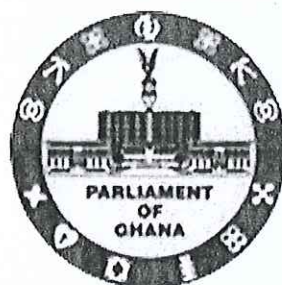


**IN THE THIRD SESSION OF THE EIGHTH  
PARLIAMENT OF THE FOURTH REPUBLIC OF GHANA**

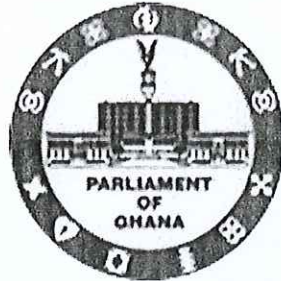


**REPORT OF THE PUBLIC ACCOUNTS COMMITTEE ON  
THE REPORT OF THE AUDITOR-GENERAL ON THE  
ACCOUNTS OF DISTRICT ASSEMBLIES FOR THE  
FINANCIAL YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

PARLIAMENT OF GHANA LIBRARY

**5<sup>TH</sup> DECEMBER, 2023**

IN THE THIRD SESSION OF THE EIGHTH PARLIAMENT OF THE  
FOURTH REPUBLIC OF GHANA



**REPORT OF THE PUBLIC ACCOUNTS COMMITTEE ON THE  
REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF  
DISTRICT ASSEMBLIES FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup>  
DECEMBER 2021**

**1.0. INTRODUCTION**

The Report of the Auditor-General on the Accounts of District Assemblies for the financial year ended 31<sup>st</sup> December, 2021 was presented to the House by Hon. Majority Whip, Mr. Frank Annoh-Dompreh on Wednesday 6<sup>th</sup> July, 2022 and was referred to the Public Accounts Committee (PAC) for examination and report to the House, in accordance with Order 165(2) of the Standing Orders of the Parliament of Ghana.

The Committee subsequently met with the Metropolitan, Municipal and District Chief Executives (MMDCEs) and officials of the Assemblies and hereby submits this Report.

## **2.0. ACKNOWLEDGEMENT**

The Committee is very grateful to all the Regional Ministers, the MMDCs and their Staff for appearing before the Committee and for the support provided to ensure the security of the Committee Members and the team of officials from Parliament.

The Committee also appreciates the presence of all the media houses who gave the live broadcast to ensure that the work of the Committee is made public.

## **3.0. REFERENCE**

The Committee was guided in its deliberations by the following legal Instruments:

- i. The Constitution of the Republic of Ghana, 1992;
- ii. The Standing Orders of the Parliament of Ghana;
- iii. The Public Financial Management Act, 2016 (Act 921);
- iv. The Public Procurement Act 2003 (Act 663);
- v. The Public Procurement (Amendment) Act 2016 (Act 914);
- vi. The Audit Service Act, 2000 (Act 584);
- vii. The Internal Audit Agency Act, 2003 (Act 658);
- viii. The Income Tax Act 2015 (Act 896);
- ix. The Value Added Tax Act, 2013 (Act 870);
- x. Local Governance Act, 2016 (Act 936);
- xi. The Public Financial Management Regulations 2019 (L.I. 2378);
- xii. Financial Memoranda for District Assemblies;
- xiii. The National Pension Act, 2008 (Act 766);
- xiv. The Report of the Auditor-General on the Accounts of District Assemblies for the financial year ended 31<sup>st</sup> December, 2020; and
- xv. The Report of the Public Accounts Committee on the Report of the Auditor-General on the Accounts of District Assemblies for the financial year ended 31<sup>st</sup> December, 2020



#### **4.0. PURPOSE OF THE AUDIT**

The Audit was undertaken in accordance with Article 187 of the 1992 Constitution of the Republic of Ghana, which mandates the Auditor-General to audit the Public Accounts of Ghana, thus public offices, institutions and organizations and report to Parliament.

The purpose of the audit therefore, was for the Auditor-General to verify and ascertain that the financial statements and the utilisation of the Internally Generated Funds (IGF) of the various Metropolitan, Municipal and District Assemblies (MMDAs) in particular, are in conformity with the applicable laws and guidelines regulating public financial management in general.

#### **5.0. METHODOLOGY**

The Committee was served with both oral and written submissions from the officials of all the MMDAs indicted by the Auditor-General in the Report and also reviewed the Status of Implementation Reports on the findings and implementation of the recommendations of the Auditor-General by the Assemblies.

Again, all the witnesses who appeared before the Committee subscribed to the Oath of a Witness and responded to the issues/queries raised in the Report, including issues of general public interest.

#### **6.0. SUMMARY OF AUDITOR-GENERAL'S REPORT**

The Report, which covered 260 MMDAs indicated that Two (2) Assemblies out of the 260 were unable to submit their financial statements by the statutory deadline of 28<sup>th</sup> February, 2021. The Auditor-General therefore relied on their accounting records to audit the two (2) Assemblies.

The Auditor-General was also guided by the International Standards Auditing, of the International Standards of Supreme Audit Institutions (INSSAIs) and Section 13 of the Audit Service Act, 2000 (Act 584) to make his recommendations.

The Auditor-General identified extensive weaknesses and deficiencies in the internal controls and operations of the Assemblies. The Report also found pervasive non-compliance with the existing Legislative Instruments and Frameworks, Managerial lapses and weak monitoring procedures at both ministerial, managerial and legislative levels of the Assemblies.

The lapses identified were mainly related to Cash, Contract, Asset and Stores Management, Tax and other statutory Deductions and Payroll Irregularities.

These deficiencies created avenues for some officials to mismanage and misappropriate resources of the Assemblies to a financial value of GH¢ 13,493,590.33 (2.98%) out of a total revenue of GH¢452,997,433.77 realized by the Assemblies. A summary of the Irregularities is shown in Table 1 below.

**Table 1. Summary of Irregularities**

NO.	Type of Irregularity	No. of MMDAs Involved	Cash Value (GH¢)	% of Irregularity
1.	Cash Irregularity	191	9,313,612.62	69.02
2.	Payroll Irregularities	32	777,627.11	5.76
3.	Assets/Stores Irregularities	8	555,883.10	4.12
4.	Statutory Tax/Deduction Irregularities	13	132,810.15	0.99
5.	Contract Irregularities	7	2,713,657.35	20.11
	<b>Total</b>	<b>251</b>	<b>13,493,590.33</b>	<b>100.00</b>



The Auditor-General attributed the infractions to the failure of the Ministry of Local Government, Rural Development and Decentralisation to implement the cautions and recommendations in the previous Reports of the Auditor-General and Parliament. He, therefore, urged the Minister to ensure that all the recommendations in this Report are fully implemented to improve upon and raise the standards of financial administration in the Assemblies.

The Auditor-General, in view of the above, made the following recommendations:

### **6.1. Cash Irregularities**

The Audit noted that a number of payment vouchers were issued without proper documentation to authenticate such payments in the books of the Assemblies. The Auditor-General therefore recommended that, in the absence of supporting documents to validate the propriety of the payment vouchers, the District Coordinating Directors (DCD) and District Finance Officers (DFO) involved should be surcharged to refund the amounts. All unretired imprests should also be treated as advances to the imprest holders and recovered accordingly.

### **6.2. Payroll Irregularities**

On the Payroll Irregularities, the audit revealed a number of incidents of payment of salaries and overpayment of salaries to separated staff in most of the Assemblies causing a lot of financial losses. To address the issue, the Auditor-General recommended recovery of the unearned and overpaid salaries from the beneficiaries otherwise, the DCDs and Salary Validators whose inaction resulted in the loss should be held liable.

Again, the Auditor-General recommended to the Assemblies to invest pension funds in mandatory schemes to ensure payment of benefits to contributors on their retirement and be held liable for payment of penalties

### **6.3. Assets and Stores Management Irregularities**

Inappropriate assets and store management were also observed to be areas where most of the Assemblies are losing funds. It was noted that some Assemblies did not properly keep records of store items including fuel and household items and therefore were not able to account for stores and assets belonging to the Assemblies.

The Auditor-General noted that in the absence of accountability, the cost of fuel, household items as well as other store items should be recovered from the responsible officers. The Audit further recommended training for the officers to ensure proper storekeeping practices and follow the guidelines.

### **6.4. Statutory Tax and Deduction Irregularities**

The Auditor-General observed that almost all the Assemblies had issues with uncollected taxes, taxes withheld and taxes were deducted but not remitted to GRA by the Assemblies.

The Auditor-General also urged strict compliance with the Public Financial Management Regulations to avoid penalties for delayed or remittance of taxes and failure to withhold taxes. He again, recommended that any official whose actions or inactions caused a tax penalty to the Assemblies should be surcharged with the amount.

### **6.5. Contract Irregularities**

The Audit revealed that all the Assemblies had projects abandoned and uncompleted due to lack of funds and uncoordinated or non-prioritisation of projects. The Auditor recommended that the Assemblies should immediately address the issue of abandoned projects and ensure that payments are made only based on certificates which have been duly certified by engineers and supported by Monitoring Reports. The Assemblies should also ensure that earmarked funds are applied to projects of high priority to the community to ensure prudent use of the limited funds.



Again, any official found culpable for contract irregularities that have occasioned loss to the Assembly must be surcharged.

## 7.0. ERRORS AND OVERSTATEMENT

The Committee noted that the total value of the irregularities in the Report was overstated by GH¢240,794.69. In addition to the overstatements, the total Cash irregularity was understated by GH¢141,997.40 by the omission of inefficient revenue collected by the Asunafo District Assembly from the summary of irregularities. The net effect is that Cash irregularities increased from GH¢9,313,612.62 to GH¢9,345,790.99. This brings the total amount of infractions down to GH¢13,394,793.04 from GH¢13,493,590.33 as recorded in the Report. The table 2 below shows the areas of overstatement:

**Table 2: Errors and Overstatements in the 2021 Report**

MMDA	Nature of Irregularity	Value of Irregularity (GH¢)	Actual Value of Irregularity (GH¢)	Overstatement (GH¢)
Ayensuano Municipal	Uncollected Revenue	3,602.00	0.00	3,602.00
Yilo Krobo Municipal	Unaccounted Funds	127,074.00	27,074.00	100,000.00
Ashanti Region	Unpresented Payment Vouchers	900,421.16	900,331.16	90.00
Offinso Municipal Assembly	Unearned Salary	16,085.00	0.00	16,085.00
Tema Metropolitan	Unretired Imprest	36,462.00	34,464.97	1,997.03
Tamale Metropolitan	Auction Sales Not Accounted For	141,500.00	108,930.00	32,570.00
Ahafo Region	Part of the total summary of infractions under unsupported payments but does not	4,130.00	0.00	4,130.00



	correlate to any Assembly			
Greater Accra Region	Part of the total irregularities under Unaccounted Stores but does not correlate to any Assembly	82,320.66	0.00	82,320.66
<b>Total</b>		<b>1,311,594.82</b>	<b>1,070,800.13</b>	<b>240,794.69</b>

The errors affected the value of irregularities regarding uncollected revenue, unaccounted funds, unrepresented payment vouchers, unretired imprest, unearned salaries, auction sales not accounted for and other related figures as identified by the Auditor-General. The adjusted value of irregularities are as follows:

**Table 3: Adjusted Summary of Irregularities in the 2021 Report of the Auditor-General on the Accounts of MMDAs.**

No.	Type of Irregularity	Value in the Report 2021 (GH¢) A	Overstatement (GH¢) B	Adjusted Irregularities (GH¢) C=(A-B)
1.	Cash Irregularity	9,455,610.02	109,819.03	9,345,790.99
2.	Payroll Irregularities	777,627.11	16,085.00	761,542.11
3.	Assets and Stores Irregularities	555,883.10	114,890.66	440,992.44
4.	Tax Irregularities	132,810.15	0.00	132,810.15
5.	Contract Irregularities	2,713,657.35	0.00	2,713,657.35
	<b>Total</b>	<b>13,635,587.73</b>	<b>240,794.69</b>	<b>13,394,793.04</b>

## 8.0. STATUS OF IMPLEMENTATION OF AUDITOR-GENERAL'S RECOMMENDATIONS

The Committee noted that 74.44% of the irregularities uncovered by the Auditor-General had been addressed by the Assemblies upon receipt of the summons from the Committee.

The Committee observed that the affected Assemblies had either regularised the transactions or refunded monies expended without due regard to the laid down regulations. It was noted that a total amount of GH¢9,971,477.60 i.e. 74.44% out of a total infraction of GH¢13,394,794.04 was resolved leaving a balance of GH¢3,423,315.44 i.e. 25.56%. Table 2 below shows a summary of resolved and outstanding issues at the time of public sittings.

**Table 4: Resolved and Outstanding Irregularities**

Type of Irregularity	Adjusted Irregularities (GH¢)	Amount Resolved (GH¢)	Amount Outstanding (GH¢)	% of Irregularities Resolved
Cash Irregularity	9,345,790.99	7,434,366.50	1,911,424.49	79.54
Payroll Irregularities	761,542.11	628,610.64	132,931.47	82.54
Assets/Stores Irregularities	440,992.44	440,992.44	0.00	100.00
Tax Irregularities	132,810.15	132,810.15	0.00	100.00
Contract Irregularities	2,713,657.35	1,334,697.87	1,378,959.48	49.18
<b>Total</b>	<b>13,394,793.04</b>	<b>9,971,477.60</b>	<b>3,423,315.44</b>	<b>74.44</b>

The Committee further observed that the infractions were resolved through direct cash refunds and payments, presentation of supporting documents to authenticate payments and general compliance with the financial management rules and regulations as recommended by the Auditor-General.



The Committee recommends that outstanding amounts should be recovered from the officers involved and reiterated the recommendation that officers whose actions or inactions resulted in the malfeasance should be sanctioned notwithstanding the fact that the malfeasance has been rectified.

**9.0. OBSERVATIONS AND RECOMMENDATIONS BY THE COMMITTEE ON UNRESOLVED AUDIT ISSUES**

The following irregularities are pending resolution:

**9.1. Uncollected Revenue - GH¢4,121,615.13**

The Audit disclosed that 63 MMDAs failed to collect revenue in the areas of rent, rates, and fees totaling GH¢4,121,615.13 in contravention of Regulation 46 of the Public Financial Management Regulations, 2019 (L.I. 2378).

The Auditor-General recommended that if routine recovery measures fail to yield results, then legal action should be taken against the defaulters for the recovery of the amount.

The Committee however, observed during the public sitting that an amount of GH¢2,883,153.16 had been recovered leaving a balance of GH¢1,238,461.97 in the names of the following 21 Assemblies:

**Table 5: Outstanding Uncollected Revenue**

No.	Assembly	Type of Revenue	Amount (Gh¢)	Recovery (Gh¢)	Outstanding amount (Gh¢)
1.	Sunyani Municipal	Fees	78,730.00	65,485.00	13,245.00
2.	Berekum East Municipal	Rent & Fees	71,895.00	66,160.00	5,735.00
3.	Kintampo South Municipal	Public Toilet	9,100.00	2,910.00	6,190.00
4.	Mfantsiman Municipal	Unpaid Rent	7,699.00	1,000.00	6,000.00
5.	Assin Fosu Municipal	Unpaid Rent	68,315.00	46,805.00	21,510.00

6.	Nsawam Adoagyiri Municipal	Toilet/Waste Collection	71,458.50	22,700.00	48,758.50
7.	Ledzokuku Municipal	Business Operating Permit/Washroom	108,156.00	10,601.00	97,555.00
8.	Tema Metro Assembly	Unpaid Rent	69,533.50	0.00	69,533.50
9.	Accra Metro Assembly	Telecommunication Mast	326,379.51	0.00	326,379.51
10.	Asokore Mampong	Fees	22,130.00	11,215.00	10,915.00
11.	Gomoa West District	Unpaid Rent	14,060.00	10,140.00	3,920.00
12.	Kwaebibirem District	Business operating permits	270,130.00	138,000.00	132,130.00
13.	Savelugu District	Unpaid Rent	24,549.00	22,000.00	2,549.00
14.	Bolga East District	Building Permit	22,360.96	832.00	21,528.96
15.	Nzema East Municipal	Permit for fishing activities	325,000.00	0.00	325,000.00
16.	Wasa Amenfi East Municipal	Business operating permits	94,274.00	66,314.50	27,959.50
17.	Bibiani Anhwiaso	Rent	51,360.00	0.00	51,360.00
18.	Aowin Municipal	Rent	9,020.00	5,580.00	3,440.00
19.	Suaman District	Business/Property Rate	132,900.00	100,000.00	32,900.00
20.	Juaboso District	Business operating permits, Property rate/Public Toilet	3,943.00	6,100.00	30,843.00
21.	Bodi District	operating permits/Property rate	14,210.00	13,200.00	1,010.00
	<b>Total</b>		<b>1,723,744.97</b>	<b>522,728.00</b>	<b>1,238,461.97</b>



The Committee recommends that, the Assemblies concerned should recover the outstanding revenue from the debtors. The Assemblies should also intensify their revenue mobilisation so as to generate more funds to run their various operations.

## **9.2. Inefficient Revenue Collection - GH¢1,773,734.59**

The Auditor-General noted that 31 Assemblies paid a sum of GH¢3,277,739.39 to 176 revenue collectors as compensation but the total revenue collected amounted to GH¢1,504,004.8 leading to a negative variance of GH¢1,773,734.59, in contravention of Section 52 of the Public Financial Management Act, 2016 (Act 921).

The Auditor-General recommended that management of the defaulted Assemblies should enforce revenue targets for collectors and remuneration be commensurate with their collections. He also recommended that disciplinary action should be taken against non-performing collectors.

The Committee was informed that following the audit recommendations many Assemblies have instituted measures and set revenue targets for the revenue collectors and this is yielding a positive result. Many of the revenue collectors are now collecting above their salaries except 47 revenue collectors from the following Assemblies who recorded a negative variance of GH¢387,114.59:

- |    |                                    |   |               |
|----|------------------------------------|---|---------------|
| 1. | Ahafo Ano South District           | - | 3 collectors  |
| 2. | Atwima Nwabiagya North District    | - | 3 Collectors  |
| 3. | Old Tafo Municipal Assembly        | - | 2 Collectors  |
| 4. | Akyemansa District Assembly        | - | 9 Collectors  |
| 5. | Kwahu East District Assembly       | - | 9 Collectors  |
| 6. | Fanteakwa South District Assembly- | - | 8 Collectors  |
| 7. | Asunafo South District Assembly    | - | 13 Collectors |

The Committee attributed the inefficient revenue collection to the ineffective supervision of the work of revenue collectors by District Account Officers. The Committee recommends to the Ministry of Finance and Local Government, Decentralisation and Rural Development to cease the recruitment of revenue officers for the Assemblies. This in the view of the Committee, will compel the Assemblies to assume full responsibility for the recruitment, supervision and remuneration of all revenue collectors at the Assemblies and to ensure that revenue collectors are not paid more than the revenue they generate for the Assemblies.

### 9.3. Misappropriation of Revenue- GH¢646,094.62

The Audit disclosed that revenue posts and 194 revenue collectors in 63 MMDAs failed to account for or misappropriated revenue totalling GH¢646,094.62, in contravention of Regulations 39, 46, and 50 of the Public Financial Management Regulations, 2019 (L.I. 2378).

The Committee noted that misappropriated revenue amounting to GH¢597,854.12 had been recovered leaving an outstanding amount of GH¢48,240.50 in the names of the following Assemblies:

**Table 6: Misappropriation of Revenue**

No.	ASSEMBLY	AMOUNT (GH¢)	RECOVERY (GH¢)	OUSTANDING AMOUNT (GH¢)
1.	Gomoa East District	21,710.00	16,085.00	5,625.00
2.	Abura Asebu Kwamankese District	13,120.00	0.00	13,120.00
3.	Fanteakwa South District	4,394.00	2,100.00	2,294.00
4.	Awutu Senya East Municipal	8,306.00	0.00	8,306.00
5.	Suhum Municipal	21,169.99	2,674.49	18,495.50
6.	Kassena-Nankana Municipal	4,919.00	4,519.00	400.00
	<b>Total</b>	<b>73,618.99</b>	<b>25,378.49</b>	<b>48,240.50</b>



The Committee recommends that the outstanding amount should be recovered from the Finance Officers and the Revenue Superintendents of the defaulting Assemblies as recommended by the Auditor-General.

#### **9.4. Judgement Debt-GH¢206,285.93**

Contrary to Section 7 of the Public Financial Management Act, 2016 (Act 921), the Audit revealed that the then MCE of the Cape Coast Metropolitan Assembly, Hon. Anthony Agyir Aikins committed the Assembly in signing a contract amounting to GH¢127,553.60 for the rehabilitation of the Robert Mensah Sports Stadium, a facility which is solely under the control of the National Sports Council. He however, failed to pay the contractor resulting in the award of a judgement debt of GH¢370,207.93 which included the principal amount, interest accrued and damages slapped on the Assembly by the Court.

The Auditor-General recommended to management to recover the amount of GHS242, 654.33 being the difference between the contract sum and the judgement debt from the management of the Assembly at the time the contract was awarded.

The Committee observed that the entire amount in the sum of GH¢206,285.93 remains outstanding and therefore recommends to the Assembly to recover the amount from the former management of the Assembly, failing which the issue should be reported to Attorney-General for further investigation and recovery.

#### **9.5. Unpresented Value Books with face Value - GH¢132,400.00**

The Audit disclosed that 25 MMDAs failed to present 335 value books with a face value of GH¢132,400.00 for audit in contravention of Section 11 of the Audit Service Act, 2000 (Act 584).

The Committee noted that 295 GCRs were presented for validation and an amount of GH¢42,519.50 had been recovered from the

The Committee noted that 295 GCRs were presented for validation and an amount of GH¢42,519.50 had been recovered from the Revenue Collectors leaving 29 GCRs outstanding. The unaccounted GCRs are in the names of the following Assemblies:

1.	Assin Fosu Municipal Assembly	-	1 GCR
2.	Atiwa East District Assembly	-	1 GCR
3.	Ayensuano District Assembly	-	13 GCRs
4.	Suhum Municipal Assembly	-	6 GCRs
5.	Krowor Municipal Assembly	-	3 GCRs
6.	Accra Metropolitan Assembly	-	5 GCRs
	<b>Total</b>	-	<b>29 GCRs</b>

The Committee reiterates the recommendation of the Auditor-General that the Assemblies should recover the estimated revenue to be generated by the GCRs from the Revenue Collectors, Finance Officers and the Revenue Superintendents as well as the guarantors of the revenue collectors.

#### **9.6. Unrecovered Advance - GH¢15,608.33**

Contrary to Section 7 of the Public Financial Management Act, 2016 (Act 921), the Audit disclosed that the management of Two (2) Assemblies failed to recover advances granted to staff members totaling GH¢15,608.33 and recommended that management should recover the outstanding amount from the defaulting Officers and pay the same to the accounts of the Assemblies.

The Committee was however, informed that a substantial amount of GH¢11,508.33 had been recovered leaving a balance of GH¢4,100.00 in the names of some retired officers of the Sunyani Municipal Assembly, whose locations cannot be traced and for which reason the Assembly had written for the debt to be written off.



The Committee, in view of the above recommends that in the absence of an Assembly Resolution to write off the amount, the balance should be recovered from the Coordinating Director and the Finance Officer for failing to recover the amount from the officers or their beneficiaries.

#### 9.7. Overpayment of Salary - GH¢107,222.94

The Audit disclosed that the Management of the Bibiani/Anhwiaso/Bekwai Municipal Assembly failed to recover unearned salaries totaling GH¢107,222.94 from two (2) personnel who were wrongly placed on salary grades as Chief Health Environmental Officer instead of Chief Environmental Health Assistant, and Assistant Internal Auditor instead of Assistant Internal Audit Trainee for the periods June, 2015 and January, 2016 to December, 2021 respectively.

The Committee was informed during the public sitting that an amount of GH¢9,300 had been recovered leaving a balance of GH¢97,922.94, in the names of two (2) who are being pursued by EOCO. Details of the unrecovered amount is shown in the table below:

**Table 7: Status of Outstanding Overpayment of Salary**

No.	Beneficiary	Total Overpayment (GH¢)	No. of Months	Recovery (GH¢)	Amount Outstanding (GH¢)
1.	Frimpong Atta F.A.J	55,305.36	72	7,900.00	47,405.36
2.	Emmanuel Tweneboah-Koduah	51,917.58	78	1,400.00	50,517.58
	Total	<b>107,222.94</b>		<b>9,300.00</b>	<b>97,922.94</b>

The Committee therefore recommends that Management pursue the recovery of the amount even as EOCO continue to search for the beneficiaries.

**9.8. Unremitted Social Security Fund (SSF) - GH¢45,390.27**

Contrary to Section 98 of the National Pensions Act, 2008 (Act 766), the Audit revealed that Four (4) MMDAs deducted but did not remit to SSNIT, a total of GH¢45,390.27 as SSF contributions to employees covering the period of January to December, 2021.

The Auditor-General recommended that the total sum be remitted to SSNIT otherwise any penalty should be personally paid by the Finance Officers.

At the time of the Committee sitting, a total amount of GH¢37,195.14 had been remitted leaving an outstanding amount of GH¢8,195.13 as follows:

1. Central Tongu Municipal Assembly	-	GH¢7,304.00
2. Krachi East Municipal Assembly	-	GH¢891.13.
<b>Total</b>	-	<b>GH¢8,195.13</b>

The Committee therefore urges Management to remit the outstanding SSF contribution to SSNIT with immediate effect to avoid any penalty. Again, the Committee further recommends that in the event that any penalty is incurred due to the delays, the Finance Officers and the District Coordinating Directors of the Assemblies should personally be surcharged to pay for the penalty amount and urges the Auditor-General to monitor and report to the Committee of any development on the matter.



### 9.9. Unearned Salary - GH¢569,417.20

The Audit disclosed that 22 Assemblies paid a total unearned salary of GH¢569,417.20 to 35 Separated staff in violation of Regulation 92 of the Public Financial Management Regulations, 2019 (L.I 2378).

The Auditor-General recommended the recovery of the total amount from the beneficiaries failing which the Coordinating Directors and Heads of Human Resource Units of the Assemblies should be jointly held liable to refund the amount.

The Committee noted that an amount of GH¢542,603.80 has been recovered leaving a balance of GH¢26,813.40 in the names of the following four (4) Assemblies:

**Table 8: Outstanding Unearned Salaries**

No.	Assembly	Beneficiaries	Amount Outstanding (GH¢)
1.	Asokore Manpong Municipal	Huseiru Hawawu	4,082.85
2.	Wenchi Municipal	Eric Aseidu	5,587.35
3.	Komenda/Edina/Eguafo/Abirem	Florence Aidoo	3,486.45
4.	Fantekwa South District	Gloria Naa Ankrah	13,656.75
<b>Total</b>			<b>26,813.40</b>

The Committee recommends that Management of these Assemblies should intensify efforts to recover the outstanding amount of GH¢26,813.40 from the beneficiaries, failing which the Heads of the Human Resource Units and the validating officers of the Assemblies should jointly be held liable.

### **9.9. Abandoned/Delayed Projects - GH¢2,232,232.00**

The Audit disclosed that Four (4) Assemblies abandoned or delayed eight (8) projects for which a total amount of GH¢2,232,232.00 was expended in contravention of Section 52 of the Public Financial Management Act, 2016 (Act, 921).

The Auditor-General recommended to the management of the defaulted Assemblies to ensure that priority is given to abandoned projects before new ones are awarded.

The Committee noted that four (4) projects with contract values amounting to GH¢3,050,021.45 for which an amount of GH¢1,378,959.48 was committed have been completed and in use leaving four (4) projects at total cost of GH¢ 1,671,062.00.

The Committee recommends that the defaulted Institutions should complete the abandoned projects before new ones are awarded.

### **10.0. CONCLUSION**

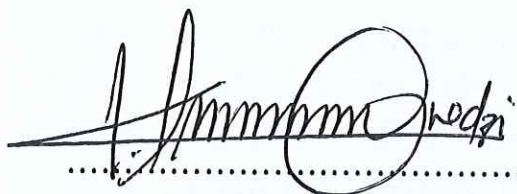
A review of the Report of the Auditor-General revealed persistent weak internal control systems in all the Assemblies resulting in the failure of the accounts officers and other unit heads to adhere to the financial management rules and regulations on a daily basis.

The Committee recommends to the Ministry of Local Government, Decentralisation and Rural Development together with the heads of the MMDAs to implement all the recommendations captured in the Report and the Report of the Public Accounts Committee in accordance with Section 88 of the Public Financial Management Act 2016, (Act 921).



The Committee therefore recommends to the House to adopt its Report on the Report of the Auditor-General on the Public Accounts of Ghana on the Account of District Assemblies for the year ended 31<sup>st</sup> December, 2021, with its recommendations in accordance with Order 165(3) of the Standing Orders of the House.

Respectfully submitted.



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HON. DR. JAMES KLUTSE AVEDZI (MP)  
CHAIRMAN, PUBLIC ACCOUNTS COMMITTEE



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JOANA A.S. ADJEI (MRS.)  
CLERK TO THE COMMITTEE

NOVEMBER, 2023