

BEKWAI MUNICIPAL ASSEMBLY



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28/07/2026

Our Ref :
Your Ref:.....

SUBMISSION OF SECOND QUARTER 2026 INTERNAL AUDIT REPORT

I forward herewith, the Second Quarter 2026 Internal Audit Report of Bekwai Municipal Assembly for your attention.

Thank You.

A handwritten signature in blue ink, appearing to read "Petro P. Ankorle".

PETRO P. ANKORLE

MUNICIPAL CO-ORD DIRECTOR
FOR: MUNICIPAL CHIEF EXECUTIVE

THE CHAIRPERSON
BEKWAI MUNICIPAL AUDIT COMMITTEE
BEKWAI-ASHANTI

CC:

THE DIRECTOR GENERAL
INTERNAL AUDIT AGENCY
ACCRA

THE DISTRICT AUDITOR
GHANA AUDIT SERVICE
BEKWAI

THE PRESIDING MEMBER
BEKWAI MUNICIPAL ASSEMBLY
BEKWAI ASHANTI

THE REGIONAL MINISTER
ASHANTI REGIONAL CO-ORD COUNCIL
KUMASI

THE HEAD OF SERVICE
LOCAL GOV'T SERVICE SECRETARIAT
ACCRA

THE MUNICIPAL CHIEF EXECUTIVE
BEKWAI MUNICIPAL ASSEMBLY
BEKWAI-ASHANTI

BEKWAI MUNICIPAL ASSEMBLY

INTERNAL AUDIT UNIT



INTERNAL AUDIT UNIT

SECOND QUARTER 2026

INTERNAL AUDIT REPORT

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**INTERNAL AUDIT REPORT ON PROCUREMENT AND CASH MANAGEMENT ON
THE ACCOUNTS OF THE BEKWAI MUNICIPAL ASSEMBLY FOR THE PERIOD 1ST
APRIL TO 30TH JUNE, 2026**

EXECUTIVE SUMMARY

In line with the assembly's approved annual internal audit work plan for 2026, the Internal Audit Unit carried out procurement and cash management audit on the Accounts of the Bekwai Municipal Assembly for the period 1st April to 30th June 2026.

The objectives of the audit were to assess the adequacy and effectiveness of internal controls over procurement, and cash management focusing on strengthening the overall internal controls environment and to ascertain the extend of control exercised by management to ensure operations are performed effectively and efficiently and in compliance with applicable laws, procedures, policies, and regulations.

A number of issues identified by our audit that requires prompt management action are as follows

1. Absence of Tenancy Agreement On 25 Commercial Public Toilets in The Municipality.
2. Fifty percent (50%) Ceded Revenue Not Paid to Area Council Bank Account GH¢13,050
3. Unsupported Claim Allowance Gh¢8,337.00
4. Unsupported Payment Vouchers Gh¢48,983.00
5. Items Not Routed Through Stores–GH¢ 19,840.00
6. Unpresented Payment Vouchers GH¢ 28,088.19
7. Failure to Put Control Measures on Assembly Market Stores to Prevent Dispute.

We commended management team especially the MCE, MFO and the Municipal Coordinating Director for their assistance during the audit.

The processes and controls over Procurement and Cash management do not provide reasonable assurance that operations are performed effectively and efficiently and in compliance with applicable laws, policies and procedures, rules, and regulations. Implementation of the recommendations in this report will strengthen internal controls over proper administration, ensure the safeguarding of assets, increase effectiveness and efficiency of operations provide reasonable assurance that the Assembly is operating in compliance with applicable laws, policies, procedures, rules, and regulations.

INTRODUCTION

In accordance with the annual internal audit work plan for the 2023, section 175 (4b) of the Local Governance Act, 2016, (Act 936), section 83 (7) of the Public Financial Management Act, 2016, (Act 921) and part ii section three (3) of the Internal Audit Agency Act 2003 (Act 658). The internal audit unit executed an audit on procurement and cash management of the Bekwai Municipal Assembly for the period 1st April to 30th June 2026

We wish to bring to your attention the following Audit Findings and recommendations made during the audit. We have discussed these matters with the key personnel before preparing this report.

BACKGROUND

In accordance to our mandate under Section 175 (4b, c and d) of the local Governance Act 2016 (Act 936), section 83 (7) of the Public Financial Management Act 2016 (Act 921) and section 3 of the Internal Audit Agency Act 2003 (Act 658) we have reviewed transport and stores management of the Bekwai Municipal Assembly for the period 1st April to 30th June 2026.

The Bekwai Municipal is one of the 261 Metropolitan, Municipal and District Assemblies (MMDAs) in Ghana, and forms part of the 43 of MMDAs in the Ashanti Region with its administrative capital as **Bekwai**.

The Municipality is located in the southern part of the region, lies within 6° 00'N - 6°30 'N and Longitudes 1°00W and 1° 35W and it covers a total land area of about 633sqkm.

The Municipality shares boundaries with Bosomtwe District in the north, Adansi North District in the south, Bosome -Freho District to the east and Amansie-Central and Amansie West District to the west.

Bekwai Municipal Assembly envisages to achieve improvement in the quality of life of its people through formulation and implementation of sustainable policies on human development, poverty reduction and good governance by a well-motivated and skilled labor.

KEY PERSONNEL

During the period under review, the following officials were in charge of the Financial and Administrative matters of the Assembly.

NAME	RANK	PERIOD
Hon. Issaka Salifu	Municipal Chief Executive	14 th May 2025 to date
Petro Phelimon Ankorle	Municipal Co-ordinating Director	12 th January 2026 to date
Yussif Issahaku	Municipal Finance Officer	February 2026 to date
Mavis Addo	Municipal Budget Officer	1 st September 2022 to date
Samuel Armah Andoh	Municipal Planning Officer	2 nd February 2023 to date

LIMITATIONS OF RESPONSIBILITIES

The review conducted could not be relied on to disclose all the existing weaknesses in the Assembly's system of controls and any other problem that might have occurred during the period under review.

FOLLOW UP ON PREVIOUS AUDIT REPORTS

We made follow up on the previous audit reports on first quarter 2026 internal audit report to ascertain the status of the implementation of the recommendations raised.

Management has since implemented all recommendations raised in the first quarter internal audit reports.

We commended management for their prompt actions and further urged management to comply with laws and regulations in their subsequent transactions.

SCOPE OF AUDIT

The Audit covered the review of procurement, and cash management.

AUDIT OBJECTIVE

Procurement:

- ✓ Identify potential risks.
- ✓ To verify inventory adequacy and reconcile physical count with records
- ✓ To evaluate compliances with established policies and procedures
- ✓ To access compliance with financial regulations

Cash Management

- ✓ Identify potential risks.
- ✓ To evaluate compliances with established policies and procedures.
- ✓ To access compliance with financial regulations.

APPROACH AND METHODOLOGY

The audit was conducted in accordance with the standards of the Internal Audit Agency. The audit findings were developed on the six attributes of auditing; criteria, condition, effect, recommendation, and management responses. Our audit criteria and standards were derived from sources such as Public Financial Management Act 2016 (Act) 921, Public Financial Management regulations 2019, and other relevant applicable laws.

The Internal Audit Unit used the risk-based audit approach in carrying out the exercise. These included substantive tests, interviews, and verifications.

We derived our audit criteria, norms, and standards from sources such as the Public Procurement Act 2003 (Act) 663 Internal Audit Agency Act 2003 (Act) 658 Public Financial Management Act 2016 (Act,) 921 and stores Regulations 1984.

SUMMARY OF SIGNIFICANT FINDINGS AND RECOMMENDATIONS

Twenty-five (25) number Commercial public toilets of the Bekwai Municipal Assembly were managed by individuals without Tenancy agreement with the Assembly.

We urged management to form a committee to draft the tenancy agreement including terms, parties and obligations.

Three (3) payment vouchers totaling GH¢13,050 paid between April and June 2026 being 50% of ceded revenue of GH¢ 26,100.00 were paid to Municipal Coordinating Director instead of the Zonal Council's bank accounts.

We urged management to desist from such practice and further ensure that subsequent transactions are paid into the Zonal Councils bank accounts.

Three (3) payments vouchers totaling GH¢ 8,337.00 paid between April and June 2026 being allowances were not supported with the signed list of the beneficiaries to properly account for the claims.

We recommended that the MFO and his personnel should account for the expenditures by obtaining the signed list of the beneficiaries and attaching it to the Payment Vouchers for our verification.

Four (4) payments vouchers totaling GH¢48,983.00 made between April and June 2026 were not attached with the official receipts of the payees and other supporting documents to properly account for the expenditures.

We recommended that the MFO and his personnel should account for the expenditures by obtaining the official receipts of the payees and attaching it to the payment vouchers for our verification.

Three (3) payments vouchers being items purchased totalling GH¢19,840.00 made between April and June 2026 were not routed through stores.

We recommended management to ensure that the officers who made the purchases should liaise with the storekeeper to update his records and further attached the store receive vouchers (SRV) to the payment vouchers for our verification.

Two (2) payment vouchers totaling GH¢ 28,088.19 were not presented to the Internal audit unit for the audit.

We recommended management to desist from such practices and further ensure that the payment vouchers are submitted to the internal audit unit for audit.

We noted that the Assembly only keeps a list of names of persons allocated the market stores without tenancy agreements.

We urged management to form a committee and ensure that all Assembly market stores have tenancy agreement indicating terms, obligations and parties promptly.

DETAILS OF FINDINGS AND RECOMMENDATIONS

Absence of Tenancy Agreement On 25 Commercial Public Toilets In The Municipality.

Criteria

Section 12 of the Labour Act 2003 (Act 651) states among others that employment of a worker by an employer for a period of six months or more within a year shall be secured by a written contract of employment. A contract of employment shall express in clear terms and obligation of the parties.

Condition

We noted that 25 number Commercial public toilets of the Bekwai Municipal Assembly were managed by individuals without Tenancy agreement with the Assembly. Details are provided in appendix A.

Cause

Failure on the part of management to comply with the provision is the cause of the situation.

Effect

The absence of the tenancy agreement, we could not ascertain the terms, obligations and the parties of the contract.

Recommendation

We urged management to form a committee to draft the tenancy agreement including terms, parties and obligations promptly.

Management Response

Management stated that a meeting was organized between management and caretakers of the toilets and agreement was reached between the two parties for the caretakers to make monthly payment to the municipal assembly. However, the caretakers are yet to make any payment to that effect for year 2026. However we could not site any evidence of that sort.

Fifty percent (50%) Ceded Revenue Not Paid to Area Council Bank Account GH¢13,050

Criteria

Regulation 31 LI 1967 requires that 50% of revenue collected within a zonal council area be paid to the council's bank account quarterly.

Condition

We noted that three (3) payment vouchers totaling GH¢13,050 paid between April and June 2026 being 50% of ceded revenue of GH¢ 26,100.00 were paid to Municipal Coordinating Director instead of the Zonal Council's bank accounts. Details are provided in appendix B.

Cause

Failure on the part of Management to ensure that the payments were made to the Zonal Councils bank account.

Effect

This mode of payment does not show evidence of payment to the Zonal Council in the Bank statements.

Recommendation

We urged management to desist from such practice and further ensure that subsequent transactions are paid to the Zonal Councils bank accounts.

Management Response

Management responded that all the cheques were payment in the name of the Bekwai zonal council and not in the name of the municipal coordinating Director. The bank statement is available for your verification. However, we are yet to verify the alternative documents the responses claimed.

Unsupported Claim Allowance Gh¢ 8,337.00**Criteria**

Section 52 of the Public Financial Management Act, 2016 (Act 921), which requires that public funds shall only be disbursed for authorized purposes and must be supported by appropriate documentation. It also breaches Regulation 39 and Regulation 71 of the Financial Administration Regulations, 2004 (L.I. 1802), which mandate that all payments must be properly vouched and supported with relevant documents before disbursement.

Condition

We noted that three (3) payments vouchers totaling GH¢ 8,337.00 paid between April and June 2026 being allowances were not supported with the signed list of the beneficiaries to properly account for the claims. Details are provided in appendix C.

Cause

Failure on the part of MFO and his personnel to ensure that the signed list of the beneficiaries were attached to the payment vouchers was the cause of the situation.

Effect

This situation does not enhance transparency and accountability.

Recommendation

We recommended that the MFO and his personnel should account for the expenditures by obtaining the signed list of the beneficiaries and attaching it to the Payment Vouchers for our verification.

Management Response

All the payment vouchers have been acquitted and are available for your verification.

Unsupported Payment Vouchers Gh¢48,983.00**Criteria**

Part IX, section 13 of the Financial Memoranda for District Assemblies (MMDA's) state that, all payment vouchers shall be receipted in one of the following ways:

- (a) By a written acknowledgement in ink on the payment vouchers by the payee where an official receipt is not supplied or
- (b) By the attachment to the payment voucher of the payee's official receipt.

Condition

We noted that four (4) payments vouchers totaling GH¢48.983.00 made between April and June 2026 were not attached with the official receipts of the payees and other supporting documents to properly account for the expenditures. Details are provided in appendix D.

Cause

Failure on the part of the MFO and his personnel to ensure that official receipts of the payees and other supporting documents were obtain and attached to the payment vouchers was the cause of the situation.

Effect

This situation does not enhance accountability and transparency.

Recommendation

We recommended that the MFO and his personnel should account for the expenditures by obtaining the official receipts of the payees and attaching to the payment vouchers for our verification.

Management Response

All the necessary documents are attached to the payment vouchers and are available for your verification.

Items Not Routed Through Stores–GH¢ 19,840.00

Criteria

Store regulations 1984 regulation 0315 states ‘The original Stores Receipt Voucher shall be endorsed to the effect that goods have been received and entered on the stock control form. This endorsement must be signed by the officer responsible for stock control or stores accounting. In circumstances where the P.O. is issued for a service, the Stores Receipt Voucher shall be endorsed to the effect that the service has been satisfactorily rendered and copies shall be distributed as prescribed in Regulation 0523’. And regulation 0316 also states ‘The endorsed original of the Stores Receipt Voucher shall always be attached to the Payment Voucher on which payment is made to the supplier’.

Condition

We noted that three (3) payments vouchers being items purchases totalling GH¢19,840.00 made between April and June 2026 were not routed through stores. Details are provided in appendix E.

Cause

Failure on the part of the officers who made the purchases to submit the invoices and the items to the storekeeper to update his records was the cause of the situation.

Effect

This situation does not enhance accountability and transparency.

Recommendation

We recommended management to ensure that the officers who made the purchases should liaise with the storekeeper to update his records and further attached the store receive vouchers (SRV) to the payment vouchers for our verification.

Management Response

The items were routed through stores but the Store Keeper did not attach the SRA to the payment vouchers. It has now been retrieved and attached to the payment vouchers for your verification.

Unpresented Payment Vouchers GH¢ 28,088.19

Criteria

Section 80 of the Public Financial Management Act, 2016 (Act 921), which requires principal spending officers to keep proper records and make them available for audit and inspection.

Condition

Two (2) payment vouchers totaling GH¢ 28,088.19 were not presented to the Internal audit unit for the audit. Details are provided in appendix F.

Cause

Failure on the part of MFO and his accounting personnel to submit the payment vouchers to the internal audit unit for the audit was the cause of the situation.

Effect

This situation does not enhance transparency and accountability.

Recommendation

We recommended management to desist from such practices and further ensure that the payment vouchers are submitted to the internal audit unit for audit.

Management Response

All the payment vouchers were with the procurement officer and are available for your verification.

Failure to Put Effective Internal Control on Assembly Market Stores to Prevent Dispute.

Criteria

Public Financial Management Act, 2016 (Act 921) Sec 52 states Principal Spending Officer shall ensure effective internal controls. Assembly Market Bye-Laws and Stores Management policy: All Assembly stores must be allocated with tenancy agreement, receipts issue and register maintained.

Condition

We noted that the Assembly only keeps a list of names of persons allocated the market stores without tenancy agreements.

Cause

Failure on the part of management to ensure that tenancy agreements were prepared was the cause of the situation.

Effect

This situation can cause dispute over ownership.

Recommendation

We urged management to form a committee and ensure that all Assembly market stores have tenancy agreement indicating terms, obligations and parties promptly.

Management Response

Management have taken notice of your recommendation and a committee will be put in place to address the problem.

Conclusion

In our view, if the above observations are addressed, the assets of the Assembly will be safe guided. The internal audit unit therefore recommended that management should take the necessary action to address the observations raised in this report.

Acknowledgement

We wish to express our appreciation for the assistance by management of the Assembly to the Internal Audit Unit during the Audit.



KOEK ALHASSAN

PRINCIPAL INTERNAL AUDITOR

APPENDIX A

ABSENCE OF TENANCEY AGREEMENT ON 25 COMMERCIAL PUBLIC TOILETS IN THE MUNICIPALITY.

No.	NAME OF MANAGERS	Name of Community	No of toilet Facility
1	UNKNOWN	Zongo	2
2	UNKNOWN	Nyameduase	1
3	UNKNOWN	Ahodwo	1
4	UNKNOWN	Brofoyeduru	1
5	UNKNOWN	Roman	1
6	UNKNOWN	Nanpansa	1
7	UNKNOWN	Twafo	1
8	UNKNOWN	Old Hospital	1
9	UNKNOWN	Korkyerekrom	1
10	UNKNOWN	Abrosamse	1
11	UNKNOWN	Adandranya	1
12	UNKNOWN	Amofo	1
13	UNKNOWN	Anwiamkwanta	2
14	UNKNOWN	Ofoase Kokoben	1
15	UNKNOWN	Sanfi	1
16	UNKNOWN	Dominase	1
17	UNKNOWN	Adjamesu	1
18	UNKNOWN	Poano	1
19	UNKNOWN	Ntinanko	1
20	UNKNOWN	Sarfokrom	1
21	UNKNOWN	Kwbanakwnata	1
22	UNKNOWN	Brosanko	1
23	UNKNOWN	Edwenwase	1
		TOTAL	25

APPENDIX B

50% CEDED REVENUE NOT PAID TO AREA COUNCIL DIRECT

	DETAILS	DATE	PV NO.	AMOUNT	PAYEE
1	COMMISSION TO BEKWAI ZONAL COUNCIL	01/04/2026	10/04/2026	4,150.00	MCD
2	COMMISSION TO BEKWAI ZONAL COUNCIL	07/05/2026	04/05/2026	4,150.00	MCD
3	50% SHARE OF BEKWAI ZONAL COUNCIL	12/06/2026	35/6/26	4,750.00	MCD
	TOTAL			13,050.00	

APPENDIX C

UNSUPPORTED CLAIM ALLOWANCE GH¢ 8,337.00

	PAYEE	DATE	PV NO.	DETAILS	AMOUNT	SOUCE
1	VIDA BOATENG A.	26/05/2026	64/5/26	COST OF PAY YOUR LEVY CAMPAIGN	3,000.00	IGF
2	NICHOLAS PINKRA	12/06/2026	43/6/26	FUNDS TO ORGANIZE SPATIAL PLANING MEETING	3,267.00	IGF
3	NICHOLAS PINKRA	12/06/2026	41/6/26	FUNDS TO ORGANIZE TECHNICAL SUB COM MEETING	2,070.00	IGF
TOTAL					8,337.00	

APPENDIX D

UNSUPPORTED PAYMENT VOUCHERS GH¢ 48,930.00

	PAYEE	DATE	PV NO.	DETAILS	AMOUNT	SOURCE
1	MCD	24/06/26	MP	SUPPORT FOR BRILLIANT STUDENTS	12,000.00	MP
2	MCD	24/06/26	MP	DONATION TO SUPPORT COMM INITIATED PRO.	21,000.00	MP
3	MCD	11/06/26	MP	DONATION TOWARD ERNEST KUMAH'S SURGERY	10,000.00	MP
4	FELIX GYIL	08/05/26	22/05/26	PAYMENT FOR ORGANIZING CLEANUP EXERCISE	5,983.00	IGF
TOTAL					48,983.00	

APPENDIX E

Items Not Routed Through Stores—GH¢ 19,840.00

	PAYEE	DATE	PV NO.	DETAILS	AMOUNT	SOURCE
1	FELIX GYIL	08/05/26	22/05/26	PAYMENT FOR ORGANIZING CLEANUP EXERCISE	5,983.00	IGF
2	MCD	07/05/26	07/05/26	FUNDS FOR REFRESHMENT ITEMS MCE &MCD	4,077.00	IGF
3	WILGOD LTD	17/06/26		PURCHASE OF DECKTOP COMPUTER	9,780.00	DACF
TOTAL					19,840.00	

APPENDIX F

UNPRESENTED PAYMENT VOUCHERS GH¢ 28,088.19

	DATE	PAYEE	DETAILS	PV NO.	CHQ NO.	AMOUNT
1	12/04/2026	Bismark O 91	Being purchase of household items for Honourable MCE's residence.	5/6	002380	11,766.69
2	19/06/2026	Bismark O 91	Being payment of Chest freezer for MCE's residence.	8/6	002385	16,321.50
TOTAL						28,088.19

Bekwai Municipal Assembly

Second Quarter Internal Audit Report 2026

MANAGEMENT ACTION PLAN						
S/N	Findings	Recommendations	Risk Rating of Finding (High, Medium, Low)	Management Comment	Implementation Date	Officer Responsible
1	Absence of Tenancy Agreement On 25 Commercial Public Toilets In The Municipality.	We urged management to form a committee to draft the tenancy agreement including terms, parties and obligations.	High	A meeting was organized between management and caretakers of the toilets and agreement was reached between the two parties for the caretakers to make monthly payment to the municipal assembly. However, the caretakers are yet to make any payment to that effect for year 2026	Immediate	MFO/MCD
2	Fifty percent (50%) Ceded Revenue Not Paid to Area Council Direct GH¢13,050	We urged management to desist from such practice and further ensure that subsequent transactions are paid to the Zonal Councils bank accounts.	High	All the cheques were payment in the name of the Bekwai zonal council and not in the name of the municipal coordinating Director. The bank statement is	Immediate	MFO

				available for your verification.		
3	Unsupported Claim Allowance Gh¢ 8,337.00 Criteria	We recommended that the MFO and his personnel should account for the expenditures by obtaining the signed list of the beneficiaries and attaching it to the Payment Vouchers for our verification.	High	All the payment vouchers have been acquitted and are available for your verification.	Immediate	MFO
4	Unsupported Payment Vouchers Gh¢48,983.00	We recommended that the MFO and his personnel should account for the expenditures by obtaining the official receipts of the payees and attaching to the payment vouchers for our verification.	High	All the necessary documents are attached to the payment vouchers and are available for your verification.	Immediate	MFO

5	Items Not Routed Through Stores— GH¢ 19,840.00	We recommended management to ensure that the officers who made the purchases should liaise with the storekeeper to update his records and further attached the store receive vouchers (SRV) to the payment vouchers for our verification.	High	The items were routed through stores but the Store Keeper did not attach the SRA to the payment vouchers. It has now been retrieved and attached to the payment vouchers for your verification.	Immediate	STORE KEEPPER
6	Unpresented Payment Vouchers GH¢ 28,088.19	We recommended management to desist from such practices and further ensure that the payment vouchers are submitted to the internal audit unit for audit.	High	All the payment vouchers were with the procurement officer and are available for your verification.	Immediate	MFO

7	Failure to Put Effective Internal Control on Assembly Market Stores to Prevent Dispute.	We urged management to form a committee and ensure that all Assembly market stores have tenancy agreement indicating terms, obligations and parties promptly.	High	Management have taken notice of your recommendation and a committee will be put in place to address the problem.	Immediate	MCD/MFO
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