

AWUTU SENYA EAST MUNICIPAL ASSEMBLY



REPUBLIC OF GHANA

*In case of reply, the number and date
of this letter should be quoted.*

Our Ref: ASEMA-05/03/04
Your Ref:



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30th April, 2025

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SUBMISSION OF FIRST QUARTER 2025. INTERNAL AUDIT REPORT

Pursuant to Section 83 (7) of the Public Financial Management Act, 2016, Act 921, we submit, herewith, the First Quarter 2025 Internal Audit Report of the Awutu Senya East Municipal Assembly for your attention.

Humbly submitted.

SIEGERIED K. ADDO)
MUNICIPAL CO-ORD. DIRECTOR
for: MUNICIPAL CHIEF EXECUTIVE

THE CHAIRMAN
AUDIT COMMITTEE
ASEMA, KASOA.

THE DISTRICT AUDITOR
GHANA AUDIT SERVICE
WINNEBA

THE DIRECTOR GENERAL
INTERNAL AUDIT AGENCY
ACCRA

cc: The Head of Service
OHLGS, Accra

The Hon. Regional Minister
CRCC, Cape Coast

The Municipal Co-ordinating Director
Awutu Senya East Municipal Assembly
Kasoa

25th April, 2025

Sir,

SUBMISSION OF FIRST QUARTER 2025 INTERNAL AUDIT REPORT

Please, find attached the first quarter Internal Audit Draft Report. It covered the period 01 **January** 2025 to 31 **March** 2025 on the activities and programmes of the Awutu Senya East Municipal Assembly by the Internal Audit Unit.

Thank you.

Yours,



Gordon Walter Doe
Head, Internal Audit Unit

Cc:
Municipal Finance Officer

ACRONYMS/ABBREVIATIONS**DEFINITIONS**

ASEMA	Awutu Senya East Municipal Assembly
MCE	Municipal Chief Executive
MCD	Municipal Coordinating Director
MFO	Municipal Finance Officer
MIA	Municipal Internal Auditor
IAU	Internal Audit Unit
IGF	Internally Generated Fund
DACF	District Assembly Common Fund
GIFMIS	Government Integrated Financial Management System
DPAT	District Performance Assessment Tool
UDG	Urban Development Grant
DDF	District Development Facility
GSCSP	Ghana Secondary City Support Program
MBA	Municipal Budget Analyst
PPO	Physical Planning Officer
MPO	Municipal Procurement Officer
RBIA	Risk-Based Internal Audit Plan

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AWUTU SENYA EAST MUNICIPAL ASSEMBLY INTERNAL AUDIT UNIT

FIRST QUARTER AUDIT REPORT ON THE ACCOUNTS AND ACTIVITIES OF AWUTU SENYA EAST MUNICIPAL ASSEMBLY, KASOA

1.0 Introduction to audit

The first quarter audit on the accounts and activities of the Awutu Senya East Municipal Assembly (ASEMA) has been conducted. The Scope of the audit covered activities and programmes for the period 01 January 2025 to 31 March 2025. IAU reviewed the activities of DRIP, handing over notes of former Chief Executive and transport.

2.0 Objectives and Scope of Audit

- Ascertain effectiveness of controls over the DRIP Equipment
- Ascertain the use of GIFMIS Warrants and Payment Vouchers
- Ascertain whether the handing over note of past MCE is documented and file
- Ascertain the effectiveness of system of governance over disbursements of funds

3.0 Background to audit

Audit was to review expenditure documents to ascertain compliance in relation to GIFMIS by the use of GIFMIS Warrants and payments vouchers, cashbooks and bank statements.

4.0 Scope of the Audit

The scope of the audit covered expenditure on activities and programmes over the period 1st January 2025 to 31st March 2025.

5.0 Methodology / Approach to Audit

Risk based approach to auditing was the methodology used. The Revised Risked-Based Internal Audit Plan (RBIA) of ASEMA has been approved by the Audit Committee in which thrust areas to be audited were ranked according to their likelihood and impact assessments. That is, trust areas with higher risk rankings would receive more and regular audit time and attention in the course of the year 2025.

**AWUTU SENYA EAST MUNICIPAL ASSEMBLY
INTERNAL AUDIT UNIT**

6.0 Summary of findings

6.1 Follow-up on previous audits

Follow-up on previous audit issues is on-going

6.2 Failure to Renew Insurance and Road Worthiness Certificate of Official Vehicles

During our audit, we realized that the Assembly's Official vehicle Insurance and Road worthy had not been renewed. **List Of Official Vehicles;**

NO.	TYPE OF VEHICLE	VEHICLE MODEL	VEHICLE MAKE	REGISTRATION NO. & DATE OF REGIS.	CHASSIS NO.	STATE/CONDITION OF VEHICLE
1.	Nissan Hardbody	Hardbody	Nissan	GC 824-18	ADNCPUD22Z 0069816	Good
2.	Nissan Patrol	Patrol	Nissan	GT 8429-19	JN8BY2NY5K9 200225	Good
3.	Nissan Patrol	Patrol	Nissan	GN 2388-11	JN1TCSY61Z0 579904	Under Repairs
4.	Toyota Hilux	Hilux	Toyota	GW 970-16	MROFR22GOF 0792411	Good
5.	Compactor Truck	Compacter	Compacter Truck	GW 8392-13		Under Repairs
6.	Toyota Hilux	Hilux	Toyota	GT 8194-13	AHTFK22G403 075005	Good

Recommendation

We recommend Management should ensure that all Official vehicle of the Assembly are insured and drivers have their licence renewed.

AWUTU SENYA EAST MUNICIPAL ASSEMBLY INTERNAL AUDIT UNIT

6.3 Availability of Handling Over Notes

We conducted an audit to verify the availability and handing over notes of past chief Executive to ascertain whether handing over notes were properly documented including date, time and subject matter and that the notes were in a secure location with access restricted to authorized personnel.

The audit covered the period for 2024 and included a review of handover notes from the past chief Executive

Recommendation

We recommend that the MCE ensures that the handling over noted is updated and sent to the various institutions.

6.4 DRIP ACTIVITIES PROGRAMME

6.4.1 No Log Book Used

During the audit we realized that there was no log book used to determine the milage and fuel consumption for the three-month activity.

Recommendation

Management should ensure that fuel log books are provided to the District Road Improvement Programme (DRIP).

6.4.2 PVs Not Acquitted with Receipts - GhC 251,155.00

Five (5) Payments vouchers with total value of GhC 251,155.00 were not acquitted with receipts, claim sheets and other appropriate documents.

Recommendation

Management should ensure that all payment vouchers are supported with verifiable receipts and other attachments to show that amounts are due and payable as stipulated by Part IX paragraph 13 (b) of the Financial Memoranda for District Assemblies 2004 and Regulation 78 (1a&1b) of Public Financial Management Regulation, 2019 (L.I.2378)

6.4.3 Payments Without GIFMIS PVs - GhC45,500.00

For the period under review, 1 payment with total value of GhC45,500.00 did not have payment vouchers prepared under GIFMIS attached to them.

Recommendation

MCE should ensure that all payments are preceded by the preparation of Payment Vouchers from GIFMIS platform attached as required by the PFM Act, its Regulations.

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6.4.4 Nonfunctional Drip Committee

Our review of the District Road Improvement Programme (DRIP), we realized that there was no evidence of minutes of meetings held by the DRIP Committee to approve on how to use the equipment for the three-month period in 2024.

Recommendation

We recommend that Management should ensure that the DRIP committee meet and approve matters concerning the DRIP activities and the way forward.

6.4.5 Fuel Not Accounted For - Gh ₵ 1,165.00

During our audit we observed that PV No. CF/02/10/24 with fuel amounting to GH ₵174,770.00 was allocated but GH ₵173,605.00 was accounted for. A total of GH ₵1,165.00 was not accounted for.

Recommendation

We recommend that Management should refund the amount of GH ₵1,165.00 to the DRIP account.

6.5 Used of Handwritten Demand Notice To Prepare Bills For The Assembly

During our audit we observed that a software (Zebra Revenue Management System) which was procured in August 2023 which became fully operational in 2024 to print Business operating permit, Property rate and Signage Were now be abandoned and currently using of old unwritten demand notice to prepare bills.

Recommendation

We recommend to Management to use the software to print bills in order to improve efficient, accuracy and standardization. Also, to provide better tracking and Management capabilities instead of the old unwritten demand notice.

AWUTU SENYA EAST MUNICIPAL ASSEMBLY INTERNAL AUDIT UNIT

7.0 Personnel of Internal Audit Unit

This exercise was conducted by the following persons

The following were the members of the Internal Audit team that undertook the exercise:

Mr Gordon Walter Doe	-	Director of Internal Audit
Mr. Kwaku Owusu Antwi	-	Snr Internal Auditor
Mad Sherifa Sanda Abubakari	-	Internal Auditor
Mr. Emmanuel Arthur-	-	Internal Auditor
Mad Grace Fordjour	-	Internal Auditor
Mr. Lawrence Boadu	-	Asst Internal Auditor
Mr. Joel Otwe Ninsin	-	Asst Internal Auditor

Assisted by 5 National Services Personnel

8.0 Key Personnel at post during Audit

1. Mr. Siegfried K, Addo - Municipal Co-ordinating Director
2. Mr. Micheal Ebo Allotey - Municipal Finance Officer
3. Mrs Nadhira Saeed Ibrahim - Senior Budget Analyst
4. Mr. Abdel-Hafez Bagrey Abdulai - Municipal Planning Officer
5. Mr. Isaac Ofori - Municipal Works Engineer
6. Hon. Jones Kwarteng - Presiding Member
7. Mr. David Avuworda Kofi - Municipal Procurement Officer
8. Mrs Nazarene A. Dowuona - Head, HR Department
9. Mr. Godson Lodo - Municipal Environmental Health Officer
10. Mr. Evans Amofa - Head, Urban Roads Dept

**AWUTU SENYA EAST MUNICIPAL ASSEMBLY
INTERNAL AUDIT UNIT**

9.0 Detailed Audit Observations

9.1 Failure To Renew Insurance and Road Worthiness Certificate of Official Vehicles

Criteria	<ul style="list-style-type: none"> • Section 94 of the Road Traffic Act 2004 (Act 683) • Section 3 of Users of Motor Vehicles (Third Party Insurance) Act -1958
Condition	During the audit, it was realized that the Assembly’s Official vehicle Insurance and Road worth hadn’t been renewed.
Cause	Non-compliance with the above regulations
Effect	In case of any accident, the Assembly will face the law.
Recommendation	We recommend Management should ensure that all Official vehicle of the Assembly are insured and drivers have their licence renewed.
Mgt’s response	Management has taken noted and will adhered to the audit recommendation
Mgt’s action plan	

9.2 Availability of Handling Over Notes

Criteria	Section 7(1 & 2) of Act 845 of the Presidential (Transition) Act, 2012
Condition	During our audit, we observed that the former MCE handling over noted which was dated in July 2024 needed to be reviewed and updated in areas such as the Assembly’s Annual financial account report for 2024, Human Resource department etc.
Recommendation	We recommend that the MCE ensures that the handling over noted is updated and sent to the various institutions.
Mgt’s response	Management would ensure that the Handling over note would been reviewed and responded according.
Mgt’s action plan	

9.3 Transactions without GIFMIS PVs – GhC45,500.00

Criteria	<p>Section 25(6) of Public Financial Management Act, 2016 (Act 621) Regulation 78(2) of the Public Financial Management Regulation, 2019 (L.I.2378) Section 25 (6) of PFM ACT,2016 (Act 921) and Regulation 78 (2) of the PFM Regulation 2019(L.I.2378)</p>
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Condition	For the period under review, one (1) payment with total value of GhC45,500.00 did not have payment vouchers prepared under GIFMIS attached to them.
Cause	Non-compliance with the above regulations
Effect	The Assembly could default on the provisions in the PFM Act and its Regulations
Recommendation	MCE should ensure that all payments are preceded by the preparation of Payment Vouchers from GIFMIS platform attached as required by the PFM Act, its Regulations.
Mgt's response	GIFMIS Payment voucher to be printed and attached
Mgt's action plan	

9.4 PVs not acquitted with receipts – GhC 251,155.00

Criteria	Regulation 78 (1a&1b) of Public Financial Management Regulation, 2019 (L.I.2378) and Part IX paragraph 13 (b) of the Financial Memoranda for District Assemblies 2004 on Payments vouchers not acquitted
Condition	Five (5) Payments vouchers with total value of GhC 251,155.00 were not acquitted with receipts, claim sheets and other appropriate documents.
Cause	Non-enforcement of controls by management
Effect	The Assembly could be sighted for not complying with established regulations
Recommendation	MCE should ensure that all payment vouchers are supported with verifiable receipts and other attachments to show that amounts are due and payable as stipulated by law
Mgt's Response	Noted, Schedule Officers are being tasked to come and acquit amounts released to them
Mgt's action plan	

9.5 Used of Unwritten Demand Notice to Prepare Bills for The Assembly

Criteria	Section 20(1) of the Public Financial Management Act, 2016
Condition	During our audit we observed that a software (Zebra Revenue Management System) which was procured in august 2023 at a cost of GH C80,000.00 which became fully operational in 2024 to print Business operating permit, Property rate and Signage as now be abandoned and currently using of old unwritten demand notice to prepare bills.
Cause	Inconsistency of MIS database with the budget line due to duplication of bills and wrong fees charged from the fee fixing.
Effect	It would be difficult to track and manage revenue of the Assembly

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Recommendation	We recommend to Management to use the software to print bills in order to improve efficient, accuracy and standardization. Also, to provide better tracking and Management capabilities instead of the old unwritten demand notice.
Mgt's response	
Mgt's action plan	

10.0 Effectiveness of Internal Controls

Internal controls over cash collections at the Accounts Office are becoming better compared to our previous reports. Amounts collected are paid in gross and on time into bank accounts as required by Laws, Regulations and Rules.

Recommendation

We commend the Account Department for the good work performed during this period of audit and encourage them to continue with the action taken.



**Gordon Walter Doe
Head, Internal Audit Unit**