in Regulation 12(a) (i); and (b) The Petty Contract Form shall be used for works below the threshold established in Regulation 12(a)(ii).

**(2) Procurement transactions referred to in sub-regulation 119 shall be documented, as a minimum, with two copies of the annotated invoice for the item with the name of the person who bought the item”.**

#### Observation

As a requirement of the procurement process, the supplier of the goods and services must sign a purchase order, thus we noted during the review of payment vouchers that the suppliers did not sign some purchase orders.

Risk	Significant Improvement Needed
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#### Implication

The failure of supplier not signing the purchase orders could create risk of fictitious payments and not following due process in the procurement processes.

#### Recommendation

Management should ensure that all suppliers sign purchase orders, to enhance good practice and that proper procedures are followed

## Management Response

Action Plan:	Henceforth purchase orders will be sign as required
Responsibility:	
Timeframe:	

### 6.25. NO SEGREGATION OF DUTIES

According to Section 2.7.3 of the Accounting Procedure Manual, Operational aspects of internal control states that: **“Segregations of duties are controls instituted to achieve the following:**

a. Creation and distribution of work by establishing separate areas of work to reduce the risk of intentional errors, abuse, or opportunity for collusion and promote accountability

b. Establishment of independent validation and reconciliation of one work area by another

#### Observation

We observed that there is no segregation of duties on the Governor’s various procurement, as there is only person (Accounting Officer) who is responsible for procurement process from initiation to payment.

The Same Accounting Officer is also responsible to effect payment of those procured goods and services to prepare the necessary documents and responsible for the store as well.

#### Risk rating

Risk	Significant Improvement Needed
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#### Implication

Non-segregation of duties in conducting their work as there is a high risk of erroneous, fraudulent activities, which can go undetected.

#### Recommendation



Management should ensure that they have procurement officer and a storekeeper to make sure there is segregation of duties at Governor's office.

Management should ensure all procurement process should be handle at the contract committee. All invoices should be brought to the contract committee level for approval. Additionally, all the invoices approved should be capture in the Minutes for referencing and audit purposes.

**Management Response**

Action Plan:	Pointed noted
Responsibility	
Timeframe:	

**Auditor's Comment**

The management response is not addressing the observation and recommendation of the auditor and therefore we stress on management to indicate what action will be taken, who is responsible and timeframe for the implementation of the recommendation.

**6.26. NO RISK MANAGEMENT POLICY**

**Observation**

The Governor's office did not have a risk policy to identify, reduce and prevent undesirable incidents

The purpose of the risk Policy will help management to identify, reduce and prevent undesirable incident and to review past incident and implement changes to prevent future incidents

Risk rating

Risk	Significant Improvement Needed
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**Implication**

Without the risk policy, the Governor's office may not be able to identify, reduce and prevent unwanted outcomes and review past incidents and implement changes to prevent future incidents

**Recommendation**

Management should ensure that there is risk policy in place.

**Management Response**

Action Plan:	Point noted the management will act accordingly
Responsibility:	
Timeframe:	

**6.27. NO FUEL POLICY**

**Observation**

During the audit exercise, the team noted that there was no fuel policy that explained the procedure on how to purchase fuel. The Deputy Governor and now the present Governor controlled purchase of fuel, there was no transparency in the distribution of fuel, and there would be no substantiation of the purchase of fuel in this case. It is not in line with the best practice.

Risk rating

Risk	Significant Improvement Needed
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**Implication**

There is a risk that fuel can be used for personal or private vehicle

There is a risk of overuse of fuel on the fuel vote thus leading to budgetary implications.

**Recommendation**

Management should ensure that a fuel policy is developed for the Governor’s Office to safeguard public funds against embezzlement and malpractices actions.

**Management Response**

Action Plan:	Henceforth fuel policy will be implemented
Responsibility:	
Timeframe:	

**6.28. NO RECORDING OF FUEL REGISTER**

According to the General Order Chapter (10110) state that, “log sheets must be completed by the Driver of the vehicle in respect of all journeys and certified by the Officer using the vehicle”

**Observation**

During our review of the fuel logbook, the audit team noted that there was no recording of fuel as fuel being distributed to individuals or staff.

**Risk rating**

Risk	Significant Improvement Needed
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**Implication**

There is room for malpractices since there is no proper record keeping

No transparency in the fuel issuing process since some recipients did not sign

Issuing fuel procured from government funds with no recipients’ signatures is not in line with best practices

**Recommendation**

The Governor’s Office should ensure that the fuel holder maintain a standard fuel register book which must include at minimum the name of the recipient, purpose, fuel coupon number, signature of the recipient, date and amount.

Management should always make sure that all officials issued fuel signs the fuel register. This will ensure transparency in the fuel allocation process.

**Management Response**

Action Plan:	We already have one in place henceforth adjustment will be made
Responsibility:	
Timeframe:	

**6.29. INCOMPLETE ASSET REGISTER**

According to the Financial Regulations Act 2016, Section 7 Financial duties of a Vote Controller subsection (1) states that “the head or chief executive officer of a budget agency or its Vote Controller shall:

(k) Compile and maintain an assets register of the department as determined by the Accountant General;

The same Act section 38. Government stores subsection (11) states “An accounting officer shall, giving such details as may be specified by the Accountant General, record in a Register of Assets all items of vehicles and heavy plant owned, operated or maintained by that accounting officer’s department”

**Observation**

During the review of the asset register in the Governor’s Office, we observed that the asset register was not up to date as most items are not being captured in the asset register.

**Risk rating**

Risk	Significant Improvement Needed
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**Implication**

Not updating the asset register make it very difficult to ascertain the ownership, existence, and condition of the assets. This also renders it difficult for management to monitor the movement in fixed assets register such as additions and disposals.

**Recommendation**

The Governor should ensure that the responsible personnel always update the asset register as required by the financial regulation FR  
The Governor should ensure that assets are reviewed by management on a regular basis to see whether due process is being followed or not and make sure whenever assets are moved from one office to the other, a record of this should be kept so that they can be easily tracked if need may be.

**Management Response**

Action Plan:	Point noted management is resolve and will act on it accordingly
Responsibility:	
Timeframe:	

**6.30. NO SERIALIZATION AND TAGGING OF ASSETS**

According to the Financial Regulation Act 2016, Section 7 Financial duties of a Vote Controller subsection (1) states that “*the head or chief executive officer of a budget agency or its Vote Controller shall:*  
*(k) Compile and maintain an assets register of the department as determined by the Accountant General;*

**Observation**

During the period under review, the audit team had conducted some assets verification in the Governor’s Office and we noted that some assets are not serialized. In addition, physical assets are not tagged with unique identification for ease of referencing

**Risk rating**

Risk	Significant Improvement Needed
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**Implication**

There is a risk that fixed assets that are not serialized or tagged lead to a lack of audit trail and adequate information for proper accounting of government assets.

The absence of serialization and tagged in the fixed assets leads to fraud and loss of assets through theft. Thus, resulting from loss of government properties.

None serialization or tagged of assets, makes it difficult to verify when they get lost and can bring difficulties in the time of disposal.

**Recommendation**

The Governor should ensure that the responsible personnel always update the asset register, serialize them properly and make sure they are tagged as required

**Management Response**

Action Plan:	Management is resolved to apply the recommendation
Responsibility:	
Timeframe:	

**6.31. PAYMENT OF SALARY OVER THE COUNTER****Observation**

During our exercise, the audit team noted that most of the badge messengers receive their monthly salary over the counter instead of their respective salary accounts. In addition to that we noted cash payment to certain individuals.

**Risk rating**

Risk	Significant Improvement Needed
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**Implication**

Payment of salaries over the counter indicates a weak internal control surrounding the payment of salaries and allowances.

**Recommendation**

The Governor and the Accountant should make sure that the salary of all staffs on the payroll are paid directly onto a verified bank account.

Staff receiving salary over the counter should open bank account where their salaries should be paid in to avoid payment over the counter.

**Management Response**

Action Plan:	Noted management will work on that accordingly
Responsibility:	
Timeframe:	

**Appendix**

We are also requesting details of bank account number from the bank statement **11011810701**, **11065328701**, that several payments were made to.

**Please refer to bank statement as reference detail transfer to the above account.**

**Auditors comment**

No response from management

## **CONCLUSION**

The audit was conducted with due regards to independence, objectivity, and professionalism to ensure sufficient evidence was gathered to support our findings. Recommendations were made related to the findings to help management better managed public funds efficiently and effectively towards achieving better public service delivery. The overall control environment of the Governor's office is weak and really need strengthening. The above recommendations should be implemented as per the timeline set forth in the management responses. Audit want to express its appreciation to the management team for the support accorded during the audit exercise.