



SIMPLIFIED KEY AUDIT ISSUES FOR KAMBIA DISTRICT COUNCIL (2019)

KAMBIA DISTRICT COUNCIL 2019 AUDIT REPORT



AUGUST 2021

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Acknowledgement

We are pleased to present the simplified version in cartoon of key audit issues from the Auditor General's report for the 2019 fiscal year for the Kambia District Council. We intend to provide a reader friendly and satire document for citizen to understand the key issues mentioned in the Kambia District Council audit in a bid to hold the council accountable on the implementation of audit recommendations.

We would like to thank the cartoonist Ahmed Sahid Nasaralla for the diagram, Budget Advocacy Network staff for the development of the concept for the diagram and ActionAid team for their input and comment. Another thanks to the Audit Service Sierra Leone for using some of their diagram to explain the mandate and role of the Auditor-General.

Special thanks to the European Union for providing funding for this work under the 'Action for Inclusive Social and Economic Service Delivery in Kambia' project and ActionAid Sierra Leone for providing leadership.

1. Mandate of the Auditor-General

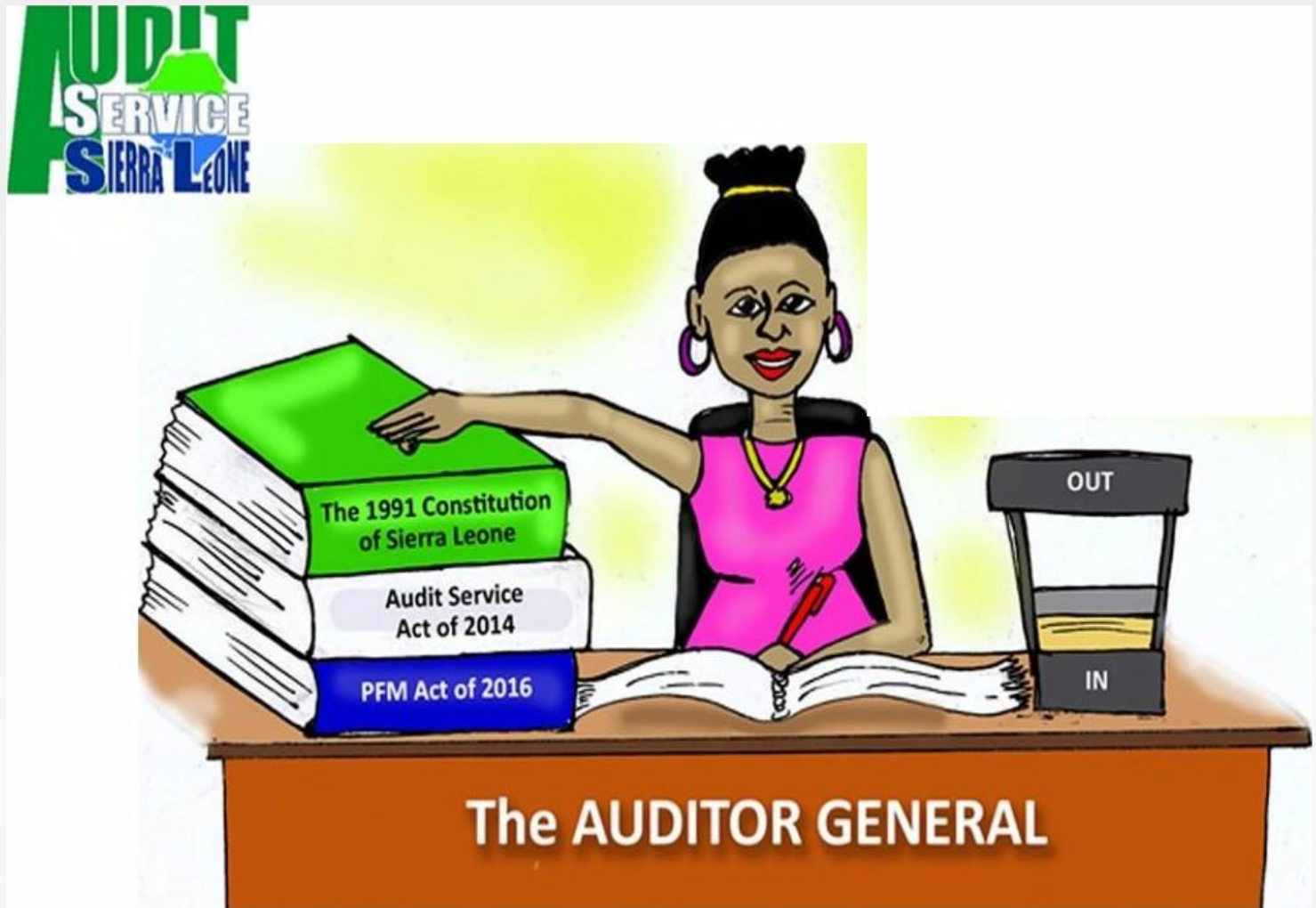


Diagram by Audit Service Sierra Leone

Section 119 of the 1991 Constitution of Sierra Leone

The 1991 Constitution gives the Auditor-General the mandate to audit (check) how public monies are being utilised.

Audit Service Act 2014

The Auditor-General shall access documents and records of public entities and has the power to call witnesses in instances of doubt in checking the books of all public institutions.

Section 16 of the Public (PFM) Act 2016

The Auditor-General shall submit financial statements of the Consolidated Revenue Fund Account, Central Government, budgetary agencies, subvented agencies, local councils, social security funds and public enterprises.

2. The role of the Auditor-General

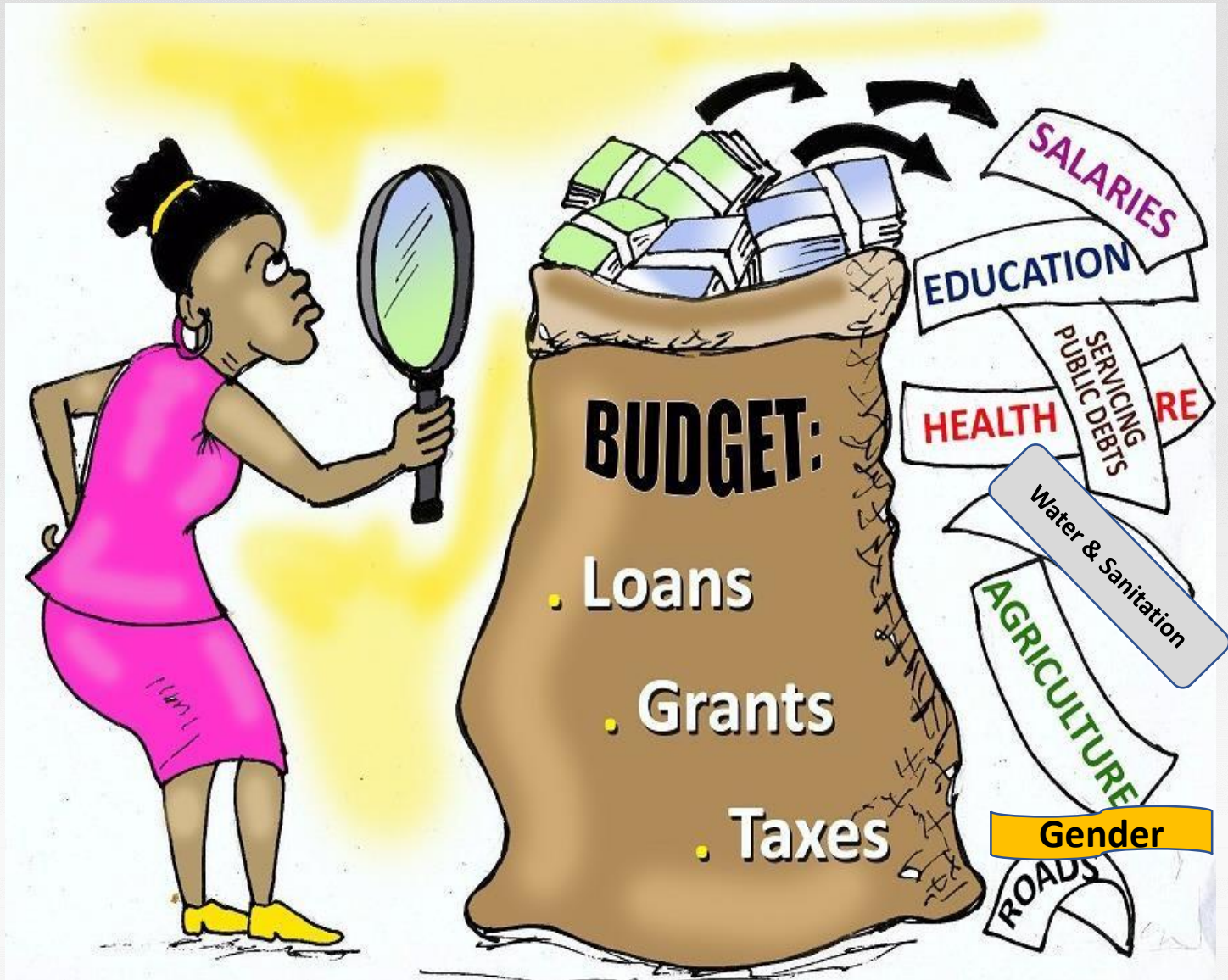


Diagram by Audit Service Sierra Leone

As the guardian of public funds, the Auditor- General checks government's performance to ensure that funds are used for their intended purposes.

3. The Auditor-General and Entities of Government

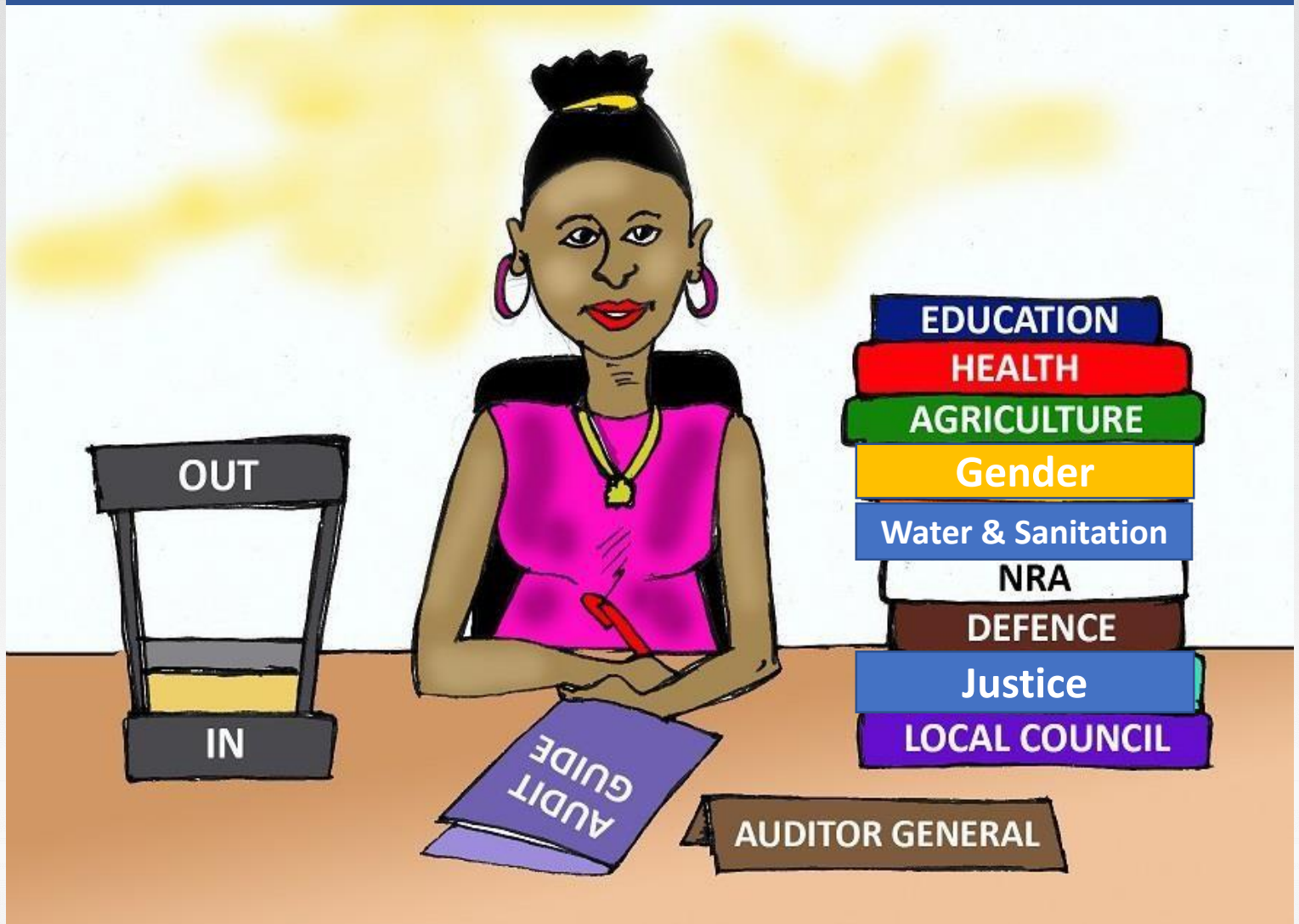


Diagram by Audit Service Sierra Leone

Three months after the end of the financial year, MDAs should submit to the Auditor-General their annual financial statements.

(Section 86 of the PFM Act, 2016).

4. The Auditor-General and Accountant General



Diagram by Audit Service Sierra Leone

Not later than three months after the end of the financial year, the Accountant General shall draw up and sign the annual financial statements of the Consolidated Revenue Fund Account.

(Section 87 of the PFM Act, 2016).

5. The Auditor-General and Parliament

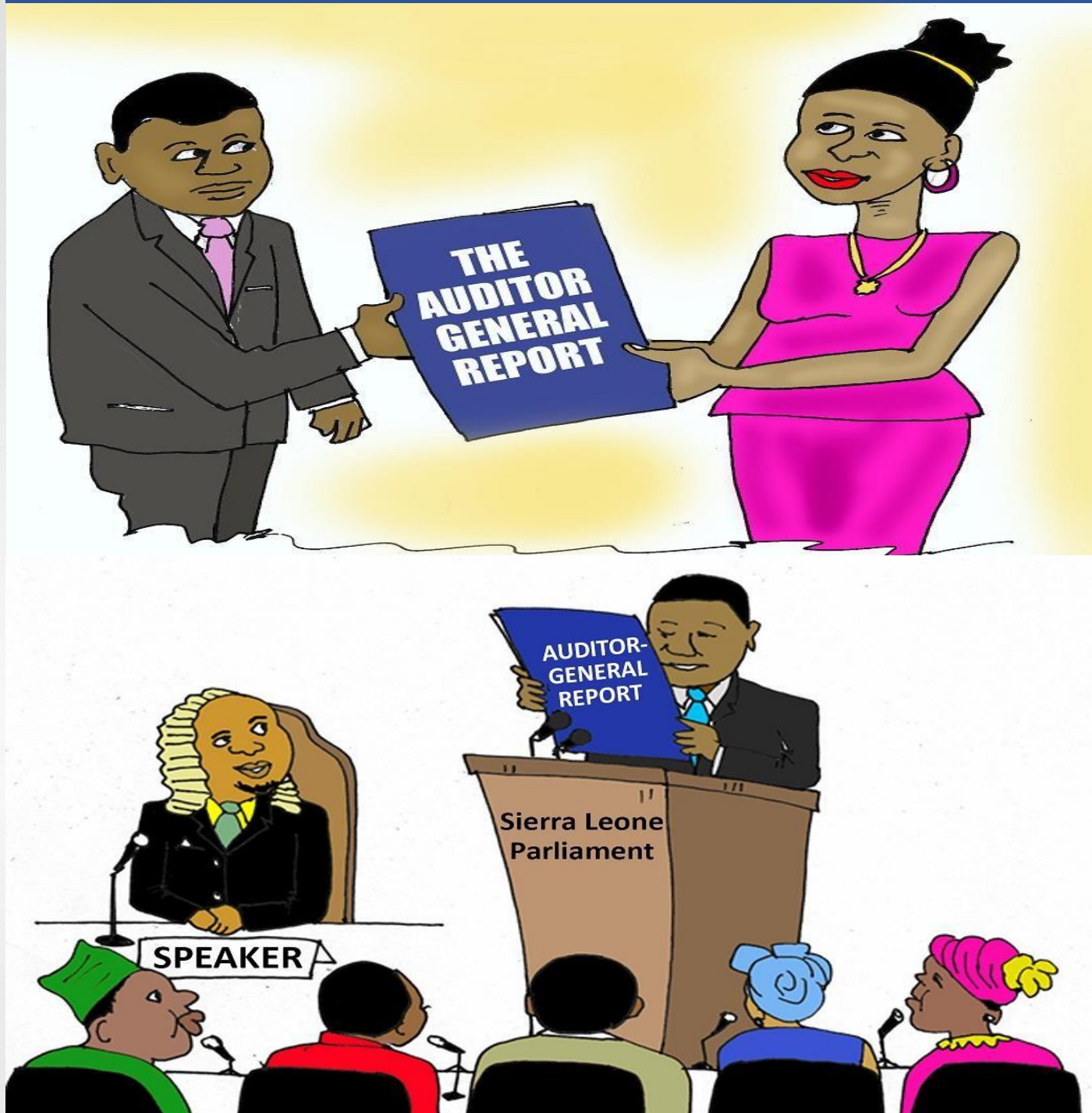


Diagram by Audit Service Sierra Leone

The Auditor-General should, within 12 months of the end of the immediate preceding financial year, submit his/her annual report to Parliament.

(Section 95 of the PFM Act, 2016).

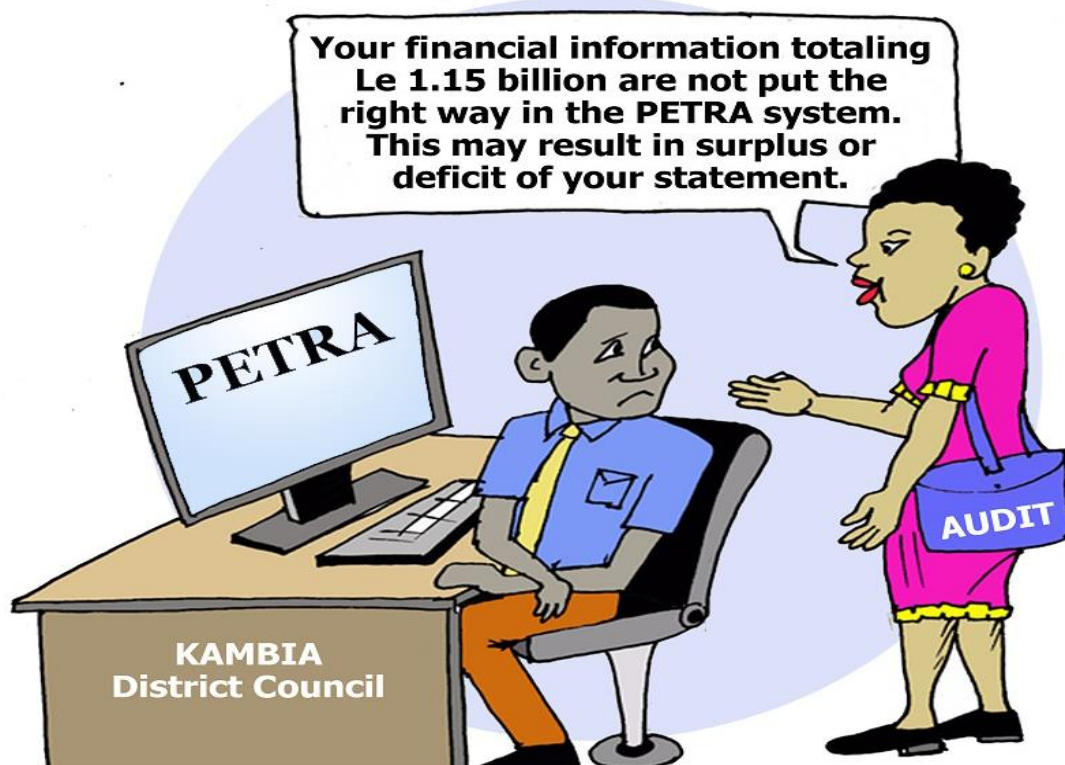
6. Key audit issues- Kambia District Council 2019

Auditor-General opinion- Adverse

Financial statement do not give a true and fair view of the financial position of the Kambia District Council

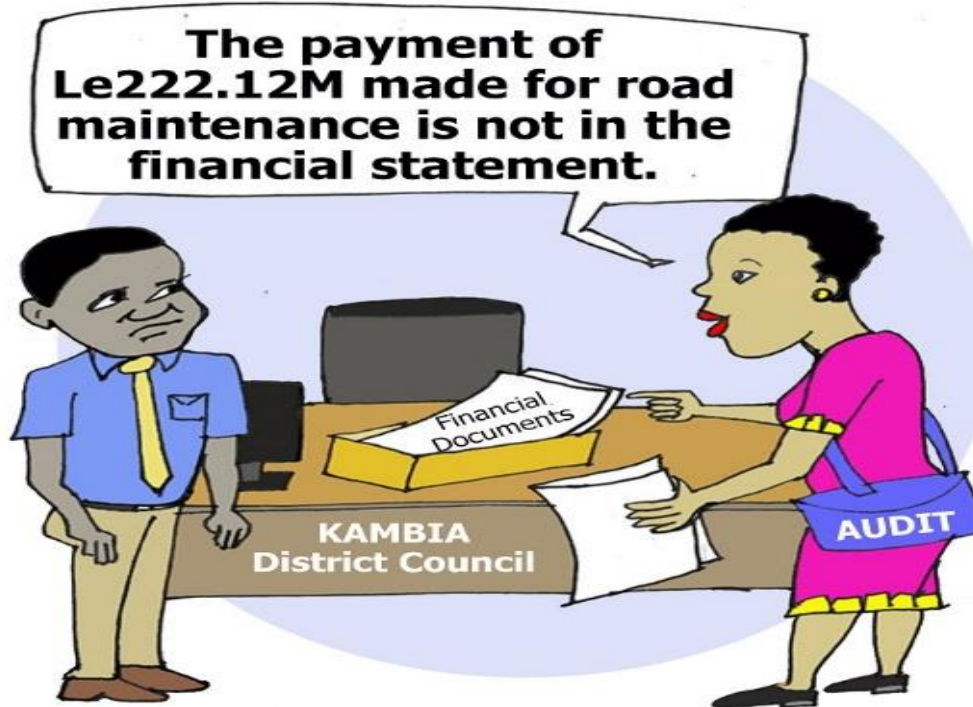


Expenditure misclassification in the financial

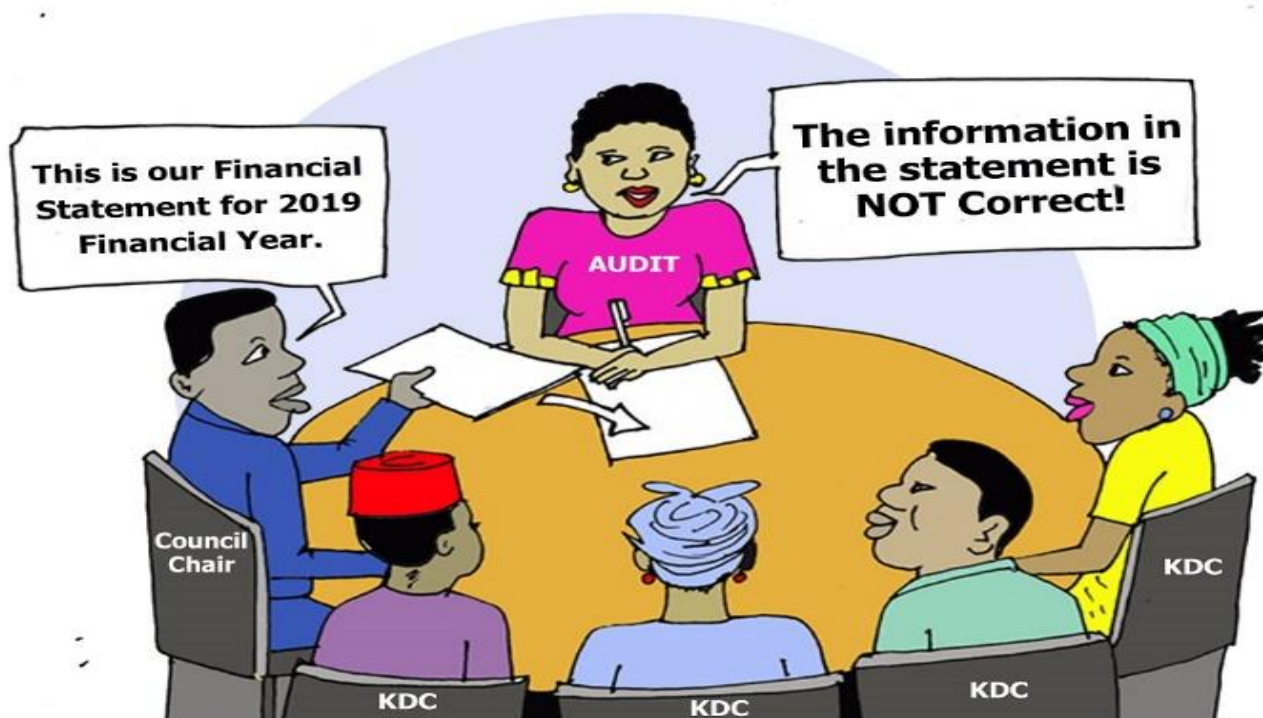


Key audit issues- Kambia District Council 2019

Non-Recognition of payments made in respect of road maintenance in the financial statement

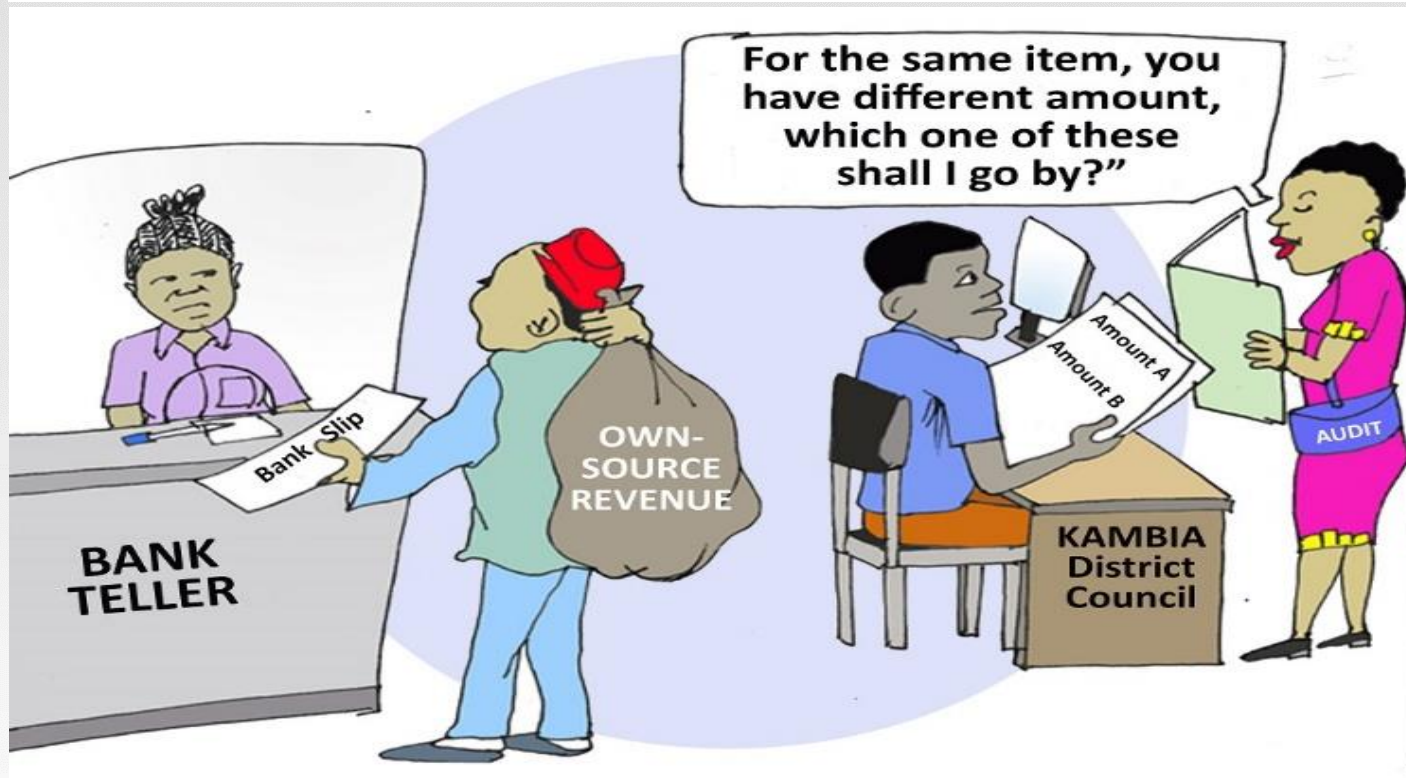


Auditors unable to ascertain whether this balance is free from material misstatement

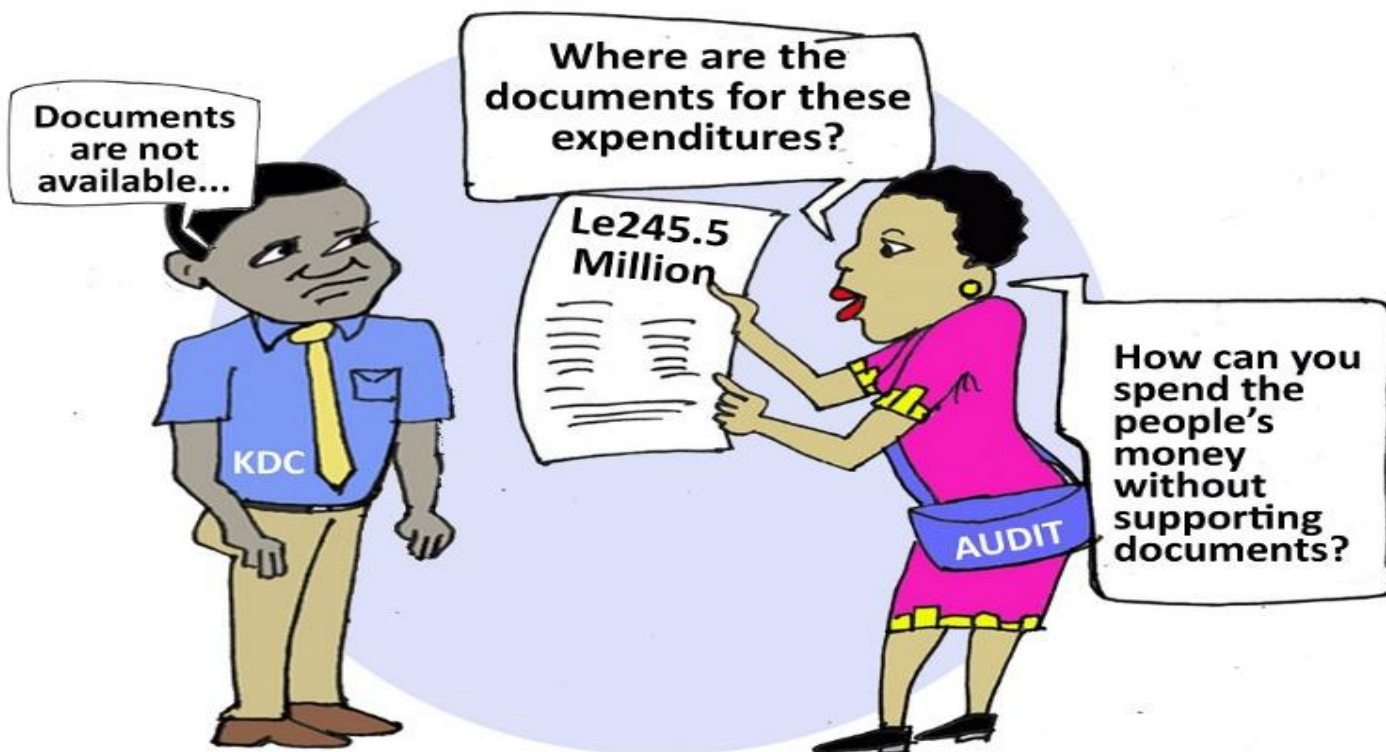


Key audit issues- Kambia District Council 2019

Inconsistencies in revenue collected, Banked and recognized in the financial statement



Expenditure not supported by relevant documentary Evidence



Key audit issues- Kambia District Council 2019

Late submission of requested documents and schedules resulted in the audit taking longer than anticipated



**2017- NASSIT not paid to the relevant authorities
(Le 23.1 million)**

Key audit issues- Kambia District Council 2019

Non Disclosure of requested statements in the financial statement

Council Financial Statement

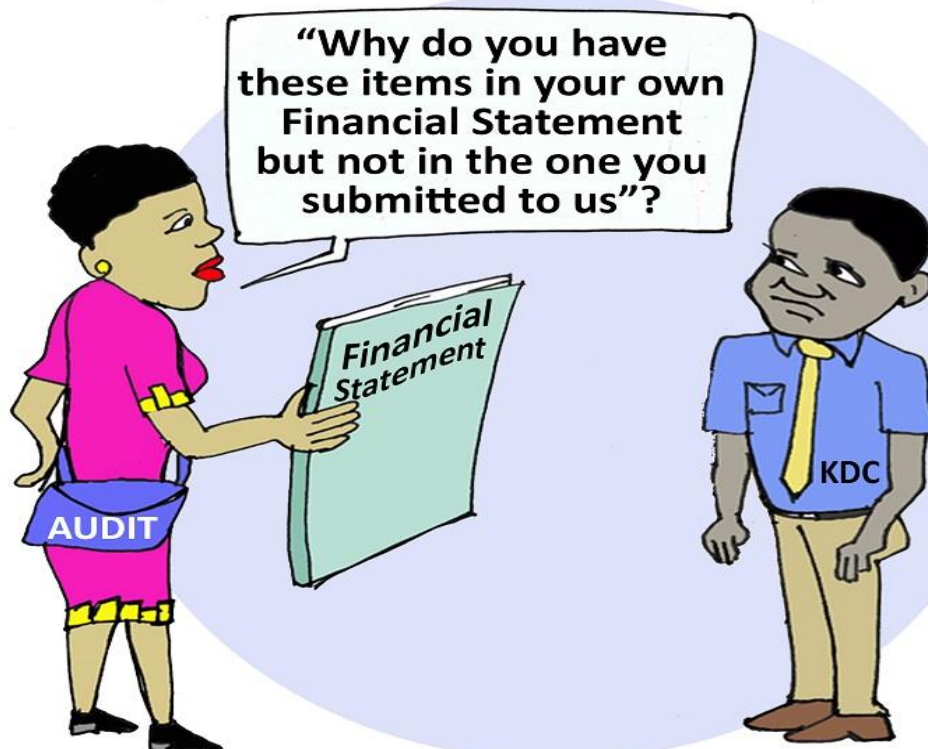
- ☑ Statement of advances given ✓
- ☑ Statement of outstanding debts ✓
- ☑ Statement of losses of public monies ✓
- ☑ Stores and claims abandoned during the year ✓
- ☑ Statement of council's investment of contingent liabilities ✓

- ☑ Statement of revenue arrears
- ☑ Statement of fixed assets purchased during the year
- ☑ Statement of fixed asset donated
- ☑ Statement of outstanding commitments

Financial Statement submitted for auditing

- ☑ Statement of advances given ✗
- ☑ Statement of outstanding debts ✗
- ☑ Statement of losses of public monies ✗
- ☑ Stores and claims abandoned during the year ✗
- ☑ Statement of council's investment of contingent liabilities ✗

- ☑ Statement of revenue arrears ✗
- ☑ Statement of fixed assets purchased during the year ✗
- ☑ Statement of fixed asset donated ✗
- ☑ Statement of outstanding commitments ✗



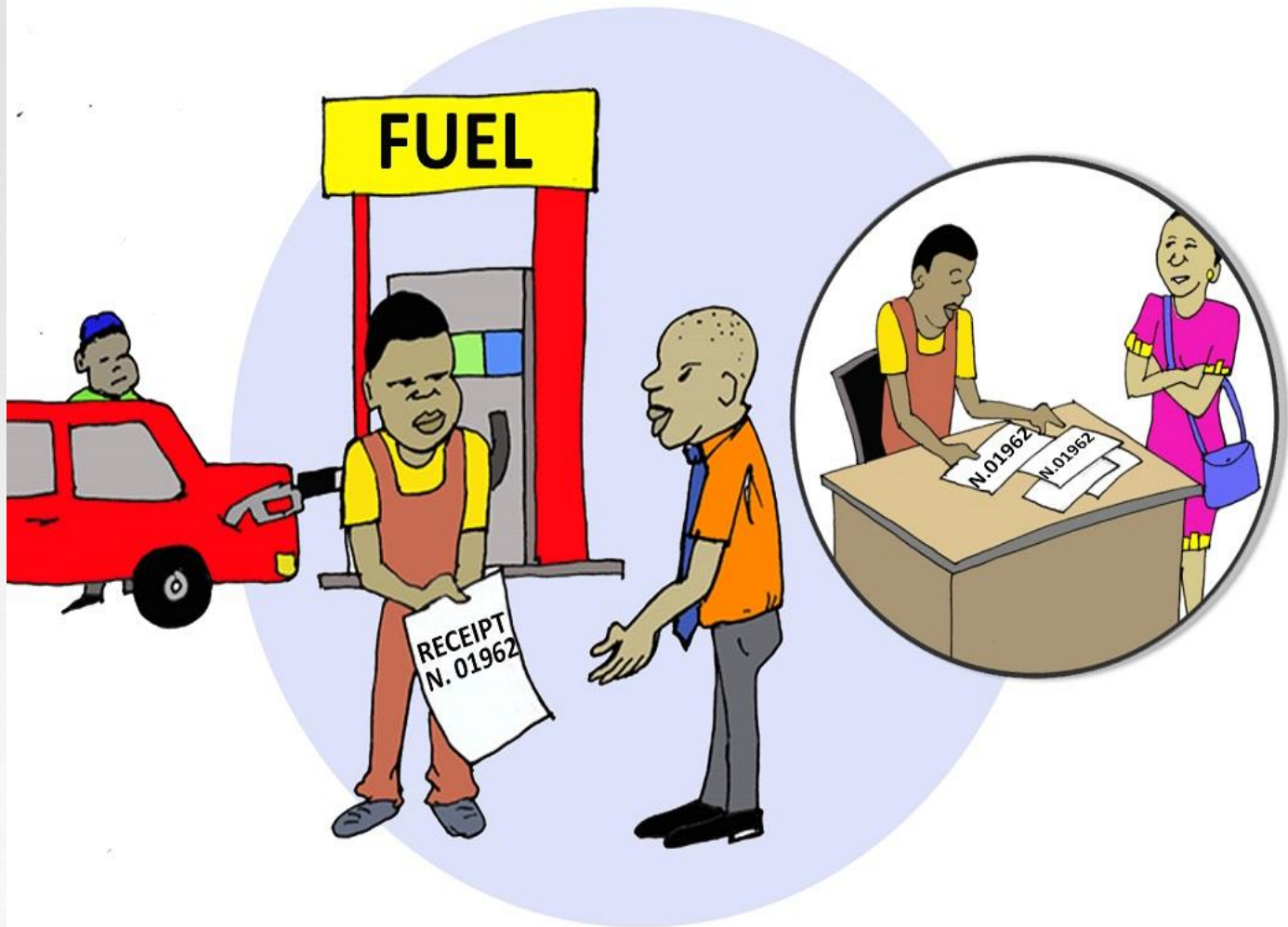
Key audit issues- Kambia District Council 2019

Payment for fuel totaling Le 1,262,538,343 made in the name of fuel station manager and council staff instead of the fuel station



Key audit issues- Kambia District Council 2019

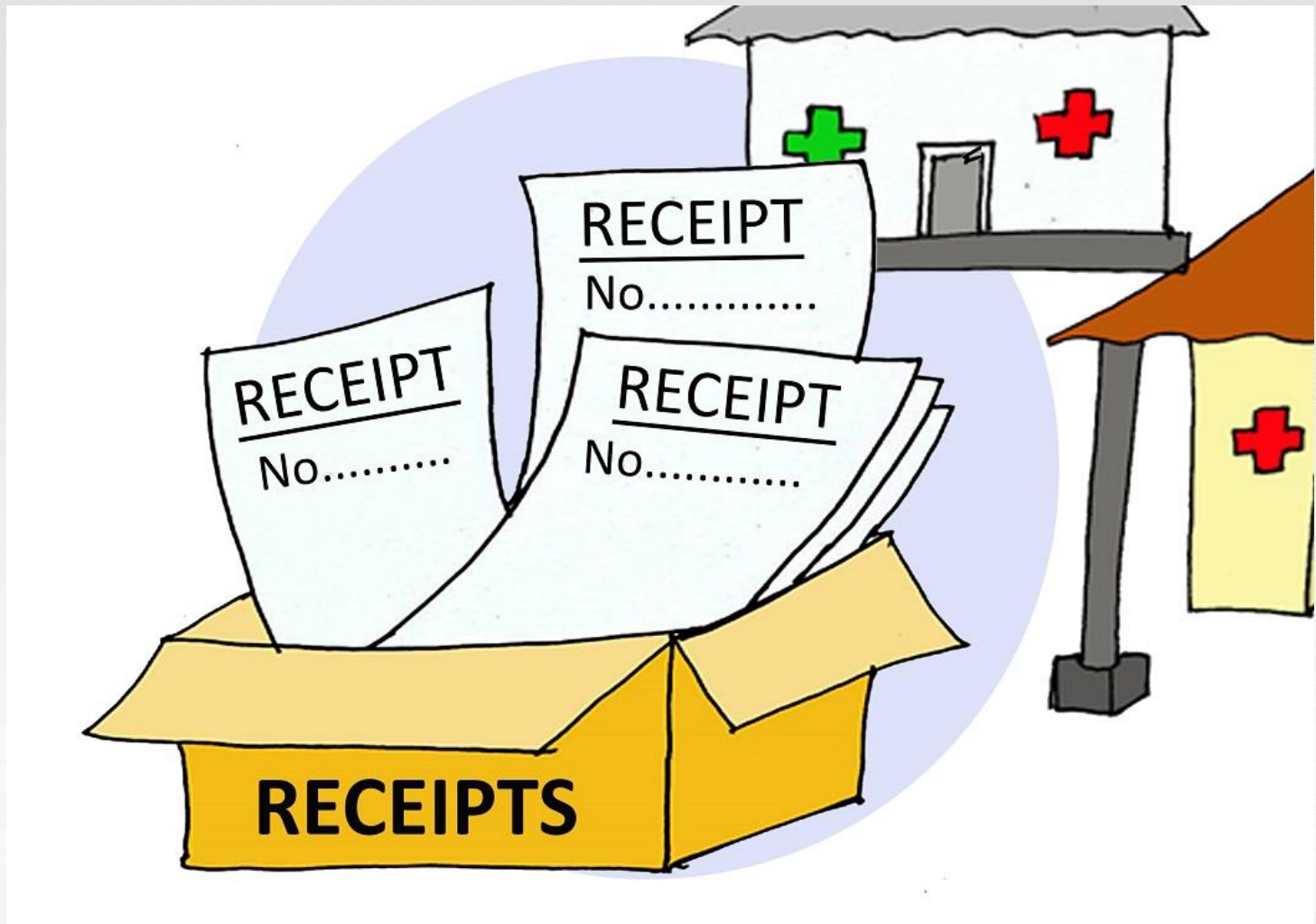
Recycled Fuel Receipt



A review of payment records in respect of fuel revealed that receipt for fuel payment was recycled for various payments which totaled Le 58,690,000

Key audit issues- Kambia District Council 2019

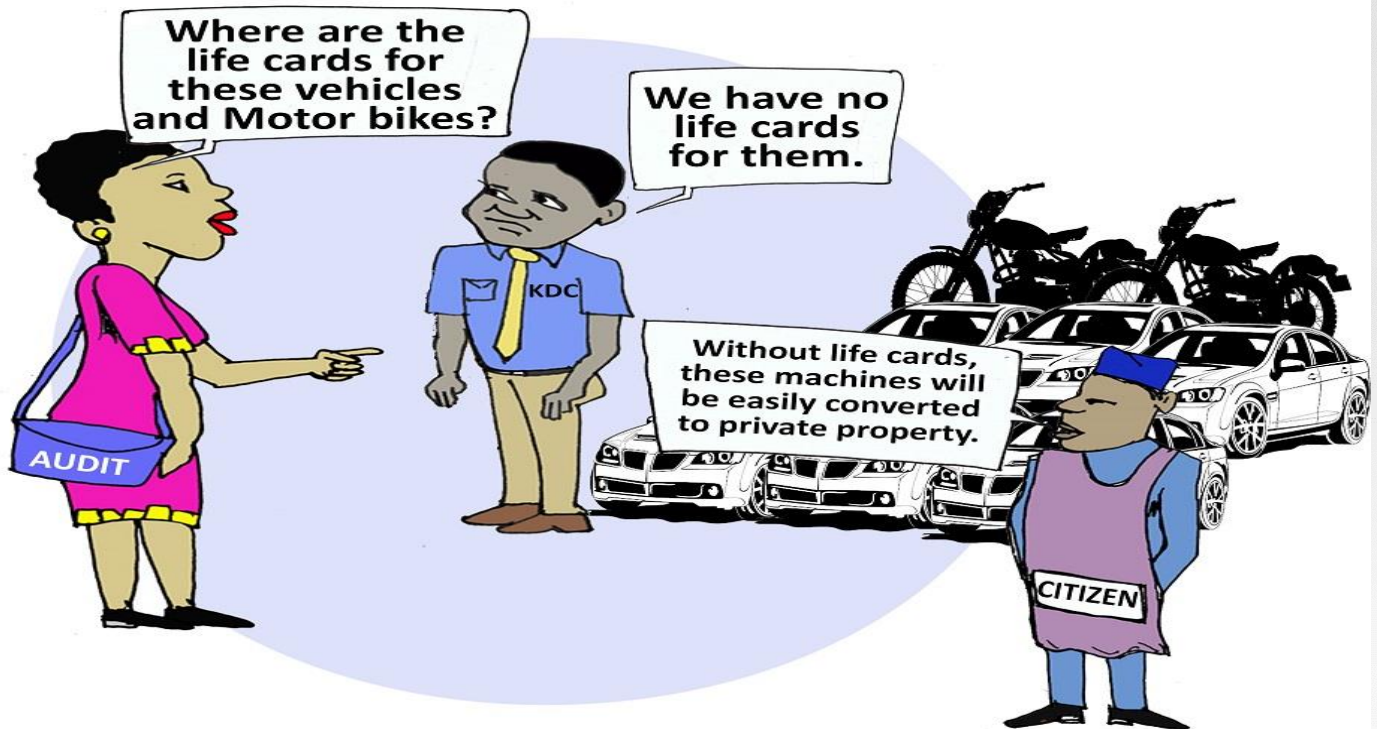
Receipt without serial number



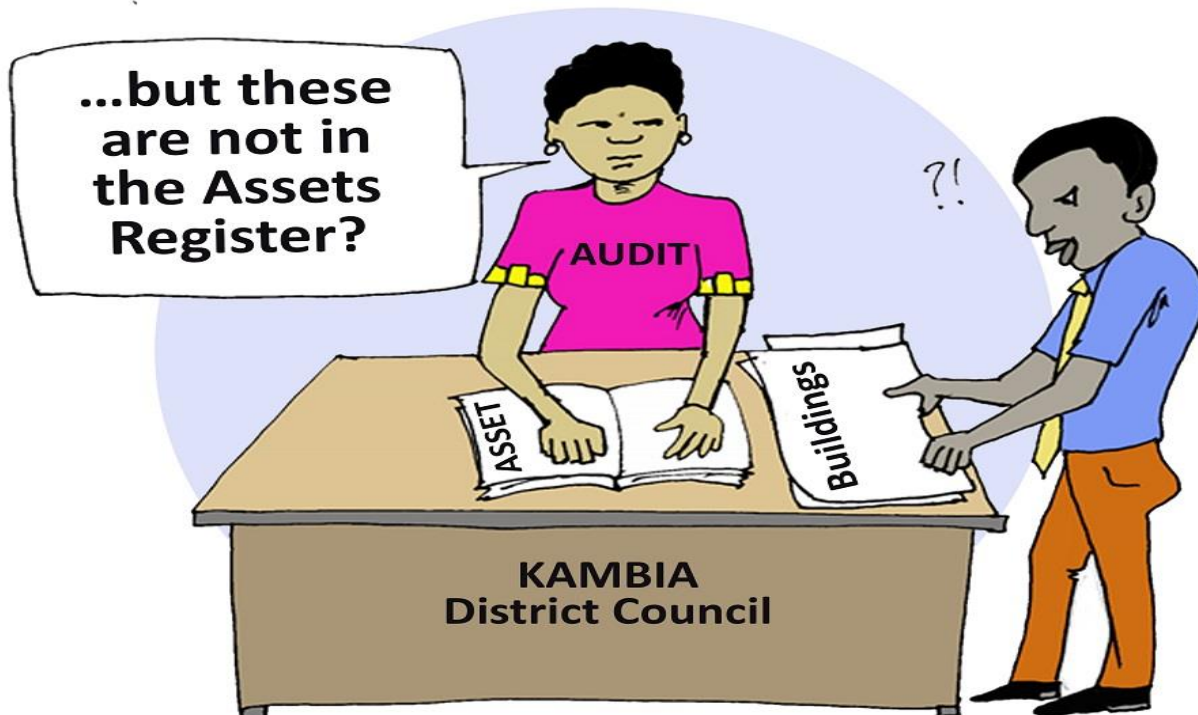
Receipts attached for fuel payments in respect of secondary health, Primary health etc. Were without serial numbers. There is the possibility that these payments may be fictitious and could therefore have occasioned the loss of much needed public resources.

Key audit issues- Kambia District Council 2019

Life Cards not submitted to confirm ownership for six vehicles and two motorbikes

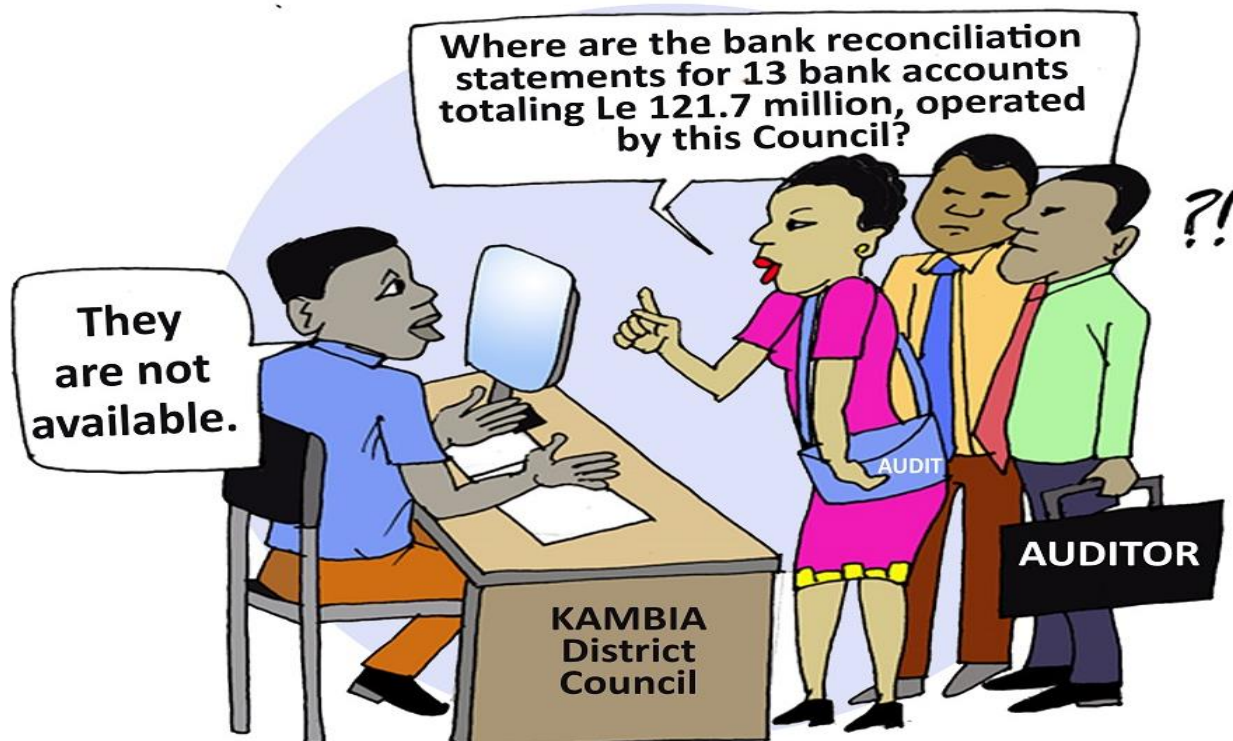


14 assorted assets, ranging from buildings to office equipment were not recorded in the assets register

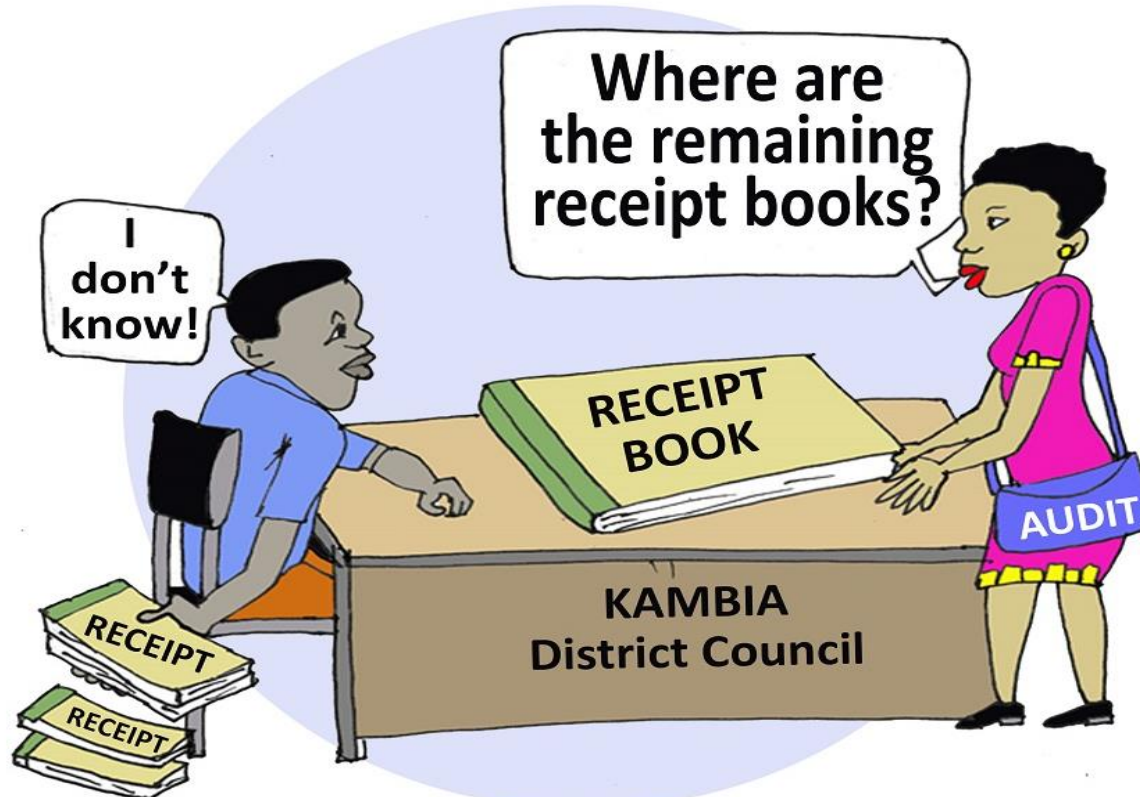


Key audit issues- Kambia District Council 2019

Bank Reconciliation Statements not Submitted for Audit Inspection

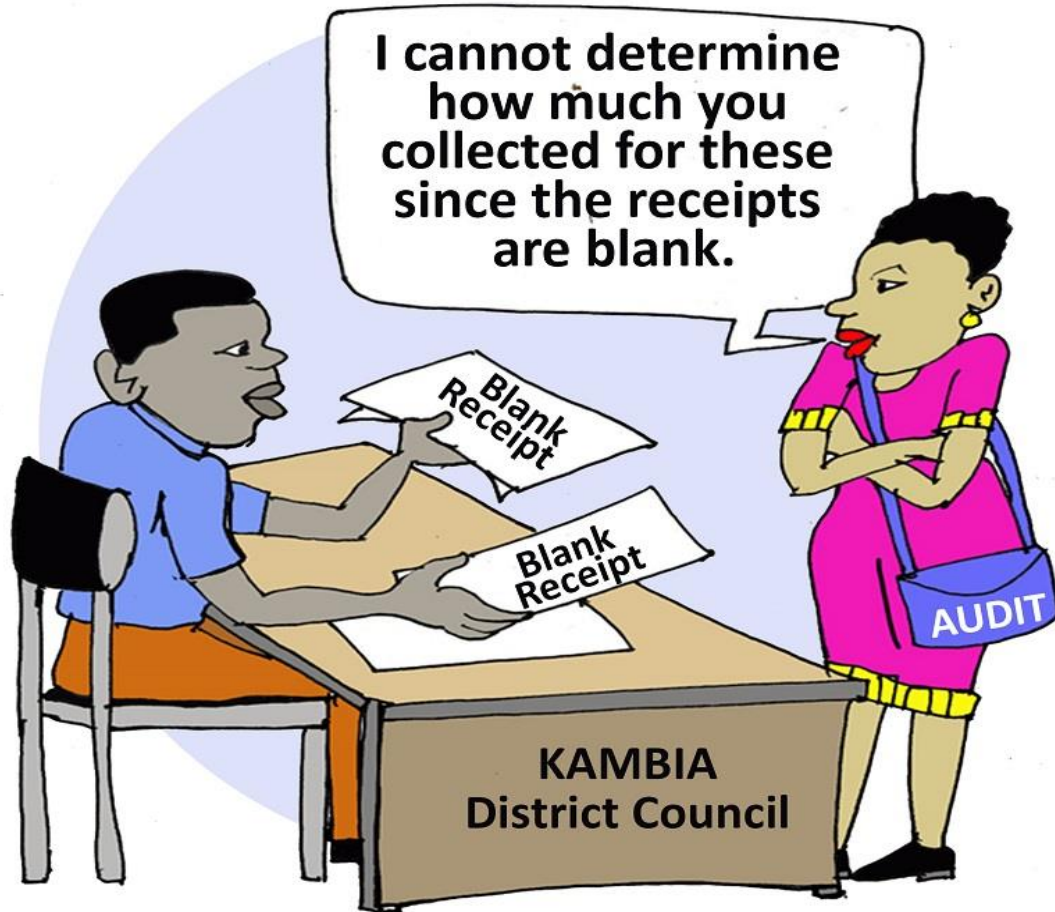


General Receipt Books not Accounted for



Key audit issues- Kambia District Council 2019

Duplicate receipts ranging from 2782-2800 were all blank



About the project

ActionAid Sierra Leone (AASL) and its partners Budget Advocacy Network (BAN) and ABC Development are implementing a three-year European Union (EU) funded project titled “Action for Inclusive Social Economic Service Delivery in Kambia District”. The project will be implemented in 40 communities in 13 Wards across 5 of the 10 Chiefdoms in Kambia District. The overall objective of this project is to contribute to the country’s long-term stability, equitable growth, poverty reduction, democratization, and the rule of law, and to foster an integrated local development approach. The goal of the project is “civil society actors and citizens make active contribution to promote democratisation, inclusiveness and sustainable local development in Sierra Leone”

About Budget Advocacy Network

The Budget Advocacy Network (BAN) is a Network of Civil Society Organisations in Sierra Leone committed to work on budgets and budget policies to enhance policy making and implementation for sustainable and equitable development. BAN was established in 2006. BAN consists of local and international organizations such as the Campaign for Good Governance (CGG), Network Movement for Justice and Development. (NMJD), Western Area Budget Education Network (WABEAN), Action Aid Sierra Leone (AASL), Search for Common Ground (SFCG), Christian Aid (CA) and Transparency International (TISL).

