SUHUM MUNICIPAL ASSEMBLY

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Our Ref:
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Office of the Municipal Administration
P. O. Box 186
Tel: 0858-22363
Suhum
Digital Address: ES-0030-1162

29th January,, 2026

SUBMISSION OF INTERNAL AUDIT REPORT FOR THE FOURTH QUARTER 2025

I submit herewith the Internal Audit Report for the Fourth Quarter 2025 on Assets purchased for the year 2025, occupants on Assembly Bungalows and Financial performance of the Assembly for the year 2025.

Thank you.

ALHAJI ABDUL-RAHIM TAHIDU MUSAH, Esq.
(MUNICIPAL CO-ORDINATING DIRECTOR)
FOR: MUNICIPAL CHIEF EXECUTIVE

THE CHAIRMAN
AUDIT COMMITTEE
SUHUM MUNICIPAL ASSEMBLY
SUHUM

THE MUNICIPAL CO-ORDINATING DIRECTOR
SUHUM MUNICIPAL ASSEMBLY
SUHUM

cc: The Director General
Internal Audit Agency
Accra

The Head of Service
Office of the Head of Local Government Service
Accra.

The District Auditor
Ghana Audit Service
Nsawam

The Regional Minister
Eastern Regional Coordinating Council
Koforidua

The Municipal Chief Executive
Suhum Municipal Assembly
Suhum

SUHUM MUNICIPAL ASSEMBLY

FOURTH QUARTER INTERNAL AUDIT REPORT FOR 2025

ON

ASSETS PUCHASED FOR THE YEAR 2025, OCCUPANTS OF ASSEMBLY BANGALOWS AND THE FINANCIAL PERORMANCE OF THE ASSEMBLY FOR THE YEAR 2025

P.O.BOX 186 SUHUM E/R

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DRAFT INTERNAL AUDIT REPORT FOR THE FOURTH QUARTER 2025 FROM 1ST OCTOBER, 2025 TO 31ST DECEMBER, 2025.

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MANAGEMENT ACTION PLAN

STATUS OF IMPLEMENTATION OF THIRD QUARTER AUDIT

DRAFT INTERNAL AUDIT REPORT FOR THE FOURTH QUARTER 2025 FROM 1ST OCTOBER, 2025 TO 31ST DECEMBER, 2025.

EXECUTIVE SUMMARY

The Fourth Quarter Internal Audit Report highlights key findings on Assembly operations, key issues include; Embossment of Assets purchased for the Assembly, non-tax revenue due the Assembly are properly collected, safeguard of assets purchased, embossment of assets and Financial performance of the Assembly, also whether Management operates under sound business principles and complies with the applicable laws, regulations, terms and conditions.

These issues require corrective actions to ensure compliance, improved asset management, ensure efficient collection of revenue, and enhance operational efficiency. Recommendations have been proposed to address these gaps.

1.0 INTRODUCTION

1.1 Background

The Internal Audit Function has conducted a review of the Suhum Municipal Assembly's operation for the fourth 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). We carried out our audit in line with auditing standards and best practice.

The Internal Audit Function of the Suhum Municipal Assembly carried out an Audit on Assets purchased for the Assembly for the Year 2025, Audit on the occupants of the Assembly Bungalows, and financial performance of the Assembly for the year 2025 with the aim of identifying weakness in internal controls, assessing risk and suggesting mitigating measures to ensure effective, efficient and economic use of resources.

1.2 Audit Perspective

The audit was conducted by Gordon Mensah Owusu, (IA), Kermah Amoah (AIA), Erica N.A. Acheampong, (AIA), Mary Sekyere (AIA), Charles Okine Salas (AIAT), Agnes Ankomah (AIA), Samuel Agyei Appiah (AIA) and Harriet Okraku Offei (AIAT) under the supervision of Korbla Ganyo Akpablie (HIAF).

A walk- through test on operating procedures in the area of internally generated fund was conducted to ascertain whether operations are in adherence to laid down rules and regulations. The standards for the professional practices of Internal Auditing, Public Financial Management Regulations, 2019, and the Public Financial Management Act, 2016 were applied in the audit.

3.0 Scope of the Audit

The scope of the audit looked at capturing the right details of assets purchased into the asset register, to ascertain if assets bought are embossed; we also looked at payment of rent on official bungalows of the assembly and the financial performance of the Assembly for the year 2025, thrust areas. The Audit is for the fourth quarter 2025; however the findings go beyond that;

4.0 Audit Objectives

- To ascertain if Staff occupying the bungalows are paying rent and that the funds are properly accounted for,
- If there is a comprehensive policy for the management of the bungalows
- To ascertain if there is occupancy agreement between the Assembly and the occupants
- Evaluate the condition of the bungalows and the effectiveness of routine maintenance program.
- To ascertain if the properties are use for their intended purpose and if the allocation process is fair and transparent
- Ensure that there is adequate security over the custody of the various classification of assets of the Assembly
- To ensure the receipt of fixed assets are in good condition and in proper order
- To observe the physical count, making appropriate test count
- Are all goods received through stores?
- Are suppliers invoices received by the account unit
- To ensure all items bought exist and are owned by the Assembly (existence, completeness and ownership)
- Assets are adequately safeguarded against loss, theft or unauthorized use
- The assets register is accurate, complete and up to date
- All assets' transactions are properly authorized and recorded.

5.0 METHODOLOGY

The audit was conducted based on risk-based audit approach in carrying out the exercise. This includes test of controls, verification, examination, interviews and substantive test. As a result, the team developed the audit findings based on the five fundamental attributes thus; criteria, condition, cause, effect as well as recommendation. Responses from Audit Client, where appropriate are also incorporated in the report.

SUMMARY OF FINDINGS AND RECOMMENDATIONS

1. FAILURE TO EMBOSS ASSETS WITH IDENTIFICATION NUMBERS

Recommendation

We recommended to Management to take immediate action to emboss all office equipment and Household appliances purchased and add other official vehicles which are yet to be embossed.

2. ITEMS PURCHASED NOT ROUTED THROUGH STORES/FAILURE TO COMPLY WITH PROCEDURE FOR RECEIPT OF GOODS

Recommendation

We recommend that Management ensures that the items were routed through stores for documentation and regularization.

3. FAILURE TO PAY RENT ON GOVERNMENT BUNGALOWS

Recommendation

- We recommend that maintenance works should be done on the buildings to make its value appreciable and more habitable. The Assets Management Unit of the Assembly be revive to document all Assembly properties and ensure users are held liable for misuse.
- Also, Management should liaise with the defaulters to retrieve outstanding rent from the occupants.

STATUS OF IMPLEMENTATION OF REVIEW OF INTERNAL AUDIT REPORT FOR THIRD QUARTER 2025

NAME OF ORGANIZATION: SUHUM MUNICIPAL ASSEMBLY

NO.	FINDINGS	RECOMMENDATION	Action Taken or proposed to be taken to implement recommendation	Officer(s) responsible	Status of Implementation	Timelines
1.	**UNACCOUNTED REVENUE BY COLLECTORS GH¢ 15,885.00**	The team recommended to Management that the Finance Officer should ensure that the Revenue Collectors in question and the task force team responsible for collecting the money fully accounts for all the monies collected	Managements have been able to retrieve all the money involved from the revenue collectors	MFO/Scheduled Officer	Fully implemented	October 2025
2.	**FAILURE TO PRODUCE REVENU RECORDS (BOOKS) FOR AUDIT**	The Audit Recommended to Management to ensure that the collectors bring their value books to audit auditing to prevent individuals holding on to the money	All the value books have been brought to us for our verification	MFO/Scheduled Officer	Fully implemented	October 2025
3	**WITHHELD TAXES NOT REMITTED TO**	We recommended to Management to ensure that the Finance Officer pays all the withheld taxes to GRA	The Finance Officer has remitted all the taxes withheld to Ghana Revenue Authority	MFO/MCD	Fully implemented	October 2025

	GRA GH¢ 3,437.49	to avoid any penalties				
4	**PAYMENTS WITHOUT EXPENDITURE WARRANTS** **GH¢ 46,825.00**	We recommended that Management should strictly abide by the PFMR and ensure that warrants are generated and attached to all the payment vouchers as a guarantee that all transactions have been budgeted for.	Managements have been able to attach warrant amounting to GH¢ 34,785.00 on eight (8) payment vouchers, leaving warrant amount of GH¢ 12,040.00 on tow (2) payment vouchers.	MFO/MBA	Partially implemented	October 2025
5	**PAYMENT WITHOUT SUPPORTING DOCUMENTS GH¢ 49,800.00**	We recommended to Management to entreat the Finance Officer to provide the accurate and necessary documents to substantiate these payments	The Finance Officer has retrieved all the necessary document and it has been attached to the payment vouchers	MCD/MFO	Fully implemented	October 2025

DETAILED FINDINGS AND RECOMMENDATIONS

1. FAILURE TO EMBOSS OFFICE EQIUPMENT AND HOUSEHOLD APPLIACES PURCHASED WITH IDENTIFICATION NUMBERS VEHICLE

CRITERIA:

Section 52 (1 & 2a) of the Public Financial Management Act, 2016 (Act 921), Regulation 1511-1513 of Stores Regulation 1984

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. Preventive mechanisms are in place to eliminate theft, loss, wastage and misuse;

Every item of plant and machinery shall have a Departmental number allocated to it on receipt, the departmental number shall be clearly and consciously written on the item of plant or machinery for easy identification.

CONDITION:

We observed from the audit that various office equipment has been bought without embossing them with identification numbers, also upon inspection, it was observed that none of the DRIP equipment owned by the Assembly has been embossed, additionally, several of the official vehicles were found to lack appropriate identification markings. This has resulted in difficulties in tracking usage, maintenance, and potential asset misappropriation.

CAUSES:

- Lack of awareness or adherence to the established embossing policy among Staff responsible for Asset Management (Fixed Asset Coordinating Unit)

EFFECTS

- It compromises the accountability and transparency 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 audit or inspections.

RECOMMENDATION:

We recommend that Management ensures that the items were routed through stores for documentation and regularization.

MANAGEMENT RESPONSE:

Management noted your recommendation, the items are currently being emboss.

2. **ITEMS PURCHASED NOT ROUTED THROUGH STORES/FAILURE TO COMPLY WITH PROCEDURE FOR RECEIPT OF GOODS**

CRITERIA:

Regulation 0509 to 0521 of Stores Regulation 1984

Where goods are packed in cases, cartons, crates, drums, or wrapped bundles, careful check shall be made to ensure that;

- The number of containers agrees with that shown on the carrier's delivery note
- There are no obvious signs of damage to the containers.

CONDITION:

On the contrary, we observed that, the Assembly purchase office laptops, meetings chairs with executive table and 1 set of living room chairs without routing them through stores.

CAUSES:

The infraction stated above was as a result of negligence and lack of commitment control to application of the laws and regulation

EFFECTS

Failure to take charge of items procures with the Assembly the funds to stores can be diverted for personal use and will be very difficult to trace them in terms of lost and theft.

RECOMMENDATION

We recommended to Management as matters of urgency ensure that the items were routed through stores for accountability.

MANAGEMENT RESPONSE

Management noted your recommendation, the items have been routed through stores.

3. FAILURE TO PAY RENT ON GOVERNMENT BUNGALOWS GH¢ 10,940.00

CRITERIA:

Regulation 46(a) of the Public Financial Management Regulations 2019 (L.I 2378),

Public Financial Management Act 2016, (Act 921, section 96 (1b),

Section 141 (1 & 2b) of the Local Governance Act, 2016 act (936)

- The Principal Spending Officer shall ensure that non-tax revenue is efficiently collected.
- A person, acting in an office or employment connected with procurement or control of Government stores, or the collection Management or disbursement of amounts in respect of public fund or a public trust who fails to collect moneys due to the Government.
- The District Assembly may charge fees for any service or facility provided by the District Assembly or for any permit issued by or on behalf of the District Assembly subject to guidelines on fee charging prescribed by the Minister,
- Revenues from levies and fess charged in respect of activities listed in the Eleventh Schedule shall be collected exclusively by or for the District Assembly.

CONDITION:

We observed during the audit that, four (4) Officers have paid part payment of their rent leaving an amount of GH¢ 2,060.00 to be paid.

We also observed that nine (10) Officers have failed to pay no amount of the rent totalling GH¢.8, 880.00 to the Assembly.

Details found below:

CAUSES

The causes of the above are unclear policy of the Assembly, poor maintenance, ineffective rent collection and ineffective monitoring and supervision.

EFFECTS

Non- payment of rent will result in revenue loss to the Assembly and this will hinder the Assembly from getting revenue for the maintenance of the bungalows.

RECOMMENDATION:

- We recommend that maintenance works should be done on the buildings to make its value appreciable and more habitable. The Assets Management Unit of the Assembly be revive to document all Assembly properties and ensure users are held liable for misuse.
- Also, Management should liaise with the defaulters to retrieve outstanding rent from the occupants.

MANAGEMENT RESPONSE:

Recommendation noted, the affected officials have been issued with demand notices to settle the bills by close of January, 2026 and some of them have started paying.

ACKNOWLEDGEMENT

The Audit Team wishes to acknowledge the cooperation and support received from Management and Staff during the preparation of this report.

CONCLUSION

In conclusion, the audit revealed some internal control deficiencies to be strengthened for the institutional governance and in achieving the benefits of the Internal Audit Functions.

KORBLA GANYO AKPABLIE

(SENIOR INTERNAL AUDITOR)

APPENDIXES

i. **FAILURE TO EMBOSS OFFICE EQIUPMENT AND HOUSEHOLD APPLIACES PURCHASED WITH IDENTIFICATION NUMBERS VEHICLE**

S/N	ITEM	QUANTITY
1	8 HP LAPTOPS	EIGHT (8)
2	5 LENOVO LAPTOPS	FIVE (5)
3	1 SET OF SOFAS CHAIRS AT MCE's RESIDENCY	SEVEN (7)
4	1 SET OF VISITORS CHAIR AT MCE's OFFICE	
5	25 MEETING CHAIRS WITH EXECUTIVE LONG TABLE	TWENTY-FIVE (25)
6	OFFICE CHAIR AND EXECUTIVE DESK AT MCE's OFFICE	ONE (1)
7	WHEEL LOADER	ONE (1)
8	GRADER	ONE (1)
9	BACK-HOLE	ONE (1)
10	DOULBLE AXIL TIPPER TRUCK	ONE (1)
11	WATER TANKER	ONE (1)
12	ROLLER	ONE (1)
13	CONCRETE MIXTURE	TWO (2)
14	PICK-UP- TOYOTA HILUX GV 156-25	ONE (1)

ii. ITEMS PURCHASED NOT ROUTED THROUGH STORES/FAILURE TO COMPLY WITH PROCEDURE FOR RECEIPT OF GOODS

S/N	ITEMS	QUANTITY
1	LENOVO LAPTOP	FIVE (5)
2	OFFICE CHAIRS WITH 1 EXECUTIVE TABLE	TWENTY-FIVE (25)
3	1 SET OF SOFAS LIVING ROOM CHAIR	

iii. FAILURE TO PAY RENT ON GOVERNMENT BUNGALOWS GH₵ 10,940.00

PART PAYMENT OFFICERS

S/N	NAME	UNIT/DEPT	BLOCK NO.	AMOUNTTO BE PAID	AMOUNT PAID	AMOUNT OWE
1	ERIC E. DONKOR	BUDGET	BLK 5B	720.00	300.00	420.00
2	ABDUL A. ZAKARIA	PHYSICAL PLANNING	BLK 7C	720.00	400.00	320.00
3	ERNEST E. EWUSI	SOCIAL WELFARE	BLK 6C	720.00	300.00	420.00
4	MARGARET DZIWORNU	BIRTH & DEATH	BLK 5D	2,400.00	1,500.00	900.00
	SUB TOTAL			**4560.00**	**2500.00**	**2,060.00**

NON- PAYMENT OFFICERS

5	EDWARD DONKOR	GHANA WATER	BLK 5A	720.00	0.00	720.00
6	FRANK YEBOAH	ACCOUNTS	BLK 6D	720.00	0.00	720.00
7	IVY APPIAH	INFORMATION	BLK 3C	720.00	0.00	720.00
8	ROBERT D. KUMI	WORKS	BLK 1B	720.00	0.00	720.00
9	HON. LAWEH	ASSEMBLY MAN	BLK 1A	2,400.00	0.00	2,400.00
10	MICHAEL ANOKYE	WORKS	BLK 7A	720.00	0.00	720.00

11	ANDREWS AHORSU	WORKS	BLK 7B	720.00	0.00	720.00
12	MOSES ZIMWURA	E.C	BLK 7D	720.00	0.00	720.00
13	KORBLA G. AKPABLIE	AUDIT	BLK 3B	720.00	0.00	720.00
14	SHIRAZU MOHAMMED	ACCOUNTS	BLK 1E	720.00	0.00	720.00
	SUB- TOTAL					**8,880.00**
	GRAND TOTAL			**13,440.00**	**2,500.00**	**10,940.00**

MANAGEMENT ACTION PLAN

NAME OF COVERED ENTITY: SUHUM MUNICIPAL ASSEMBLY

TITLE OF AUDITOR: SENIOR INTERNAL AUDITOR

FOURTH QUARTER 2025

S/N	FINDINGS	RECOMMENDATION	RISK RATING OF FINDING (H, M, L)	MANAGEMENT COMMENT	IMPLEMENTATION DATE	Scheduled Officer
1.	**FAILURE TO PAY RENT ON GOVERNMENT BUNGALOWS**	We recommend to Management to liaise with the defaulters to retrieve all the outstanding rent from the defaulters as soon as possible. Management should also strengthen the monitoring role over the rent collections. We also recommended that a percentage of the rent should be set aside for routine maintenance. Management should prepare a comprehensive policy to govern the	Medium	Recommendation noted, the affected officials have been issued with demand notices to settle the bills by close of January, 2026 and some of them have started paying.	30th March, 2026	Asst. Director IIA

		provision and management of the Assembly bungalows.				
2.	**FAILURE TO EMBOSS ASSETS WITH IDENTIFICATION NUMBERS**	We recommended to Management to take immediate action to emboss all office equipment purchased and the DRIP equipment, and also add other official vehicle which are yet to be embossed.	Medium	Management noted your recommendation, the items are currently being embossed.	30th March, 2026	Assets Coordinating Unit
3.	**ITEMS PURCHASED NOT ROUTED THROUGH STORES/FAILURE TO COMPLY WITH PROCEDURE FOR RECEIPT OF GOODS**	We recommended to Management as a matter of urgency ensure that the items were routed through stores for accountability.	Medium	Management noted your recommendation, the items have been routed through stores.	30th March, 2026	Stores Officer

ALHAJI ABDUL-RAHIM TAHIDU MUSAH, Esq.

MUNICIPAL COORDINATING DIRECTOR

29TH JANUARY, 2026