



REPUBLIC OF THE GAMBIA  
**DIRECTORATE OF INTERNAL AUDIT**  
MINISTRY OF FINANCE AND ECONOMIC AFFAIRS  
**4 blocks Off Bertil Herding Highway**  
**Junction opposite the Atlas Petrol Station**

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**SUMMARY STATEMENT ON MDA'S COMPLIANCE WITH AUDIT RECOMMENDATION**  
**SAVINGS MA//DE BY THE DIA 2020**



# **COVID-19 AND INTERNAL AUDIT**

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Ref: KD10/21/01 PART 11 (3)

29<sup>th</sup> March 2021

**The Chairman of The FPAC Committee**  
**The National Assembly**  
**Banjul, The Gambia**

Dear Sirs/Madam,

**SUMMARY STATEMENT ON MDA'S COMPLIANCE WITH INTERNAL AUDIT**  
**RECOMMENDATION**

Please find attached summary of the statement on the MDA's Compliance with Audit recommendations and Savings Made by the Directorate of Internal Audit (DIA) in the year 2020. However, this report also contains the activities undertaken by the Directorate in 2020

Due to the Covid 19 pandemic at its peak in most part of the year and in compliance with WHO and the Ministry of Health guidelines, the Internal Audit Committee (IAC) quarterly meetings as mandated could not have hold on time.

We do look forward to your continued support as an oversight committee steering the efforts of the DIA in strengthening internal controls, risk management and governance process in government systems and processes.

Yours sincerely,

**Modou Ceesay**  
**Director General**

**Cc: Permanent Secretary, MoFEA**  
**Internal Audit Committee Members**  
**Auditor General, NAO**  
**File, R. File**

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## 1.0 Introduction

In line with the provision of the Public finance Act (PFA) 2014, the Financial Regulations (FR) 2016 and the Internal Audit Charter 2012, The Directorate of Internal Audit (DIA) has a functional reporting line to the Internal Audit Committee (IAC) and administratively to the Permanent Secretary, Ministry of Finance and Economic Affairs (MoFEA). In fulfilling this mandate, the DIA hereby submits the consolidated audit reports and activities for the 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> quarter to the IAC for the year 2020 as required. The role of the DIA is to determine whether the respective Government Ministries, Departments and Agencies' risk management, internal controls and governance processes, as designed and operated by management, are adequate and functioning in a manner to confirm that;

- Risks are appropriately identified and managed;
- Significant financial, managerial and operating information is accurate, reliable and timely;
- Employees' actions are in line with policies, procedures and the applicable laws and regulations of the Government of the Gambia (GOTG):
- Resources are acquired economically, used efficiently, and protected adequately to achieve the intended objectives;
- Programs, plans and objectives are achieved;
- Staff adhere to established ethics and values system; and
- Quality and continuous improvement are fostered in the MDAs' control processes

This consolidated report covers the final audit reports, activities and initiatives that the DIA had undertaken in the first. Second and third quarter of the year 2020.

## 2.0 The Role of the Internal Audit Committee (IAC)

The primary role of the Internal Audit Committee (IAC) is to assist the Director General-Internal Audit Directorate (IAD) in fulfilling his duties as designated to him by the Honorable Minister of finance and Economic Affairs (MoFEA) in accordance with the provisions of the Public Finance Act 2014 and the Financial regulations (2016). In doing so, the IAC provides oversight functional responsibilities and not management responsibilities. This will include the provision of oversight role in:

- Supervision of the Internal Audit function
- Monitoring compliance to laws and regulations
- Monitoring and evaluating the effectiveness, efficiency and adequacy of Internal Controls across government Ministries, Departments and Agencies (MDAs)

### 3.0 Status Update on the assignments conducted In the year of 2020

In our effort to fully execute audit assignments as per the approved Risk-Based Annual Audit Plan (RBAAP) and accommodate requests coming from stakeholders during the year, the DIA conducted Fifteen (15) assignments during the year 2020. Four out of these assignments are as per the approved 2020 RBAAP and the remaining assignments coming from stakeholder request. Nine of the assignments representing 60% of the work plan for the period under review are completed and final reports sent to stakeholders, five of the assignments are still ongoing and one is on draft stage. *Please see table 1 for details of the assignments.*

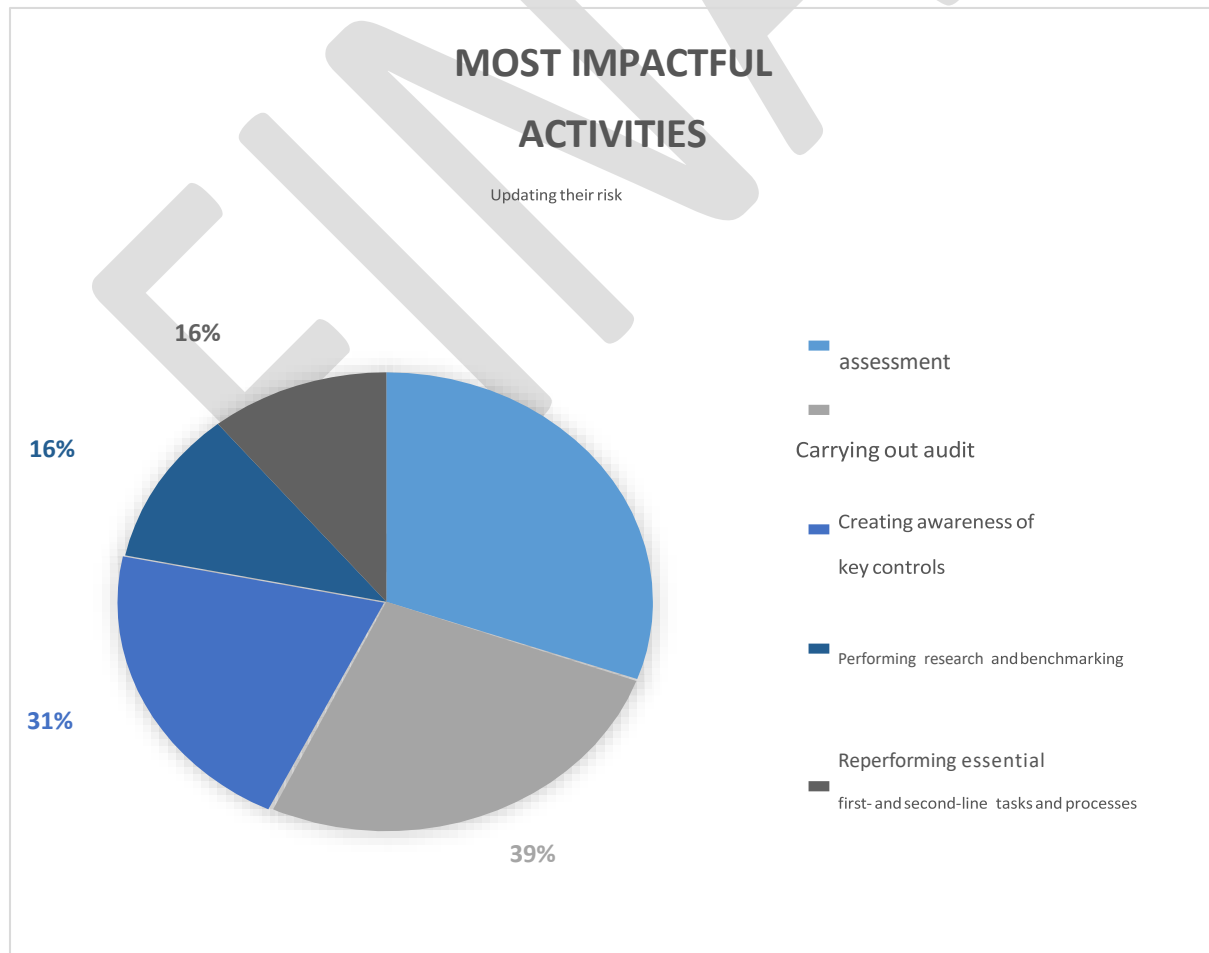
**Table 1: Consolidated list of assignments conducted in the 1<sup>st</sup>, 2<sup>nd</sup> & 3<sup>rd</sup> Quarter of 2020**

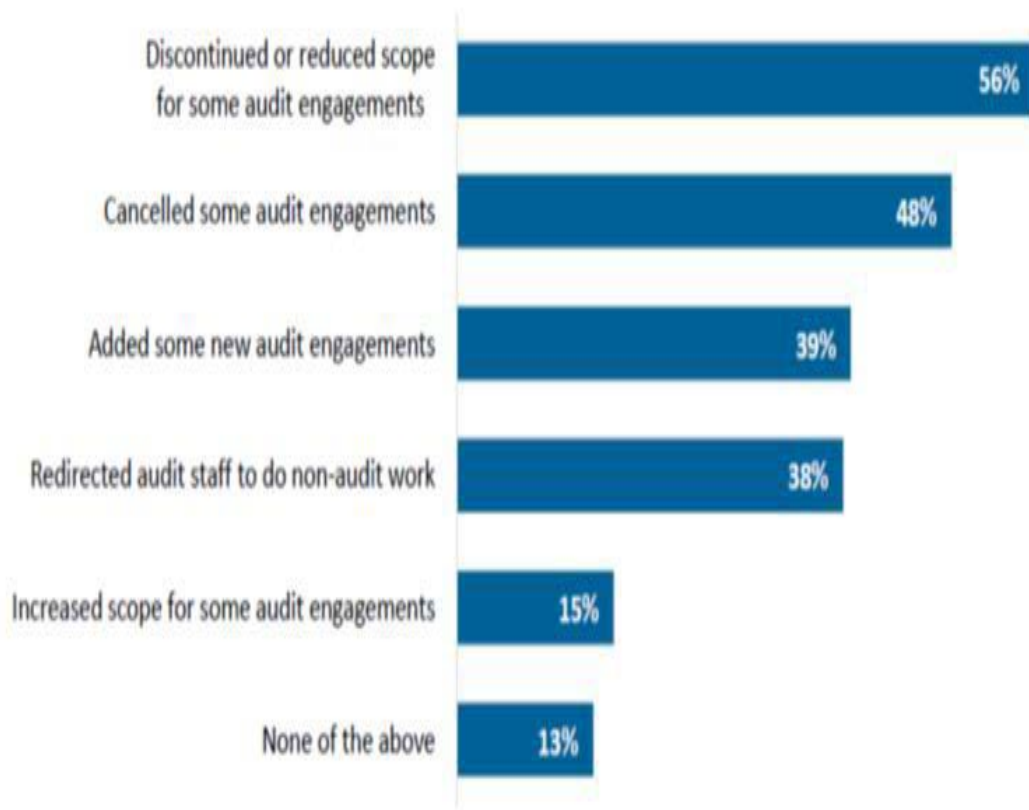
S/N	Audit Area/MDA	Activity	Audit Type	Status
<b>Assignments as per Approved Risk Based Plan</b>				
1	Gambia Groundnuts Cooperation	Governance, Risk Management and Internal Control	System Audit	Completed
2	Ministry of Finance and Economic Affairs	Revenue Management	Fiscal Incentive	Draft Stage
3	National Malaria Control Program & National Aids Secretariat	Program Implementation	Grant Performance Audit	Ongoing
4	Drug Law Enforcement Agency Gambia	Governance, Risk Management and Internal Control	System Audit	Ongoing
<b>Special Audit Assignments</b>				
5	Gambia Groundnut Cooperation	Receivables Management	Fraud Investigation	Completed
6	Gambia Ferries Services	Claims Review for running Senegambia Bridge	Claims Review	Completed
7	Ministry of Health-PCU	World Bank \$10M COVID-19 Grant	Procurement Audit	Completed
8	Ministry of Justice	Revenue Management	Fraud Investigation	Completed
9	Ministry of Transport, Works and Infrastructure	Contract Management	Arrears Audit	Completed
10	SOEs and GRA	Cross Arrears	Arrears Audit	Ongoing
11	Catholic Education Secretariat	Subventions	Financial Audit	Ongoing
12	NDMA-Office of the Vice President	Covid-19 Food Aid Distribution	Performance Verification	Ongoing

13	Serekunda General Hospital	Arrears Commitment	Arrears Review	Completed
14	TK Motors	Procurement of Motor Vehicles	Arrears Review	completed
15	MOBSE	Arrears	Arrears verification savings	completed

#### 4.0 Impact of Covid 19 On Internal Audit Function/Activities

The advent of the novel Covid 19 has seriously affected, globally, internal audit functions in enhancing and protecting organizational value by providing risk-based and objective assurance, advice, and insight. Key DIA functions notably creating stakeholder awareness, carrying out key audit engagements, assessment of key risk areas of operations and controls needed to provide assurance and advisory services are hardly affected. The DIA being the center for assurance and advisory service for government had to reassessed and reprioritize audit plans and engagement due to the Covid by suspension of some audit activities, reduce audit scope, reduce assurance and diversion of focus to Covid-19 related matters as opposed to planned assignments. *The charts below represent internal audit functions mainly hit by Covid 19.*





## 5.0 Emerging Risk Areas for Internal Audit to Consider

### Fraud Risk

Due to the huge budgetary allocations by GoTG to fight the COVID-19, personnel might be tempted to divert the said funds to other areas thereby defeating its original purpose. The DIA through its posted auditors especially at the Ministry of Health is watchful for fraudulent and other irregular payments relating to Covid 19 to ensure there is value for money, there is compliance to the GPPA regulations, Public Finance Act 2014 and Financial Regulations 2016.

### Internal Controls

IA should understand the changes, both temporary and permanent, being made to the organization's internal control environment, with a specific focus on the following: Management review controls; Accounting judgment controls; Transaction processing controls; Cash payments controls; Automated business controls; Outsource service providers; Insider Trading concerns; Key person dependency/Super User access; and Resilience and remote working.

### Cyber Security

The Covid 19 pandemic has changed if not permanently, temporarily, the way business processes and systems are operated particularly with remote working environments and the use of third-party software to improve the effectiveness of remote working or working from home. Inadvertently, there is risk of business security and processes and thus, the need for DIA to fully aware the risk posed by cyber threat to business processes and systems.

## 6.0 Key initiative and Activities undertaken by DIA

The DIA has taken numerous activities and measures during the year to address some of the challenges it is facing to better provide assurance and advisory services to government. There

**Table 1: Summary of Key Activities for the IAD in FY2021**

No.	Key Activities	Timing	Responsibility
1.1	Review legislation and Regulations for Internal Audit in line with the IIA IPPF Standards and best practice.	March 2020	DG IAD/MOF
1.2	Seek technical assistance to support the review of the legislation	April 2020	DG IAD and IMF/Other donors
1.3	Update Internal Audit Manual and working papers to reflect best practice in compliance with IIA IPPF, international standards and authoritative guidance	June 2020	DG IAD
2.1	Update assessment of internal audit capability levels for 2019 using the IA Capability Model for Public Sector Internal Audit and include results and strategies for enhancement in the Internal Audit Strategic Plan.	Oct 2019	DG IAD
2.2	Training and capacity development needs identified in the Skills Assessment should be included in the Strategic Development Plan and funding sought including donor support to deliver training required.	December 2019	DG IAD
2.3	Skills assessment to be conducted annually to update the Training Plan and measure progress.	January 2020	DG IAD
3.1	The Strategic Plan should be revised for 2020 to 2024 to: update with the current capability benchmarks and SWOT analysis; revision of enabling factors and stakeholder engagement strategies and capacity development and training plans. Consideration may be given to advice and guidance provided during the mission for updating the Plan	January/Feb-2020	DG IAD
3.2	The updated Strategic Development Plan should be submitted to the PS MoFEA for endorsement then to the Audit Committee for approval.	March 2020	DG IAD
3.3	Develop a Medium Term (three to four-year) Internal Audit Work Plan using risk-based methodology and the COSO ERM model, incorporating the current risk assessments to identify and determine the whole of government audit universe	March 2020	DG IAD
3.4	Prepare an Annual Plan for 2020 based on the risk prioritized in the Medium-Term Plan	February 2020	DG IAD
3.5	<ul style="list-style-type: none"> <li>i. Include an audit of control environments (organization culture) in the Medium-Term Plan</li> <li>ii. Include an introductory audit of IT Governance in the Medium-Term Plan</li> <li>iii. Estimate the time available to conduct audit work to include in the annual and Medium-term plans</li> </ul>	August 2020  November 2020  January 2019	
4.1	Upgrade Internal audit reports with advice on governance risks and controls, root cause analysis, innovative, practical solutions to address control deficiencies and organizational improvements	June 2020	DG IAD



are also key initiatives that requires stakeholder attention to support a fully independent and functional internal audit. Amongst them are highlighted in the table below.

F I N A N C I A L

## **7.0 Challenges Faced by DIA**

The DIA is faced with the following challenges in its quest to effectively carry out its responsibilities in the public sector

### **7.1 Recognition/acceptance of DIA**

Despite being given provisions in both the Public Finance Act (PFA) and the Financial Regulations, some public funded institutions and agencies still question the mandate of the DIA to provide assurance and consulting service as provided for in the PFA. There is need to formally recognize the DIA through an act of parliament to give it the needed backing and independency to effectively carry out its duties.

### **7.2 Resource Constraints:**

Given the important role played by DIA and the increasing audit universe and stakeholder request to providing assurance on the effectiveness, adequacy of internal controls, risk management and governance process, there have been apparent constraints in resources ranging from funding to train staff on contemporary internal audit skills, techniques and processes. This has also led to mobility issues affecting the DIA to provide wider audit coverage to cover its audit universe.

### **7.3 Organizational independence (no statutory recognition)**

The 1100 series of the IIAs Standards explains that to be effective, the internal audit activity must be independent and free from conditions that threaten its ability to carry out its responsibilities in an unbiased manner. In that regard having sufficient independence through a statutory recognition is important because it reduces the risks to the Directorate's ability to conduct its work thoroughly and objectively and it supports the perception that the Directorate is not unduly influenced or biased. In addition, organizational independence and objectivity contribute to the accuracy of the Directorate's work and the ability of stakeholders to rely on the reported results.

### **7.4 Staff retention**

The audit activity needs a professional staff that collectively has the necessary qualifications and competencies to conduct the full range of audits required by our mandate. Staff retention in recent times has become a pressing issue in the Directorate given the remuneration and competitive environment DIA found itself. Therefore, it is important to devise means to retain staff for the good of the Directorate. Over the couple of years DIA have lost about eight (8) key personnel with high level of expertise and experience to private and other public enterprise/agencies as a result of the competitive nature of internal auditing that the DIA cannot match due to its integration in the government pay scale.

### **7.5 Implementation of audit findings**

To realize the value addition of internal audit has always been a challenge. However, even with the formulation of the Audit Recommendation Implementation Committee (ARIC) to look into the level of progress of implementation of audit recommendations there is still big room for improvement/enforcing audit recommendations.

## **8.0 Executive Summary Audit Recommendation Status and Savings**

The Public Finance Act 2014 and Financial Regulations states that the Internal Audit is responsible for continuous and independent appraisal of the accounting, financial and other manual and IFMIS systems, controls and procedures of the government so as to assist the Permanent Secretary, Ministry of Finance and Economics Affairs and other Accounting Officers meet their responsibilities under the Public Finance Act and other legislation. The Internal Audit Directorate work focus will be on assessing and advising government management on proper controls that should be in operation and adhered to by Ministries, Departments and Agencies (MDAs), to achieve its objectives and improving the effectiveness of financial and other operations. Internal Audit is required to review internal controls, risk management, and effective governance and providing assurance on internal control and advise on protection of government assets and operations from loss arising from inefficient management and fraud.

As a result of the follow up on the status of the implementation of audit findings and Savings made on the Pre-Auditing , it is the Director General Internal Audit's opinion, that internal control for Risk mitigation and Fraud prevention by MDAs not very satisfactory and internal controls are poor plus non enforcement of penalties or surcharges for not making sure that such important recommendations are implemented and proper review of payment vouchers are made before they are brought to the attention of the Internal Auditors by Accountants to minimise the inefficiencies , Risks and Fraud in the System. It is the internal auditor's assessment and recommendations that the significant risks requiring management's attention are;

- Risk of derailing beyond the net domestic borrowing limits as result domestic borrowing requirements.
- Risk of MDAs achieving their program objectives in line with NDP and MTEF and other targets as monies are utilised for payments that are more relevant and genuine.
- Risk of fraud and Inadequate internal Controls
- Economic and Social Risk
- The Cultural Risk which is giving Internal Auditors a great challenge in the execution of their work.

FINAL

MDA'S	ACTIVITY NAME	No	AUDIT FINDING	SUMMARY OF AUDIT RECOMMENDATION	AGREED IMPLEMENTATION TIME LINES	IMPLEMENTATION STATUS	
National Food Security Processing & Marketing Corporation	System Audit						
		01	<b>Slow Implementation of Project Activities worth US\$30millions</b>	The Managing Director and the Project Steering Committee should engage relevant authorities to ensure the continuation and timely implementation of the project.	Project to be fully implemented by 2021	<b>Ongoing</b>	
		02	<b>Personnel Files of the staff were not up to date</b>	The Managing Director and the Human Resource Manager should ensure staff files are updated to include all relevant records and personnel information for each staff.	Immediately		<b>Implemented</b>
		03	<b>D52, 957,264.00 spent on conveyors that</b>	Management should ensure that procurements are conducted based on a	To be implemented by December 2020	<b>Partially implemented</b>	

			<b>has not been utilized.</b>	comprehensive need assessment and the right specifications are identified.			
		<b>04</b>	<b>Incomplete Asset Register</b>	The Management should ensure that all the assets of the Corporation are properly serialized and recorded in a fixed asset register to ensure accountability, traceability and transparency in the management of the NFSP&MC's assets;	Immediate		<b>Implemented</b>
		<b>05</b>	<b>Nonexistence of internal audit unit, Marketing and &amp; Records office</b>	The Managing Director should establish the internal audit department or alternatively outsource the services of internal auditors to monitor the effectiveness of the controls in place and identify areas of improvement which may be required;	Immediate		<b>Implemented</b>
		<b>06</b>	<b>Unretired Imprest</b>	All imprest should be authorized and	Immediate		

				supporting documents attached. Imprest should also be retired on time.		<b>Partially implemented</b>	
		<b>07</b>	<b>15 bank accounts maintained by the Corporation at different banks</b>	Management should consider closing the bank accounts with least active activities such as the one opened with Eco Bank, number 153270-02 with a balance D34 and TBL-Pound 120-107446-07 with closing balance of £124 since 2016.	Immediate		<b>Implemented</b>
		<b>08</b>	<b>Late Collection and Banking of Fertilizer Sales from the Depots</b>	Management should ensure all revenues collected by the Depots Managers from the sales of fertilizers and other activities are banked in accordance with the Financial Regulation and the public finance Act.	Immediate	<b>Partially Implemented</b>	

MDA'S	ACTIVITY NAME	No	Audit Finding	Summary of Audit Recommendation	Agreed Implementation Time lines	Implementation Status
Gambia Embassy London, United Kingdom	System audit					
		01	<b>Subletting Council Tax exempted property</b>	<p>The Permanent Secretary, Ministry of Foreign Affairs and the Permanent Secretary, Ministry of Finance and Economic Affairs should take appropriate action to ensure the lost funds are recouped.</p> <p>We also recommend that relevant disciplinary action is taken against Mr. Bamba Mass in accordance with the Public Finance Act, the Financial Regulations and</p>	Immediate	<b>Implemented</b>



				the General Orders.			
		02	<b>Misclassification</b>	The Finance Attaché should ensure that payments are charged against the correct budget lines in accordance with the Financial Regulations and the Accounting Procedure Manual.	Immediate		<b>Implemented</b>
		03	<b>Delays in banking</b>	The Deputy Head of Mission should ensure that all revenues collected are <b>promptly banked</b> in accordance with the Financial Regulations	Immediate		<b>Implemented</b>
		04	<b>Unclaimed Value Added Tax payment</b>	The Deputy Head of Mission should ensure VAT exemption is applied for all payments made	Immediate		<b>Not Implemented</b>

				by the Mission in accordance with the Geneva Convention, 1961			
		05	<b>Noncompliance to procurement procedures</b>	The Deputy Head of Mission should ensure a requisition is raised and approved before procurements are conducted by the Mission as required by the Public Procurement Regulations	Immediate		<b>Implemented</b>
		06	<b>High cost of service charges for the Finance Attaché residence</b>	We recommend that the apartment should be sold to purchase a cheaper property to avoid the exorbitant payment of service charges in maintaining the property.	Under Implementation		<b>Not Implemented</b>
		07	<b>Unoccupied Government Property</b>	The Permanent Secretary, Ministry of Foreign Affairs and the High	Immediate	<b>Partially implemented</b>	

				Commissioner should further engage the Ministry of Finance to provide the necessary funds required for the rehabilitation of the property			
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FINAL

MDA'S	ACTIVITY NAME	No	Audit Finding	Summary of Audit Recommendation	Agreed Implementation Time lines	Implementation Status	
Gambian Embassy Russia	System Audit						
		01	<b>No Contract Committee</b>	<p>We recommend that the contract committee to be active in the execution of procurements.</p> <p>We urged management to ensure that GPPA regulations and Act are duly followed with regards to the purchases above the threshold.</p>	Immediately	<b>Implemented</b>	
		02	<b>Misclassification of Budget Line</b>	The Finance Attaché should ensure that financial transactions are charged to the correct budget line.	Situation already remedied	<b>Implemented</b>	
		03	<b>Missing Documents in Staff Personal Files</b>	We recommend that the aforementioned missing documents in personal files be provided for the auditors' perusal and filed in accordance	By September 2020, all personal files will be fully updated and compliant	<b>Partially Implemented</b>	

		<b>04</b>	<b>Authorization of Payment</b>	We recommend that the vote controller should be responsible for the approval of the all payments, unless s/he delegates the approval right.	Situation remedied already	<b>Implemented</b>	
		<b>05</b>	<b>Payments Made Without Raising Vouchers</b>	We recommend that in future, management should ensure that payment vouchers are first completed before effecting payments.	Situation remedied already	<b>Implemented</b>	
		<b>06</b>	<b>Value Added Tax</b>	Management should ensure that all VAT paid are reclaimed and all subsequent VAT payments are waived.  We recommend that the Deputy Head of Mission should take necessary action to address the situation.	As soon as possible	<b>Ongoing</b>	
		<b>07</b>	<b>The ambassador involvement in the work of the Head of Chancery</b>	The Ambassador should ensure that she strictly follow her terms of references in other	Immediate effect	<b>Implemented</b>	

MDA'S	ACTIVITY NAME	No	Audit Finding	Summary of Audit Recommendation	Agreed Implementation Time lines	Implementation Status
				to allow segregation of duties at the embassy		
		08	<b>Review of visa application form</b>	<p>The Head of Mission should ensure there is accountability in the visa sticker's process</p> <p>The Head of Mission should ensure that all visa stickers are printed by the printing company instead of manually printed</p>	End of 2020	<b>Not implemented</b>
		09	<b>No Criteria for assessing payment of welfare for Gambians Need</b>	<p>The Head of Mission should ensure that the budgeted amount in the welfare vote be spend according to its intended purpose</p> <p>The Head of mission should help the needy ones first before giving</p>	Second half of 2020	<b>Partially Implemented</b>

MINISTRY OF JUSTICE	Revenue Audit						
		01	<b>Funds amounting to 16,248 Swiss Franc Collected by Madrid Protocol not remitted</b>	We recommend a follow up to be done with Accountant General for the provision of the account details to have the funds remitted.	Done	<b>Completed</b>	
		02	<b>USD 315,700 worth of IP Renewals not receipted</b>	The Vote Controller should ensure that all necessary measures are taken to recovered monies loss amounting to \$315,700 (three hundred and fifteen thousand seven hundred United State Dollars) equivalent to 16,359, 574 (Sixteen Million three hundred and fifty-nine thousand five hundred and seventy-four dalasi's) at an exchanges rate of GMD51.82/US \$1	July, 2020 to August, 2020.	<b>Ongoing</b>	
		04	<b>FRAUDULENT IFMIS RECEIPTS</b>	The vote controller should ensure the money collected for personal use is recovered from the culprits.	Done	<b>Implemented</b>	

		05	<b>GTR receipts not supported by IFMIS receipts worth GMD97,454.00</b>	We recommend all GTR receipts issued to be supported by IFMIS receipts to ensure all the revenue collected is accounted for and is traceable in the IFMIS.	July, 2020 to August, 2020	<b>Implemented</b>	
		06	<b>GTR Receipt Books Not Being Properly Recorded and Accounted For</b>	We recommend the Solicitor General to ensure records of the total number of GTR receipt books initially received to be retrieved either from old records or accountant general.	July, 2020 to August, 2020	<b>Implemented</b>	
		07	<b>Suspected Falsification of IFMIS Receipt worth GMD945,874.00 found on file</b>	<input type="checkbox"/> The Vote controller should ensure controls are in place to ensure all revenues collected are being properly accounted for and not been diverted for personal use. <input type="checkbox"/> The solicitor General should ensure the revenue loss is fully recovered.	Done	<b>Implemented</b>	
		08	<b>Incomplete Narration on Receipts</b>	The Solicitor General should ensure the cashier put a complete narration on the	Done	<b>Implemented</b>	



				receipts all the time for easy referencing.			
		09	<b>No Record of Trademark Publications Made from January 2015 to December 2018</b>	The registrar should ensure a copy of all the trademark publish with GPPC are kept in either hard copy or soft copy for future review and referencing.	Done	<b>Implemented</b>	
		10	<b>Gift Received from AB &amp; Co.</b>	The Solicitor General should ensure all gift received by the staffs are disclose and management should assess the materiality of the gift to ensure the objectivity of the staffs is not impaired	Done	<b>Implemented</b>	
MDA'S	ACTIVITY NAME	No	Audit Finding	Summary of Audit Recommendation	Agreed Implementation Time lines	Implementation Status	
Project Coordinating Unit, Ministry of Health	Audit Report for the Ongoing Procurement of World Bank Grant Funding						

		<b>01</b>	<b>Payment of VAT from Donor Funds</b>	The supplier should be engaged accordingly as promised to ensure the VAT charges are removed from the cost of motorcycles.	<b>Completed</b>	<b>Implemented</b>
		<b>02</b>	<b>Difference in Specifications of Laptops Delivered</b>	The difference in specification should be documented accordingly and the contracts committee should be duly informed to ensure accountability.	Completed	<b>Implemented</b>
		<b>03</b>	<b>Delays in delivery of items procured</b>	<p>The Overseer, PCU and the Director of Pharmaceutical Services should ensure the goods are fully delivered and recorded in accordance with the regulations.</p> <p>The Director of Pharmaceutical Services should ensure suppliers issue delivery notes</p>	<b>Immediate</b>	<b>Implemented</b>

				and accordingly, good received notes are issue to suppliers whenever deliveries are made either in full or in part.			
NATIONAL AGRICULTURE RESEARCH INSTITUTE	<b>Systems Audit</b>						
		<b>01</b>	Payment Vouchers without attached petty cash claim forms and other attachments	Management should ensure that all payments vouchers are attached with necessary supporting documents and wages paid sheet signed to justify that payment reached the intended beneficiaries.	<b>Completed</b>		<b>Implemented</b>
		<b>02</b>	Trek payment vouchers without trek report	Management should ensure that any senior official going on field trek writes a report on the activities conducted in areas visited and attached to the payment voucher	<b>Completed</b>		<b>Partially Implemented</b>
		<b>03</b>	Employees Social Security Status	Management should treat the social security	<b>Completed</b>		<b>Not Implemented</b>

				liabilities as a matter of urgency and settle the arrears to avoid reputational damage.			
		<b>04</b>	Income Tax liabilities	Management should pay income tax regularly since it is deducted monthly from employment income.	<b>Completed</b>		<b>Implemented</b>
		<b>05</b>	Missing Personnel Files	The institution should ensure that employee's files are kept safe and secured and be provided at any time the need arises	<b>Completed</b>		<b>Partially Implemented</b>
		<b>06</b>	No station accountant and no imprest allocated to Sapu station	Management should ensure that an accountant is recruited and stationed at Sapu to take care of financial activities like paying staff salaries, wages and other expenditures	<b>Completed</b>		<b>Not Implemented</b>
<b>DEPARTMENT OF AGRICULTURE</b>	<b>Systems Audit</b>						
		<b>01</b>	Payment vouchers not photocopied and file for audit review.	The payment made is questionable; we could not tell if the entire process in terms of	<b>Completed</b>		

				segregation of duties is exhausted			
		<b>02</b>	Payment vouchers with inadequate supporting documents	Management should ensure that all payment vouchers are supported with sufficient supporting document before payment are effected	<b>Completed</b>	<b>Implemented</b>	
		<b>03</b>	Obsolete assets recommended for disposal	We recommend Management to ensure that obsolete assets are disposed off to avoid space constraints	<b>Completed</b>	<b>implemented</b>	
		<b>04</b>	Most of the accounting work is done by the messenger at DoA	We recommend Management to ensure that the accountants take the responsibility in operating the IFMIS accounting software instead of the Messenger.	Not applicable	<b>Not Implemented</b>	
		<b>05</b>	Yearly budget not prepared by the service units and the Regional Directorates	Management should ensure that yearly budgets are prepared by the Units and the Directorates which would be use to measure performance at the end of each year.	<b>Completed</b>	<b>Implemented</b>	

		<b>06</b>	Revenue of D32,500 received from registered societies not Bank	Management should ensure that any money collected in the form of revenue by the Institution should be banked promptly in the Central bank of the Gambia	<b>Completed</b>		<b>Implemented</b>
<b>MINISTRY OF AGRICULTURE</b>	Verification and Confirmation of 600MT of Fertilizers purchased from Sadina Company						<b>Not implemented</b>
		<b>01</b>	FERTILIZERS KEPT IN LEAKED STORE AT BANJULINGING SITE 3	Management should ensure those leaks corrugate at the site 3 store are change before keeping items of value to avoid damage			
		<b>02</b>	Germination test was not conducted on the fertilizer and the certificate of quality and quantity of fertilizer was not provided.	Management should ensure that the terms and conditions of the contract agreement is strictly followed to avoid such occurring.			<b>Not implemented</b>
		<b>03</b>	Huge financial losses if	Management should ensure that things are always done at the			<b>Not implemented</b>

			germination test goes unsuccessful	right time to avoid financial losses and breach of contract agreement.		
		<b>04</b>	Discrepancies noted on quantity of fertilizers at the different store and quantities loaded to the regions	Management should always ensure that the quantity of fertilizer delivered is properly counted and confirmed to avoid such difference		<b>Not implemented</b>
		<b>05</b>	Sound fertilizer bags found in site 3 store banjulinding	Management should ensure that the sound fertilizer bags and the loose bags are taken care of by the contracted transporter to avoid financial losses.		<b>Not implemented</b>

## 9.0 REPORT ON SAVINGS MADE FROM PRE-AUDIT OF PAYMENT VOUCHERS AND INTERNAL AUDIT REVIEWS

The DIA through its pre-audit exercise was able to save the government a total of **D32,952,954.45** as at December, 2020. This comes from cancelation of payment vouchers for not complying with payment requirements and GPPA regulations,

reduction in price of goods and services as a result of price hiking, use of more efficient procurement methods based on internal audit recommendations and follow-ups by internal audit to ensure goods and services are delivered to specifications.

The following is a detailed summary of the payments block by internal auditors for not complying with the payment requirements.

MDA	DATE	PV. NO	PAYEE	DESCRIPTION	AMOUNT	AUDITOR REMARKS
MOFA	25 Mar 2019	10PV008174	GAMBIA EMBASSY - CHINA	Refund of school fees for staff	75,550.00	The breakdown and composition of the school fees included line items that should not be borne by the state. The Foreign Service Regulations caters for tuition fees only
	29 Jul 2019	10PV008776	MoFA Staff	Payment of per-diem	174,888.00	These two per diem payments are made to MoFA officials in relation to the annual pilgrimage to mecca. The IAD questioned the genuiness and stopped the payment as their trip was not official
	29 Jul 2019	10PV008777	MoFA Staff	Payment of per-diem	174,888.00	
GPS	26 Sept 2019		Finish Profiles	Renovation of Jeshwang Prisons	650,196.50	The renovation was allegedly carried out in September 2017. It was not featured



						in the arrears audit conducted by the IAD and upon review of the attached supporting documents we've learnt that it was single source without approval contrary to GPPA requirements.
MOH	23 – 04 - April 20	21PV0001081	Payee	Oversea Medical Treatment (allowance refund)	51,070.00	No medical board report
MoFEA	15 - 04 2020	12PV200000931	PPP	State Owned Enterprise Restructuring	D18,000,000	Fraudulent Duplicate Disbursement
OP	04-05-20	File Document	Petrogas	Payment for Fuel	1,158,791.41	No evidence to substantiate excess fuel used during The Presidential Tour
	03-11-20	01PV20000496	Momodou E Njie	Payment for per diem	130,280.00	IRO Perdiems, however the program was fully funded by the organisers
	03-11-20	01PV20000495	Roheyah Jeng Gaye	Payment for per diem	130,280.00	IRO Perdiems, however the program was fully funded by the organisers
	03-11-20	01PV20000492	Office of the first lady	Payment for per diem	227,990.00	IRO Perdiems, however the

						program was fully funded by the organisers
	03-11-20	01PV20000493	Halimatou Tamedou Jawara	Payment for per diem	149,822.00	IRO Perdiems, however the program was fully funded by the organisers
	03-11-20	01PV20000494	Sidy Ndow	Payment for per diem	130,280.00	IRO Perdiems, however the program was fully funded by the organisers
	07-07-20	01PV20001508	Gamcel	Payment for telecommunication services not provided	59,250.00	Letter of request to GAMCEL to provide the said services, not provided
OVP	26/06/2020	01PV20001540		Maintenance of building	1,228,680	50% Passed for payment upon advising to seek for GPPA approval and providing Bank
GPA		There was review of claim of expenditures by IA	Ferries	Claim for expenditure on the Senegambia bridge by Ferries	1,849,932.00	Claim for refund was not substantiated
GPA		There was review of claim of expenditures by IA	Unique Graphics	Claim for expenditure on the inauguration of the Senegambia bridge	375,000.00	Claim for refund was not substantiated
MOWCSW	13/03/2020	31PV20000106	Samba Mbye	Night Allowance	26,000.00	An extra day erroneously indicated in the letter

PMO	13/03/2020	01PV20000526	Kebba Drammeh	Per diem payment	25,000.00	Double payment as allowance already paid by OP
PMO	13/03/2020	01PV20000528	Juka Ceessay	Per diem payment	25,000.00	Double payment as allowance already paid by OP
CSRLS	17/07/2020	01PV20001704	Bintou Kuyateh	Personal Loan	20,000.00	Approved Personal Loan different /overstated
CSRLS	17/07/2020	01PV20001715	Dusu Suso	Personal Loan	30,000.00	Approved Personal Loan different /overstated
NRS	24/06/2020	01PV20001539	International council on archives	Training	18,377.60	No Training Clearance sought and obtained from PMO
MOI	Arrears and bills up to October 2020	Review of NAWEC bills were conducted by IA prior to payment	NAWEC	Electricity	3,407,016.09	Electricity bill for meters that are not under the ministry of Interior
MOA					85,000.00	Payment voucher was revised from 360,000 to 275,000 as a result exorbitant price
MOYS			Pipe, networking and the extension of GTI	Leuna General Trading	733,790.00	The contract for the five extension for Gambia Shanghai initiative was over price and there was a saving through the advisory service of Internal audit

MOW	13/2/2020	18PV20000040	Matar Ceesay	Payment of per diem to an officer who didn't Travel	78,924.00	Mr. Ceesay didn't travel query was made and the money was return to AG.
	28/02/2020	18PV20000040	Basse Sub Treasury		300,000	Cash requested for the inauguration of the road (trace the Laminkoto-Passimassa budget)
	3/3/2020	18PV20000091	DBC Printing	Payment above the quoted price	486,000.00	This was above the RFQ quotation until after the tax reduction as proper procedure was lacking
	3/3/2020	18PV20000095	Adama's Procurement Enterprise	Violation of the GPPA regulation on RFQ	20,000	This payment was split to avoid the single source threshold
	3/3/2020	18PV20000096	Adama's Procurement Enterprise	Violation of the GPPA regulation on RFQ	15,000	
	16/03/2020	N/A	Imprest issue Megheg	Issuing imprest for a cost that was already factored	100,000	Cash allocation was already issue for the inauguration of the Laminkoto-Passimassa Exorbitant amount of phone credit bought (8k) for 4 people No original receipt of payment

						amount to D75,000 to MC Late retirement of Imprest deadline 17/3/2020
8/4/2020	18PV20000184	GNPC	Payment of exorbitant fuel amount that was never budgeted	150,000	Exorbitant amount of fuel bought for the inauguration of the Sukuta-Jambajelly road. Couldn't be traced in the budget	
2/6/2020	18PV20000294	Satguru Travel & Tours	Payment of full air ticket cost without traveling	197,000	Air ticket paid for DTS, when he didn't travel.... No proper explanation, as PO said she was never informed nor told about the DTS not travelling until after a week. Which incur the full cost. (which isn't the normal process as a no show up fee should have been charge)	
1/7/2020	18PV20000355	AYAM Enterprise	Overprice price payment	184,837.50	Cc query about some of the prices of the items in the proforma invoice and argue that PO to look into it	

						again. However, we later realized that delivery was made without further scrutiny
		12PV20003415	MOFEA	Being payment of honorarium for senior management attaining a virtual meeting with World Bank and IMF Officials.	900,000	The payments were noncompliance to laws and regulation of the public service act 1991, for doing official engagement with highly suspicious and management override.
		12PV20003417	MOFEA	payment of the credit allowance to staff in various units MOFEA	918,0000	There is no basis for credit allowance in allowance scheme due to the GOTG. No approval from PS, Secretary general PMO as required by general orders for such payment of allowances
			MOJ	Sundry Payments	3,327,570.35	
<b>Total</b>					<b>D32,952,954.45</b>	

## 10.0 Report of other Technical Matters

Committee meetings with the Honorable Minister of Finance and Economic Affairs

Ref:	Item
1.	<ul style="list-style-type: none"> <li>Regulatory framework of Internal Auditing in the public sector- Updating the provisions of the IA Charter to an Internal Audit Act.</li> </ul>
2.	<ul style="list-style-type: none"> <li>Need for improvement in implementation of agreed upon auditors' recommendations for improving internal controls. governance and risk management processes in government in line with Public Financial Management reform agenda, IPPF and Institute of Internal Auditing Standards.</li> </ul> <p>-Institutionalization of a follow mechanisms for tracking implementations of audit recommendations especially where suspected fraudulent activities or malpractices are identified.</p>
3.	<ul style="list-style-type: none"> <li>Need for alignment of growing Internal audit needs with resources requirement to safeguard independence and increase scope of IAs.               <ul style="list-style-type: none"> <li>Focusing on Rolling-out Internal audit functions to key MDAs</li> </ul> </li> </ul>
4.	<ul style="list-style-type: none"> <li>Perennial and repetitive Audit Findings and other PFM issues;               <ul style="list-style-type: none"> <li>Non-involvement of the contracts committee in public procurements</li> <li>De-aggregation of procurement</li> <li>Procurements at inflated prices</li> <li>Payment of procurements contract amounts without evidence of delivery or work done</li> <li>Delays in banking and other Revenue suppressions mechanisms</li> <li>Nonperformance of Bank Reconciliations</li> <li>Non retirements of imprest or advances.</li> </ul> </li> </ul>
6.	<ul style="list-style-type: none"> <li>Development of a reporting framework to communicate executive on compliance levels, risk management and internal controls activities of audited MDAs.</li> </ul>
7.	<ul style="list-style-type: none"> <li>Need for development of critical mass of IA staffs and an IA scheme to attract retention and motivation qualified IA team.</li> </ul>
8.	<ul style="list-style-type: none"> <li>Need for long-term investment in Space &amp; mobility and IT audit technology sustainability and relevance of GoTG IA needs.</li> </ul>

## 11.0 Conclusion

During the period under review numerous specific control weakness were noted. However, most of the controls evaluated were unlikely to provide reasonable assurance that risk are manage and objective will be met, and thus our opinion major improvement are needed in relation to operational control, governance controls , strategic and compliance with specific regulation

Generally, there have been some improvement in strengthening internal controls and compliance with GPPA regulations and other regulations and policy documents, much of this is owed to the prevalent of the pre-voucher audit of all payment vouchers which has generated substantial amount of savings for the government of the Gambia. To consolidate this achievement there is need to empower the DIA with statutory recognition as an agency to become fully independent with clear mandate and reporting lines to effectively provide assurance and advisory services. This will also help in addressing the high staff turnover that the DIA is currently experiencing as well as being able to compete for the best talents and expertise in the market.

There is also the need to reinforce the tone at the top for the support for internal audit and implementation of audit recommendation to better realized the value addition of internal auditing.

Regardless of size, we recommend public sector organizations especially autonomous government agencies and SOEs are encourage to have internal audit services to provide of budget agencies with timely information whether organization system and processes are working optimally as possible