

BOSOMTWE DISTRICT ASSEMBLY INTERNAL AUDIT UNIT

THIRD QUARTER INTERNAL AUDIT REPORT, 2025

Submitted on: 28th October, 2025

<u>TABLE OF CONTENT</u>	<u>PAGE</u>
1.0 Executive summary	3
1.1 Introduction	3
1.2 Management responsibility	3
1.3 Internal auditors' responsibility	4
1.4 Scope of work	4
1.5 Audit team	4
1.6 Objectives of the audit	5
1.7 Management personnel	5
1.8 Methodology	6
1.9 Summary of audit findings	6
2.0 Detail of audit findings	7
<i>i. Failure to emboss the Assembly DRIP equipment</i>	7
<i>ii. Unable to gazette 2025 Assembly fee fixing resolution and by laws</i>	9
<i>iii. Non-compliance of the Assembly Drivers to complete their logbooks</i>	10
<i>iv. Unable to have permanent stores-keeper at the Assembly store</i>	11
3.0 Acknowledgement	13
4.0 Conclusion	13

1.0 EXECUTIVE SUMMARY

This third quarter internal audit report highlights key findings on Assembly operations. Key issues include; failure to emboss DRIP equipment, 2025 drivers' non-compliance with logbook completion and absence of a permanent storekeeper. These issues require corrective actions to ensure compliance, improve asset management, and enhance operational efficiency. Recommendations have been proposed to address these gaps.

1.1 INTRODUCTION

The Internal Audit Unit has conducted a review of the Bosomtwe District Assembly's operations for the third quarter 2025. The audit aimed to assess the Assembly's compliance with financial regulations, internal controls, and operational efficiency. This report presents the findings, recommendations and conclusions drawn from the audit.

As part of our quality assurance to management in accordance with:

- a) Section 120 of the Local Government Act, 2016 (Act, 936)
- b) Section 16(3) of the Internal Audit Agency Act 2003 (Act 658) and the financial Memoranda, we carried out our audit in line with auditing standards and best practice.

1.2 MANAGEMENT RESPONSIBILITY

In accordance with the Internal Audit Plan and Charter for 2025, in line with auditing standards, it is the responsibility of management to formulate policies, set objectives and procedures, design appropriate and effective internal control systems, implement and monitor policies and procedures to achieve the objectives of the institution.

1.3 INTERNAL AUDITOR'S RESPONSIBILITY

It is the responsibility of the internal auditor to carry out an independent objective assurance service designed to add value to the Assembly's activities. We would like to draw management's attention to the fact that due to the inherent limitations of audit, this exercise might not be able to identify all internal control weaknesses in the system but all those that have come to our attention, have been recorded in this report and that there might be others that have escaped our detection.

The purpose of the audit is to give an independent view of the state of affairs of the Assembly and to provide quality assurance on the efficiency and effectiveness of the economy in the administration for the programs and operations of the Assembly.

1.4 SCOPE OF WORK

The audit encompassed the Transport, Stores Management, and Fee-Fixing operations of the Bosomtwe District Assembly for the year 2025. The focus areas included an examination of the District Road Improvement Program (DRIP) equipment, the management and utilization of official vehicles, the oversight of stores management of the Assembly. This covered the Third Quarter of July to September, 2025.

1.5 AUDIT TEAM

The audit was prepared by the following staff of the Bosomtwe District Assembly.

Mr. Stephen K. Amedahevi	Head of Internal Audit
Mr. Daniel Amofa Siaw	Asst. Internal Auditor
Mr. Martin Agyei	Asst. Internal Auditor
Mr. Richard Gyamfi	Asst. Internal Auditor

1.6 AUDIT OBJECTIVES

The objectives of the audit are as follows:

- i. To ascertain whether there are thorough policies and procedures in place to ensure that all DRIP equipment and other official vehicles are embossed.
- ii. To determine whether internal control systems are adequate working to ensure that the Assembly stores are properly managed.
- iii. To ascertain whether the drivers of the assembly are complying with the logbook's completion.
- iv. To follow up previous audit

1.7 MANAGEMENT PERSONNEL

The key management personnel during the time of the audit were:

<u>NAME</u>	<u>POSITION</u>
Hon. Hamidu Abdullah	District Chief Executive
Mr. Bernard Appiah	District Co-ordination Director
Mrs. Wendy Agyemang Tutu	District Finance Officer
Mr. Isaac Kumi	District Engineer

1.8 METHODOLOGY

The audit was conducted using the risk-based approach which included inspection of DRIP equipment and other official vehicles in the Bosomtwe District Assembly, reviews into maintenance culture and performing walkthrough test.

In the course of the audit, control weaknesses which came to our attention were discussed with management. Accordingly, the audit findings were developed based on the five elements of criteria, condition, cause, effect and recommendation. Responses from management were appropriate incorporated in this report.

1.9 SUMMARY OF AUDIT FINDINGS

(i) Failure to Emboss the Assembly DRIP equipment and one official vehicle

Management should take immediate action to emboss all existing DRIP equipment and the official vehicle of the Assembly.

(iii) Non-compliance of the Assembly Drivers to complete their logbooks

The Assembly should provide regular training on logbook requirements and importance. Frequent monitoring system should be implemented to track logbook accuracy.

(iii) Unable to have permanent store-keeper at the Assembly stores.

Prioritize the appointment of a qualified permanent storekeeper, ensuring a transparent recruitment process to attract suitable candidates and clearly outline the responsibilities and expectations of the storekeeper role to facilitate accountability and enhance understanding of inventory management procedures.

2.0 DETAIL OF AUDIT FINDINGS

- (i) ***Failure to Emboss the Assembly DRIP equipment and one official vehicle.***

CRITERIA

Section 52 (1 & 2a) of the Public Financial Management Act, 2016 (Act 921) require 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. To ensure that preventive mechanisms are in place to eliminate theft, loss, wastage and misuse;

CONDITION

Upon inspection, it was observed that none of the DRIP equipment owned by the Assembly had been embossed. Additionally, several official vehicles were found to lack appropriate identification markings. This has resulted in difficulties in tracking usage, maintenance, and potential asset misappropriation. Details below:

DRIP EQUIPMENT

No.	Name of equipment	Quantity
1	Wheel-loader	One (1)
2	Grader	One (1)
3	Back-hole	One (1)
4	Double axil tipper truck	One (1)
5	Water tanker	One (1)
6	Roller	One (1)
7	Concrete mixture	Two (2)

OFFICIAL VEHICLE

No.	Vehicle Brand	Registration number
1	Navara Pick-Up	GT-1247-11

CAUSE

This can be lack of awareness or adherence to the established embossing policy among staff responsible for asset management.

EFFECT

It compromises the accountability and transparency of asset management, leading to potential misuse or loss of public resources. Increases the difficulty in identifying Assembly-owned equipment and vehicles, especially during audits or inspections.

RECOMMENDATION

We recommended that management should take immediate action to emboss all existing DRIP equipment also add other official vehicles which are yet to be embossed.

MANAGEMENT RESPONSE

Management acknowledges the oversight and is taking steps to ensure all assembly equipment and official vehicles are properly embossed with the organization's logo and identification marks. Procedures are being reinforced to prevent future occurrences, and staff are being reminded of the importance of visibility and branding. The process of embossing the affected equipment and vehicles is being expedited.

(ii) Non-compliance of the Assembly Drivers to complete their logbooks

CRITERIA

The Assembly Drivers DRIP operators are expected to maintain accurate and complete logbooks. Logbooks should reflect all fuel purchases and usage. Drivers must record mileage, date, and time accurately. Logbooks are essential for tracking vehicle usage and fuel consumption. Accurate logbooks ensure transparency and accountability.

CONDITION

We observed that the Assembly Drivers are not completing their logbooks accurately. Logbooks are often incomplete or missing essential information. Some drivers are not submitting their logbooks on time for inspection. This non-compliance is a recurring issue and lack of accurate logbooks hinders effective vehicle management.

CAUSE

The non-compliance may be due to lack of training on handling or completing logbook requirements. Inadequate supervision and monitoring may also contribute to the issue. Drivers may be too busy or forgetful, leading to incomplete logbooks.

EFFECT

This can lead to inaccurate records and poor decision-making and it may result in increased fuel costs and vehicle maintenance expenses. The Assembly's reputation may be damaged due to non-compliance. Safety risks may increase due to unmonitored vehicle usage.

RECOMMENDATION

We recommended the Assembly should provide regular training on logbook requirements and importance. A monitoring system should be implemented to track logbook accuracy. Drivers who fail to comply should face disciplinary action. Drivers should be encouraged to prioritize logbook completion and accuracy.

MANAGEMENT RESPONSE

Management is concerned about the non-compliance and reminds drivers of the importance of accurate logbook completion for vehicle management and safety. Drivers are being re-trained on logbook procedures, and supervisors (Transport Officers) will monitor compliance. Non-compliance will be addressed through established disciplinary procedures to ensure future adherence.

(iii) Unable to have permanent store-keeper at the Assembly stores.

CRITERIA

Regulation 0316 of the Stores Regulations, 1984 and Section 52 (7a) of the Public Financial Management Act, 2016 (Act 921) stipulates that The 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.

On the other hands, the Principal Spending Officer is discharged of accountability of government stores where the stores have been (a) consumed in the course of public business and records are available to show that the stores have been consumed.

CONDITION

The audit revealed that there has been no permanent storekeeper in place at the Assembly stores for the past one year now. As a result, the management of inventory has been significantly affected, leading to issues such as poor stock tracking, disorganization, and inefficiencies in the procurement process.

CAUSE

The primary cause for the absence of a permanent storekeeper is the theft incident that occurred at the assembly stores, which prompted management to suspend the storekeeper involved. This unfortunate situation has created a vacuum in leadership, as the management had to ensure a thorough investigation into the matter before appointing a new storekeeper.

EFFECT

The absence of a permanent storekeeper at the Bosomtwe District Assembly stores significantly hampers effective inventory management and poses risks to the Assembly's operational integrity. The lack of a dedicated individual to track stock levels and oversee inventory processes has led to mismanagement and potential discrepancies in stock records.

RECOMMENDATION

Prioritize the appointment of a qualified permanent storekeeper, ensuring a transparent recruitment process to attract suitable candidates and clearly outline the responsibilities and expectations of the storekeeper role to facilitate accountability and enhance understanding of inventory management procedures.

MANAGEMENT RESPONSE

Management has assessed the situation and decided to redeploy one of the Procurement Officers to the assembly stores as a permanent storekeeper. This officer will be responsible for managing store operations, ensuring accurate inventory records, and overseeing the receipt and issuance of materials. The redeployment is effective immediately, and the officer is expected to ensure smooth store operations.

3.0 ACKNOWLEDGEMENT

The Audit Team wishes to acknowledge the cooperation and support received from the Bosomtwe District Assembly's management and staff during the preparation of this report.

4.0 CONCLUSION

In conclusion, the audit revealed significant control weaknesses and non-compliance with financial regulations, highlighting the need for urgent corrective actions to strengthen internal controls, ensure transparency and accountability, and prevent financial losses.

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