JUABOSO DISTRICT ASSEMBLY

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

P. O. BOX 1
SEFWI-JUABOSO
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Our Ref.: JDA. 05/10/03/Q1

Your Ref.:……………………………

Date: 22nd April, 2025

SUBMISSION OF FIRST QUARTER 2025 INTERNAL AUDIT REPORT ON DRIP MACHINES AND HANDING OVER NOTES OF THE ASSEMBLY

I forward herewith, the Audit Report for the First Quarter, 2025 Internal Audit for your information and necessary action please.

SAMUEL KWABENA SARFO
(DISTRICT COORDINATING DIRECTOR)
For. DISTRICT CHIEF EXECUTIVE

THE CHAIRMAN
AUDIT COMMITTEE
JUABOSO DISTRICT ASSEMBLY
JUABOSO

CC:

The Director General
Internal Audit Agency
PMB 31
Accra

The District Director
Ghana Audit Service
Sefwi Wiaso

Office of the Head of the Local Government Service
P.O.Box MB 396
Ministries-Accra

The Regional Minister
Western North Regional Coordinating Council
Sefwi Wiaso.

The District Chief Executive
Juaboso District Assembly
P.O.Box 1
Juaboso

The District Coordinating Director
Juaboso District Assembly
P.O.Box 1
Juaboso

The Hon. Presiding Memeber
Juaboso District Assembly
P.O.Box 1
Juaboso

REPORT

JUABOSO DISTRICT ASSEMBLY

POST OFFICE BOX 1

JUABOSO

INTERNAL AUDIT REPORT

ON

DRIP MACHINES & HANDING OVER NOTES

FIRST QUARTER - APRIL, 2025

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HANDING OVER NOTE AUDIT

Missing items at the residence of the Hon. District chief executive- GHC13,500.00

We recommend that,

a. The aid of the DCE should be surcharged for the return of the missing items or refund an amount of GHC 13,500.00 being the value of the missing items.
b. The residence of the district chief executive should be provided with security for our review

Two motorbikes not handed over

We recommend to the District Coordinating Director to as a matter of urgency retrieve the motorbikes from the officers whose names the motorbikes were issued to for the monitoring activity for our review.

OPERATIONS OF THE DRIP MACHINES

Proceeds of DRIP machines not lodged in gross into the assembly's accounts in gross

We recommend to management to

a. Allocate special GCR to receive all revenues from the DRIP operations and to deposit in gross at the designated bank account.
b. Provide DRIP machines register to record all day to day activities and any other information that may deemed important for effective utilization and monitoring of the machines.

DRIP MACHINES not covered with Insurance and Road Worthy

We recommend to Management to write to Common Fund Secretariat to furnish the Assembly with all the necessary documents with regards to the machines to enable management to insure the machines.

BANK RECONCILIATION STATEMENT

Appendix a represent the comprehensive report of the assembly's cashbook and bank reconciliation statement

2. INTRODUCTION

As part of our 2025 Annual Audit Plan, the Internal Audit Unit has completed the first quarter of the Internal Audit Report of Juaboso District Assembly on handing over notes, operations of the DRIP machines, Account balances for the first quarter 2025.

3. BACKGROUND

The Internal Audit Agency Act 2003, Act 658, Public Financial Management Act 2016 (Act 921) and the Internal Audit Charter of the Juaboso District Assembly mandate the Internal Audit Unit of the Assembly to conduct audit on all accounts and transactions of the Assembly. Based on this mandate, the Internal Audit Unit of the Assembly has conducted a review of the Assembly's handing over notes, operations of the DRIP machines, Account balances for the first quarter 2025. During this audit, we assessed the adequacy of internal controls on the handing over notes of the Hon. Former DCE, operations of the DRIP machines and Account balances for all the designated accounts of the Assembly.

The Objective of the Audit team is to confirm that handing over notes, operations of the DRIP machines, Account balances function are properly prepared, controlled and operating efficiently.

The audit team consisted of Iddrisu Imoro (Head, Internal Audit Unit) and his Assistants; Paul Obeng Tawiah, Joshua Roy Arthur, Mohammed Saleem Fuseini, Nana Kofi Adongo and Francis Nkrumah.

In the course of our audit certain weaknesses in controls and procedures were identified and we are writing to draw management' attention to these matters and to suggest ways in which improvement might be made.

Key Personnel

During the audit, officers who were in charge of finance and administration were;

Name	Position	Period
Hon. Alexander Adu Quist	District Chief Executive	01/01/2025-30/04/2025
Mr. Samuel Kwabena Sarfo	District Coordinating Director	01/01/2025-30/04/2025
Yusif Tapoh	District Finance Officer	01/01/2025-30/04/2025
Ambrose Gogo	District Budget Analyst	01/01/2025-30/04/2025
Emmanuel Arthur	District Works Engineer	01/01/2025-30/04/2025
Eric Oppong	District Planning Officer	01/01/2025-30/04/2025
Christiana Boateng	Human Resource Officer	01/01/2025-30/04/2025
Bawa Faisal Brown	Procurement Officer	01/01/2025-30/04/2025

4. SCOPE OF AUDIT

We assessed the adequacy of internal controls of the handing over notes, operations of the DRIP machines, Account balances of the Assembly, from January 2025 to April 2025.

5. AUDIT OBJECTIVES

The objective of the Audit is to review whether proper procedures and controls are in place in the aforementioned thrust areas

6. RECORDS EXAMINED

In order to achieve the stated objectives, the following records were examined;

- Handing Over Notes
- District Assembly Common Fund (Operations of DRIP Machines from October to date)
- Member of Parliament Common Fund
- Status of contract execution and payment from January, 2023 to December, 2024
- And any relevant documents

7. METHODOLOGY

In other to address the above objectives, Interview of the officers in-charge of the handing over notes and the DRIP committee were held. Physical inspection of the DRIP machines and the Handing over notes. Examination of District Assembly's Accounts balances. At the end of inspection and examination, we develop recommendations for management to improve controls where weaknesses were identified.

The standards for the International Professional Practices of Internal Auditing were applied in the Audit.

8.0 DETAILED FINDINGS AND RECOMMENDATIONS

HANDING OVER NOTES AUDIT

1. **Missing items at the residence of the Hon. District chief executive- GHC13,500.00**

Criteria

The presidential transition Act, 2012 mandate all out-going MMDCE's to hand over the assets and liabilities to the successors.

Condition

Our review of the assets in the handing over notes of the former District Chief Executive; Hon. Kwabena Agyei and the physical verification of the items listed in the handing over note revealed the absence of the under listed items in the table below;

S/N	ITEM DESCRIPTION	QTY.	COST
1.	NASCO FRIDGE	1	2,500.00
2.	LG COOLER	1	3,000.00
3.	BED(WOODEN)	1	2,000.00
4.	MATTRESS	3	6,000.00
	TOTAL		**13,500.00**

The audit further disclosed that the personal Aid to the former District Chief Executive remained at the residence after the DCE handed over and had vacated. The Aide only handed over the keys of the residency to one Assistant Director IIB, Mr. Richard Mensah during the period CLOGSAG was on strike.

Cause

The absence of security personnel at the District Chief Executive's residence has caused this anomaly

Effect

This could result in a significant loss of items/assets at the residence of the District Chief executive.

Recommendation

We recommend that,

1. The aid of the DCE should be surcharged for the return of the missing items or refund an amount of GHC 13,500.00 being the value of the missing items.
2. The residence of the District Chief Executive should be provided with security for our review.

Management response

Management shall ensure that the aforementioned items are retrieved and submitted to the internal audit unit for verification.

2. Two Motorbikes not handed over

Criteria

The presidential transition Act, 2012 mandate all out-going MMDCE's to hand over the assets and liabilities to the successors.

Condition

Our audit revealed that two motorbikes which were issued to two (2) officers for safety net monitoring activities have not been returned to the Assembly even though the Assembly have terminated the officer's engagement with the safety net program.

Details of the motorbikes are listed in the table below;

NO.	REGISTRATION NO.	OFFICER ISSUED TO	PURPOSE

1.	M-22 GE 7383	Mr. Michael Hudalor	Monitoring activities
2.	M-22GE7361	Mr. Prince Adade	Monitoring activities

Cause

An interview with the officers disclosed that they were of the view that they would own the motorbikes after the program

Effect

The absence of the two (2) Motorbikes would hinder the smooth monitoring of the safety net projects in the district

Recommendation

We recommend to the District Coordinating Director to as a matter of urgency retrieve the motorbikes from the officers whose names the motorbikes were issued to for the monitoring activity for our review.

Management response

Management has taken stringent measures to retrieve the motorbikes and as well present them to the internal audit unit for verification.

OPERATIONS OF THE DRIP MACHINES

1. **Proceeds from the DRIP machines not lodged in the assembly's account in gross**

   Criteria

   Section 50(1) of Public Financial Management Regulations, 2019, L.I. 2378 requires that all public moneys collected shall be paid in gross into the public funds accounts.

   Condition

   We observed that, the Assembly rented out the DRIP machines to private individuals during January to March 2025 but failed to pay the fees charged in gross. Memos and payment vouchers were not issued to cater for the expenditures as a result of the operations. The transport officer, Mr. Ebenezer Mensah only paid an amount of GHC 3,400.00 to the Assembly's account.

Cause

This is caused by the absence of clear guidelines on the activities of the DRIP machines

Effect

This does not incorporate proper accountability.

Recommendation

We recommend to management to

1. Allocate special GCR to receive all revenues from the DRIP operations and to deposit in gross at the designated bank account.
2. Provide DRIP machines register to record all day to day activities and any other information that may deemed important for effective utilization and monitoring of the machines.

Management response

Management has noted your recommendation for compliance though measures has already been put in place to avoid possible bad record keeping.

2. **DRIP MACHINES not covered with Insurance and Road Worthy**

Criteria

Ghana Insurance Law, Act 742 mandates buildings and vehicles patronized by the public and enjoins commercial facilities to do same.

Condition

Contrary to the above Act, we observed that management have not insured all the six (6) active and motorable DRIP MACHINES in the custody of the Assembly. Furthermore, all the vehicles have no road worthy certificates. Details is shown in the table below;

NO.	DESCRIPTION	EMBOSSMENT	MODEL
1.	LIUGONG ROLLER	WN 002 RL	CLG6114E
2.	LIUGONG MOTOR GRADER	WN 009 MG	CLG4180D
3.	LIUGONG WHEEL LOADER	WN 004 WL	ZL50CN
4.	LIUGONG BACK HOLE	WN 004 BH	CLG777A
5.	SHACMAN WATER TANK	WN 004 WT	
6	SHACMAN TIPPER TRUCK	WN 004 TT	

Cause

There are no documentations available to enable management to secure insurance and roadworthy for the machines.

Effect

The Assembly will bear all expenses on drivers and the vehicles involved should any misfortune occurs.

Recommendation

We recommend to Management to write to Common Fund Secretariat to furnish the Assembly with all the necessary documents with regards to the machines to enable management to insure the machines.

Management response

Management has written to the Minister of local government through Regional Coordinating council as a matter of urgency to provide the necessary documents to enable the Assembly to undertake the above subject as per the attached.

3. **Spoilt Back Hole Machine abandoned in the bush**

Criteria

Section 52 (1&29) of PFM 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. A control systems specified in subsection (1) shall be capable of ensuring that preventive mechanisms are in place to eliminate theft, loss, wastage and misuse".

Condition

Our audit disclosed that one heavy duty equipment (Back Hole) with registration number WN 004 BH model ZL50CN has been abandoned in the bush when the machine broke during operation at Mafia.

Cause

An Interview with the transport Officer revealed that the filter became faulty when the machine was in operation at Mafia and that is difficult to obtain similar/same part to replace the broken filter.

Effect

This anomaly may lead to detorriation and parts thievery.

Recommendation

We recommend to management to ensure that the Back Hole is tolled to the Assembly premises for safe keeping.

Management response

Management has taken the necessary steps to ensure that the faulty part is fixed and the machine brought back to the office for safety.

9.0 CONCLUSION.

We have identified opportunities to improve the internal controls of the Assembly's handing over notes, operations of the DRIP machines and Account balances of the Assembly as discussed in this report.

10. ACKNOWLEDGEMENT

The co-operation and assistance extended to the Internal Audit Unit by management and staff during the exercise is highly appreciated.

IDDRISU IMORO

HEAD, INTERNAL AUDIT UNIT

APPENDIX A

JUABOSO DISTRICT ASSEMBLY

REPORT OF THE ASSEMBLY'S CASHBOOK AND BANK RECONCILIATION STATEMENT

CASH BOOK AND BANK ACCOUNT BALANCES ON THE MEMBER OF PARLIAMENT COMMON FUND FROM JANUARY TO MARCH 2025							
S/N		**BAL. B/F**	**RECEIPTS**	**C.B BAL.**	**B.S BAL.**	**PAYMENTS**	**AMOUNT**
1.	JAN.	1,068.91	300,000.00	143,317.52	143,317.52	Payment of school fees Payment for reshaping	57,717.81 100,000.00
	FEB.	143,317.52		5,138.70	5,138.70	Payment for medical screening Payment for reshaping	128,150.00 10,000.00
	MAR.	5,138.70		5,128.70	5,128.70	Bank charges	70.00
	TOTAL		**300,000.00**				**295,937.81**
CASH BOOK AND BANK ACCOUNT BALANCES ON THE IGF-RECURRENT FROM JANUARY TO MARCH 2025							
2.	JAN	156,368.78	171,653.78	17,832.06	17,832.06	All payment done for the month	153,821.72
	FEB	73,967.06	78,707.06	12,108.06	12,108.06	All payment done for the month	66,599.00
	MAR.	12,108.06	77,968.06	82.06	4,637.06	All payment done for the month	77,886.00

	TOTAL		**328,328.90**				**298,306.72**
CASH BOOK AND BANK ACCOUNT BALANCES ON THE IGF-DEVELOPMENT FROM JANUARY TO MARCH 2025							
3.	JAN	533,807.69	-	528,746.69	528,746.69	All payment done for the month	5,061.00
	FEB	528,746.69	-	441,017.23	441,017.23	All payment done for the month	101,199.66
	MAR	441,01723	-	335,461.23	335,461.23	All payment done for the month	105,556.00
	TOTAL						**211,816.66**
CASH BOOK AND BANK ACCOUNT BALANCES ON THE WATER AND SAFETY NET ACCOUNT FROM JANUARY TO MARCH 2025							
4.	JAN	185,123.45	-	183,110.45	183,110.45	Monitoring and bank charges	2,013.00
	FEB	183,110.45	-	183,007.45	183,007.45	Bank charges	103.00
	MAR.	183,007.45	-	182,454.45	182,454.45	Refreshment and bank charges	553.00
	TOTAL						**2,669.00**
CASH BOOK AND BANK ACCOUNT BALANCES ON THE HIV/AIDS FUNDS FROM JANUARY TO MARCH 2025							
	JAN	499.32	-	484.32	484.32	Bank charges	15.00

	FEB	484.32	-	469.32	469.32	Bank charges	15.00
	MAR.	469.32	-	459.32	459.32	Bank charges	10.00
	TOTAL						**45.00**
CASH BOOK AND BANK ACCOUNT BALANCES ON THE DISTRICT ASSEMBLY'S COMMON FUND FROM JANUARY TO MARCH 2025							
	JAN	51,053.35	-	10,874.86	10,874.86	Payment for the month	40,180.00
	FEB	10,874.86	-	694.94	694.94	Payment for the month	10,180.00
	MAR	694.94	-	684.94	684.94	Bank charges	10.00
	TOTAL		-				**50,360.00**
CASH BOOK AND BANK ACCOUNT BALANCES ON THE DACF-RFG FROM JANUARY TO MARCH 2025							
	JAN	1,160,935.13	-	1,010,935.13	1,010,935.13	Part payment for the construction of KG block @ Juaboso	150,000.00
	FEB	1,010,935.13	-	850,935.13	850,935.13	Payment for mono desk	160,000.00
	MAR						
	TOTAL						**310,000.00**

Management Action Plan

Name of Covered Entity: Juaboso District Assembly

Title of Audit: internal Audit Report for First Quarter 2025

MANAGEMENT ACTION PLAN

S/N	Findings	Recommendation	Risk Rating of Finding (High, Medium, Low)	Management Comment	Implementation Date	Officer Responsible
1.	**Missing items at the residence of the hon. District chief executive- GHC13,500.00**	We recommend that, 1.The aid of the DCE should be surcharged for the return of the missing items or refund an amount of GHC 13,500.00 being the value of the missing items. 2.The residence of the District Chief Executive should be	High	Management shall ensure that the aforementioned items are retrieved and submitted to the internal audit unit for verification.	30/05/2025	District Co-ordinating Director

		provided with security for our review				
2.	**Two motorbikes not handed over**	We recommend to the District Coordinating Director to as a matter of urgency retrieve the motorbikes from the officers whose names the motorbikes were issued to for the monitoring activity for our review.	High	Management has taken stringent measures to retrieve the motorbikes and as well present them to the internal audit unit for verification.	30/05/2025	Planning Officer
3.	**Proceeds from the DRIP machines not lodged in the assembly's account in gross**	We recommend to management to 1.Allocate special GCR to receive all revenues from the DRIP operations and to deposit in gross at	High	Management has noted your recommendation for compliance though measures has already been put	30/04/2025	Transport Officer

		the designated bank account. 2.Provide DRIP machines register to record all day to day activities and any other information that may deemed important for effective utilization and monitoring of the machines.		in place to avoid possible bad record keeping.		
4.	**DRIP MACHINES not covered with Insurance and Road Worthy**	We recommend to Management to ensure that insurance cover and road worthy are obtained for all the heavy duty equipment in the Assembly's custody.	High	Management has written to the Minister of local government through Regional Coordinating council as a matter of urgency to provide the	30/04/2025	Transport Officer

				necessary documents to enable the Assembly to undertake the above subject as per the attached.		
5.	**Spoilt Back Hole Machine abandoned in the bush**	We recommend to management to ensure that the Back Hole is tolled to the Assembly premises for safe keeping.	High	Management has taken the necessary steps to ensure that the faulty part is fixed and the machine brought back to the office for safety.	30/04/2025	Transport Officer

………………………………
Iddrisu Imoro
(Head, Internal Audit Unit)

………………………………
Ebenezer Mensah
(Transport Officer)

………………………………
Samuel Kwabena Sarfo
(Ag. District Coordinating Director)