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

My Ref. No: ENK/KWMA.1/VOL.2/119

Your Ref. No: .....

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Good Governance and Accountability

P. O. Box 47
Nkawkaw
7 March 2023
20

KWAHU WEST MUNICIPAL ASSEMBLY
RECEIVED
14 MAR 2023
REGISTRY
NKAWKAW

The Municipal Chief Executive
Kwahu West Municipal Assembly
Nkawkaw

MANAGEMENT LETTER ON THE AUDIT OF THE INTERNALLY GENERATED FUND (IGF) OF THE KWAHU WEST MUNICIPAL ASSEMBLY FOR THE PERIOD ENDED 1 JANUARY TO 31 DECEMBER 2022

We have audited the accounts and other related records of the Kwahu West Municipal Assembly for the period 1 January 2022 to 31 December 2022 in accordance with our statutory mandate under Article 187 (2) of the 1992 Constitution and Audit Service Act 2000 (Act 584).

2. We wish to bring to your attention the following findings and recommendations during the audit. We have discussed these matters with the key personnel concerned whose comments where appropriate, were considered in preparing this management letter.

3. We shall be grateful to receive your response to this management letter within thirty (30) days upon receipt thereof as required by Section 29 (1) of the Audit Service Act 2000(Act 584). In line with Section 29 (2) of the Act, we may be compelled to have your emoluments and allowances withheld for so long as you fail to reply with the period specified.

Key Personnel

4. The functional management team for the period under review were made up of the following personnel.

Name	Rank	Period
Hon. Yaw Owusu Addo	Municipal Chief Executive	1 January to 31 December 2022
Peter Tetteh Kwablah	Municipal Coordinating Director	1 January to 31 December 2022
Sampson Gyato	Municipal Finance Officer	1 January to 31 December 2022
Richard Nii Odjidja	Head of Works Department	1 January to 31 December 2022
Boateng Felix Adom	Municipal Planning Officer	1 January to 31 December 2022
Bright Bosompem	Municipal Budget Chief Analyst	1 January to 31 December 2022
Alhaji Shaibu Adam	Municipal Internal Auditor	1 January to 31 December 2022
Joseph Wepeba	Head of Revenue	1 January to 31 December 2022

Scope of Audit

5. The audit included the review of Governance, cash management, control of value books, assets management, contract management and payroll system. We also followed up on action taken by management on the recommendations made in our previous management letter.

Audit Objectives

6. The objectives of the audit were to ascertain whether:

i. The accounts have been properly kept

ii. All public monies have been properly accounted for and rules and procedures applicable were sufficient to ensure an effective check on the assessment, collection and proper allocation of the revenue.

iii. Monies have been expended for the purposes for which they were appropriated, and the expenditures have been made as authorised;

iv. That essential records were maintained, and the rules and procedures applied were sufficient to safeguard and control public property;

v. That programmes and activities have been undertaken with due regard to economy, efficiency and effectiveness in relation to the resources utilised and results achieved.

Details of findings and recommendations

Three institutions failed to pay business operating permit – GH¢22,500.00

8. Regulation 51 of the Public Financial Management Regulations, 2019 (L.I. 2378) States that , except as otherwise provided in any other enactment, the collection of public and trust moneys shall be the responsibility of the principal spending officer, who shall appoint supervising collectors for each area where collection is required.

9. However, we noted that three business entities operating within the municipality had not paid their accrued business operating fees amounting to GH¢22,500.00 as per the revenue records. Find details in the table below.

S/No	Name of Institution	BAL BF GH¢	2022 Bill GH¢	Total Amount Owing GH¢
1	Agozo Club	6,000.00	1,500.00	7,500.00
2.	Killer Club	6,000.00	1,500.00	7,500.00
3.	Welfare Club	6,000.00	1,500.00	7,500.00
	Total			22,500.00

10. Management could not provide any reason for the failure to collect the fees.

11. Under the situation the Assembly had been denied the revenue of GH¢22,500.00 for its operations.

12. We recommended to management to recover the amount of GH¢22,500.00 from the affected business entities. In addition, we also recommended that Management put measures in place to enhance efficient collection of the fees in future.

Four grounded official vehicles

13. Section 52 of the Public Financial Management Act 2016 (Act 921) provides 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.

14. We however noted during our physical inspection of the Assembly's 11 official vehicles that, four had broken down out of which two were towed to Accra for repairs five months ago at the time of writing this management letter in March,2023. Find details in the table below.

Serial No.	Car Number	Vehicle module	Vehicle Make	User Department	Status
1	GE3165Y	Ford Everest	Cross Country	Administration(pool)	At repairs in Accra
2	GE4654X	Nissan Hard Body	Pick-Up	Administration (Pool)	At repairs in Accra
3	GN-7387-13	Ashock Leyland	Refuse Compactor	Environmental	In Zoomlion Custody
4	GN-7403-13	Ashock Leyland	Skip Truck	Environmental	Parked at the office

15. Management had not provided any documentary evidence of the contact number, name, location and address of the alleged mechanic.

16. Under situation the missing documentary evidence of the mechanic makes the towing of the vehicles to Accra for repairs doubtful.

17. We suggested that the contact details and location of the mechanic in Accra should be provided to avoid pilfering of the two vehicles. We also suggested that the MCD provided us with details of the alleged mechanic for our study and advice.

Non-regularization of casual workers – GH¢142,884.62

18. Section 75 of the Labour Act, 2003 (Act 651) requires that a temporary worker who is employed by the same employer for a continuous period of six months and more shall be treated under this part as a permanent worker.

19. We noted during our IGF audit that a total amount of GH₵142,884.62 was spent from the IGF on 35 casual workers which could had been used for alternative economic venture if the casual workers had been recruited permanently and placed on the Electronic Payment Salary Voucher(EPSV). Find list attached as Appendices ' A & B '.

20. In a related development, we also noted that three casual workers had acquired tertiary degree qualifications. We recommended to management to consider regularizing their status permanently, should there be any available vacancy. If all 35 casual were permanently enrolled on the EPSV.

Follow –up on previous management letter

21. Follow-up on my previous management letter with Referenced No. ENK/KWMA/3/48 of 23 March, 2022 had been fully implemented. No further action required.

Acknowledgement

22. We appreciate the cordial relationship and the work support that management and the entire staff provided to us during the period of the audit.

WILLIAM BEDIAKO
DIRECTOR OF AUDIT
DISTRICT AUDITOR
NKAWKAW

cc: The Auditor-General
Audit Service,
Accra

The DAG/EDA-SZ
Audit Service
Accra

The Regional Auditor
Audit Service
Koforidua

The Regional Coordinating Director
Regional Coordinating Council
Koforidua-E/R

The Presiding Member,
Kwahu West Municipal Assembly
Nkawkaw

The Municipal Coordinating Director
Kwahu West Municipal Assembly
Nkawkaw

The Municipal Finance Officer
Kwahu West Municipal
Nkawkaw

Non-regularization of casual workers GH¢142, 884.62

IGF STAFF						
NO.	**APP. DATE**	**NAME**	**SEX**	**STAFF ID**	**CURRENT GRADE**	**DATE OF BIRTH**
1	10/07/07	Anyetei Forster	Male	IGF-New-282	Court Clerk II	24-Mar-86
2	01/03/10	Azeengo Dominic	Male	IGF-New-143	Watchmen-Night	22-Feb-76
3	15/03/10	Ibrahim Kwaku	Male	IGF-New-124	Watchmen-Night	25-Jun-77
4	01/04/10	Osei Agyapong	Male	IGF-New-135	Metro Guard	01-Jun-71
5	01/04/10	Nutsukpli Eric Kwasi	Male	IGF-New-116	Metro Guard	10-Jan-88
6	01/04/10	Aklikah Lawson John	Male	IGF-New-118	Metro Guard	05-May-70
7	01/04/10	Ampadu Isaac	Male	IGF-New-120	Metro Guard	09-Jun-80
8	03/05/10	Asare Bennet	Male	IGF-New-121	Metro Guard	10-Sep-84
9	03/05/10	Ofosu Sarah Twumasi	Female	IGF-New-127	Metro Guard	13-Dec-84
10	03/05/10	Nyakotey David Djaba	Male	IGF-New-136	Metro Guard	11-May-80
11	03/05/10	Twumasi Collins	Male	IGF-New-134	Metro Guard	28-Sep-85
12	01/09/12	Ayeh Georgina	Female	IGF-New-139	Accounts Officer	18-Apr-85
13	11/04/13	Frimpong Isaac Righteous	Male	IGF-New-122	Zonal Council Secretary	22-Sep-87
14	02/05/13	Owadie Angela Asiedua	Female	IGF-New-148	Zonal Council Secretary	25-Feb-88
15	29/11/13	Affa Emmanuel	Male	IGF-New-141	Watchmen-Night	25-Nov-72
16	17/10/18	Ninsin Samuel	Male	LGS-New-375	Info. Asst.	23-Mar-70
17	01/04/19	Faustina Okyere	Female	LGS-New-386	Sanitary Labourer	03-May-68
18	01/04/19	Osafo Joseph	Male	LGS-New-382	Sanitary Labourer	12-Dec-69
19	01/04/19	Kwame Nkrumah	Male	LGS-New-385	Sanitary Labourer	03-May-80
20	01/04/19	Amos Kwaku	Male	LGS-New-389	Sanitary Labourer	12-Feb-86
21	01/12/19	Margaret Asantewaa	Female	LGS-New-413	Cook	25-Feb-75
22	02/02/20	Karim Grushie	Male	IGF-New-430	Watchman	01-Jul-69
23	15/05/20	Wudani Tibil Simon	Male	LGS-New-416	Watchman	13-Oct-84
24	15/05/20	Dangore Abuga	Male	LGS-New-414	Watchman	10-Aug-88
25	01/02/21	Tsidi Edwin Confidence	Male	LGS-New-440	Road Maintenance Mgt Offr	18-Jul-93
26	15/5/20	Tii Naabzorbil	Male	IGF-NEW-417	Watchmen Day	18- May -87
27	7/10/22	Tibil Paulina	Female	IGF-NEW	Sanitary Labourer	01-July-99
28	7/10/22	Guru Beatrice	Female	IGF-NEW	Sanitary Labourer	01 –Mar-94
29	7/10/22	Ziem Paulina	Female	IGF-NEW	Sanitary Labourer	01-July-84
30	7/10/22	Safiatu Alidu	Female	IGF-NEW	Sanitary Labourer	11-July-2001
31	7/10/22	Adongo Eric	Male	IGF-NEW	Watchman	Non available
32	7/10/22	Seidu Sumaila	Male	IGF-NEW	Watchman	01-07-84
33	7/10/22	Sampson Agunyareba	Male		Watchman	Non available
34	7/10/22	Adongo Eric	Male		Watchman	Non available
35	7/10/22	Chianayire Aluu	Male		Watchman	Non available

Appendix B - Three casual workers with degree holders

Name	Qualifications	Date employed
Edwin Tsidi	Bsc. Real Estates	01/02/2021
Georgina Ayeh	Bsc. Business Administration	01/09/2012
Isaac Frimpong	Diploma in Accounting	11/04/2013