

Transmittal Letter



December, 2023

The Clerk
Sierra Leone House of Parliament
Tower Hill
Freetown

Dear Sir,

In accordance with Section 119 (4) of the 1991 Constitution of Sierra Leone, we have the pleasure and honour of submitting our report on the Accounts of Sierra Leone for the Financial Year ended 31st December, 2022.

Yours faithfully,

Abdul Aziz
ACTING AUDITOR-GENERAL

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LIST OF ABBREVIATION AND ACRONYMS

ACC	-	Anti-Corruption Commission
AFROSAI-E	-	African Organisation of English-speaking Supreme Audit Institutions
AGD	-	Accountant-General's Department
ASSL	-	Audit Service Sierra Leone
BSL	-	Bank of Sierra Leone
CF	-	Consolidated Fund
DAO	-	District Agriculture Officer
DHMT	-	District Health Management Team
DMO	-	District Medical Officer
EDSA	-	Electricity Distribution and Supply Authority
EGTC	-	Electricity Generation and Transmission Company
GoSL	-	Government of Sierra Leone
GPFS	-	General-Purpose Financial Statements
GST	-	Goods and Services Tax
HRMO	-	Human Resources Management Office
ICB	-	International Competitive Bidding
IFMIS	-	Integrated Financial Management Information System
IFRS	-	International Financial Reporting Standards
INTOSAI	-	International Organisation of Supreme Audit Institutions
IPSAS	-	International Public Sector Accounting Standards
ISSAIs	-	International Standards of Supreme Audit Institutions
LPO	-	Local Purchase Orders
MoF	-	Ministry of Finance
MDAs	-	Ministries, Departments and Agencies
NATCOM	-	National Telecommunications Commission
NCB	-	National Competitive Bidding
NPPA	-	National Public Procurement Authority
NRA	-	National Revenue Authority
PAYE	-	Pay-As-You-Earn
RCB	-	Rokel Commercial Bank
PFMA	-	Public Financial Management Act

PFMR	-	Public Financial Management Regulations
PPR	-	Public Procurement Regulations
RFQ	-	Request for Quotations
SAI	-	Supreme Audit Institution
SLCB	-	Sierra Leone Commercial Bank

STATEMENT FROM THE ACTING AUDITOR-GENERAL



In fulfilling our mandate, as stipulated by section 119 (2) of the 1991 Constitution of Sierra Leone, we are pleased to present our report for the year ended 31st December, 2022.

This Report presents the overall result of our work for 2022. In undertaking this crucial work and keeping with our statutory obligations, we conducted the audit of financial statements, compliance with relevant legislation, performance audit and the audit of information technology systems within Ministries, Departments and Agencies, and other institutions of like nature.

As the supreme audit institution of Sierra Leone, we are implementing a new approach with the aim to improve audit outcomes, governance and financial management. With this strategy, we have committed to provide strategic and informative insights that will enable government to take the right decisions that will have meaningful impact on the citizens.

This Report provides insights and recommendations on a range of public financial management topics, including adherence to laws and regulations, financial reporting, revenue generation, procurement, stores management, IT systems, and asset management, among others. It further pinpoints areas of concern that require government to strengthen the efficiency and effectiveness of its initiatives and services. These encompass water resource management, provision of health services in government hospitals, social security, roads, agriculture, and the functioning of Sierra Leone's embassies and high commissions. Various stakeholders, such as government, parliament, civil society organisations, development partners, and the public, will find this report beneficial in guiding them to make decisions, policy development, and the efficient execution of programs and projects.

The Audit Service Sierra Leone (ASSL) has continuously improved on its efficiency and effectiveness of the audit process, to ensure that the results of audit and the recommendations thereof are credible, relevant, reliable and value adding. This is geared towards influencing improved decision making and positive impact on the livelihood of citizens. Provision of quality and effective audit services and confirmation of the compliance and effectiveness in programme implementation requires comprehensive scrutiny and evaluation of supporting documents. Most critical is the physical confirmation of the existence of projects or programmes implemented throughout the country. To achieve this requires an independent and well-resourced audit office with guaranteed adequate funding to enable efficient, effective and timely execution of the audit cycle, as well as retention of optimal staffing levels to ensure continuous, quality and sustainable audit operations.

The ASSL continues to seek financial independence and support from Parliament and the executive arm of government, through the Ministry of Finance for enhancement of resources to enable it build its technical capacity, expand its presence and widen the coverage of audit work. We continue to take our services closer to the people through the presence of our regional offices and the involvement of civil society organisations in the audit process.

The construction of our headquarter building in Freetown, which is ongoing, has been slow due to the delay in the disbursement of funds. However, the ASSL continues to appeal to Parliament and the Ministry of Finance for adequate funds to complete this building project.

The audit coverage has been expanding over the years due to the expansion of government programs. This is to ensure sustainable development and delivery of continuous and quality services to citizens. This has led to growth in the national budget and formation of additional entities that we are required to audit and report on.

In spite of the above, we continue to successfully deliver our strategy of facilitating transparency and enabling accountability in the public sector.

We continue to select auditable areas that are relevant. We audited key programmes for national development in the education, health and agriculture sectors. We also audited state-owned enterprises which are significant and of high financial and economic risk. Our attention at local councils and municipalities has, for the last few years, been on auditing areas that are important to the livelihood of people in the communities.

We have also introduced a participatory approach to our audits, especially in the planning and follow-up phases of our work. This approach has enabled us to work together with citizens in auditing the processes of delivering public services and government programmes.

In the line of duty, our audit teams continue to provide a holistic, integrated view of auditees' performance by using compliance, financial, IT and performance auditing procedures. This integration of audit procedures resulted in a deeper audit scope and coverage, improved evidence gathering, greater depth of data analysis and interpretation and, ultimately, the improved quality of our audit outcomes. The use of specialised audit skills coupled with our vast knowledge of the public sector has made it easier to identify wastages and leakages of resources in the system.

We have expanded our work into new and emerging audit areas such as the environment and climate change, information systems and the implementation of the United Nations Sustainable Development Goals.

This year among the many challenging new areas focused on, we conducted an audit of the Integrated Financial Management Information System with the aim to provide an independent assessment of the system and to establish operational, functional and design deficiencies.

In our effort to use the knowledge gained through our audits to improve public financial management, we sought and developed strategic relationships with several oversight bodies, including the Anti-Corruption Commission, the Internal Audit Department and the Public Accounts Committee, providing them with valuable information to enable them execute their respective mandates. Our reports have been enthusiastically received and used by these bodies to hold public officers accountable.

In our pursuit to stay relevant and enhance the follow-up process of our recommendations, we have worked with the World Bank and oversight bodies to design Audit Follow-up Standard Operating Procedures (SOPs). These SOPs have been developed to help improve and clarify audit follow-up processes with relevant stakeholders, by detailing the follow-up procedures, responsibilities, and actions of concerned parties, and outline applicable sanctions for failure to comply. It is important that we bring to your attention that the public financial management laws are currently being amended to include the dictates of these SOPs.

Overall, the strong pillars of integrity, professionalism, technical excellence, resilience, good internal governance and focus on people, collectively built over the years, provide us the best possible platform, and we will continue building on it.

The theme of this year's report is **"A Reminder to Bring Duty Bearers to Account."**

Finally, we wish to express our appreciation to the Board and staff of the ASSL, our development partners, the Public Accounts Committee, the Ministry of Finance, the Anti-Corruption Commission, Civil Society Organisations, Non-State Actors, and other key stakeholders within the accountability sector. We are extremely grateful to each of you for your support and contribution to the work of the ASSL.

EXECUTIVE SUMMARY

This Report presents a comprehensive analysis of the findings, recommendations, and conclusions obtained from conducting financial, compliance, performance and information systems audits in Ministries, Departments and Agencies (MDAs).

We embarked on a total of 108 audits: 32 Ministries and Departments, 45 Public Enterprises and Commissions, 22 Local Councils, six Diplomatic Missions and three Performance audits.

The report contains irregularities with financial impact that we wish to bring to the attention of Parliament in accordance with 95(1) of the Public Financial Management Act, 2016.

By our professional judgement, we established to a reasonable level that public monies were used by government in the manner intended by parliament. We assessed how they were used in terms of economy, efficiency and effectiveness. We also report to the citizens through parliament, how these activities were implemented.

Irregularities in this Report

Irregularities are acts of omission or commission by MDAs, contrary to the public financial management laws and regulations, contract agreements, and other applicable statutory instruments that were in existence during the audit scope.

We classified irregularities within the public financial management system under the following categories:

- imprest not retired
- statutory deductions not paid
- assets and stores management
- payments/expenditure management
- salary and payroll management
- procurements and contracts management
- revenue management

The overall irregularities with financial impacts identified in the course of our audit is indicated in Table 1 below:

Table 1 Overall Estimated Financial Impact of the irregularities									
Year	GPFS	Ministries and Departments				Diplomatic Missions	Public Enterprises		Local Councils
	SLE	SLE	US\$	€	£	US\$	SLE	US\$	SLE
2014	-	-	-	-	-	447,886.48	-	-	-
2015	-	-	-	-	-	285,144.71	-	-	-
2016	-	-	-	-	-	241,134.71	-	-	-
2017	-	-	-	-	-	271,488.72	-	-	-
2018	-	-	-	-	-	86,007.48	-	-	-
2019	-	84,583				82,546.88	5,679,666	-	-
2020	-	657,616				189,186.88	3,972,948	-	-
2021	-	553,828				110,904.88	4,231,904	-	-
2022	39,724,763	98,565,422	969,443	39,526	4,746	108,768.00	178,780,479	113,507	9,937,462

As in previous reports, we have included audits that were not included in the previous year's report. These for several reasons range from how MDAs have been classified in the audit calendar and when Financial Statements were submitted to the Auditor-General. Similarly, audit work that is in progress prior to the publication of this report will be rolled over and included as part of the audit of MDAs for the year ended 31st December, 2023 which will be forwarded to Parliament upon completion of the audit exercise.

It must however be noted that the Auditor-General's Opinion on the GPFS relates MAINLY to issues identified in the audit of FY2022.

We now present to you highlights on the various chapters as presented in details, in the body of the Report.

PUBLIC ACCOUNTS

Audit of the General-Purpose Financial Statements of the Consolidated Fund

The Accountant-General is mandated under Section 87(1) of the Public Financial Management Act, 2016, to prepare and submit the annual financial statements of the Consolidated Fund and explanatory note to the Auditor-General through the Minister of Finance within three months after the end of the financial year.

Section 16 of the PFM Act, 2016 further mandates the Auditor-General to audit the Annual Financial Statements of the Consolidated Fund on a yearly basis to enable him give an opinion on whether they give a true and fair view, and have been prepared in accordance with the applicable reporting framework.

As in the 2021 General-Purpose Financial Statement (GPFS), we have again rendered an unqualified audit opinion on the 2022 GPFS of the Consolidated Fund Account of the Government. As usual, we have based the opinion on our professional judgement after analysing and evaluating the evidence gathered during the audit of the GPFS, and indirectly, on the findings of the many other audits undertaken on transactions carried out in 2022.

We have over the years not only reported on the main causes of poor audit outcomes, but have proffered recommendations to add value. The implementation of those recommendations warrants improvement in operations. Control lapses over revenue, expenditure, public debts, cash and bank, and procurement of goods and services continue to attract public attention. A summary of these matters is set out below:

Revenue

The National Revenue Authority (NRA) has made extensive strides in increasing revenue collection during the year. Notwithstanding the encouraging steps employed by the NRA to improve the revenue generation performance, we noted some gaps in the revenue assessment, collection, and reporting. These gaps could be attributed mainly to the failure of the NRA to collect tax revenue and apply measures and penalties against defaulters as allowed by law. Below are highlights of the irregularities observed under revenue management:

Input GST not Supported

Input GSTs were not supported by relevant documentation, such as the schedule of local purchases and import GST in the Integrated Tax Administration System (ITAS). This led to a revenue loss totalling SLE39,724,763.

Revenue not Traced to the Consolidated Funds

Sierra Leone Commercial Bank made a transfer totalling SLE3,565,919 regarding income tax revenue collected during 2022 to the Bank of Sierra Leone. We however could not trace this transfer in the Income Tax accounts held at the Bank of Sierra Leone.

Non-compliance with Clauses in the Contract Agreement

The non-compliance with clauses in the contract agreement between some companies and various Ministries, Departments, and Agencies (MDAs) amounted to SLE38,226,990.36.

Recurrent and Capital Expenditure

Contract Agreement between the Gento Group of Companies and the Sierra Leone Road Authority

From a review of the contract agreement and a signed Memorandum of Understanding valued at US\$42,782,727, we observed that an amount totalling US\$39,676,314 was paid to the contractor leaving a balance of US\$3,106,413. We however noted that there were certain discrepancies in the payment process. Based on the letter written by the Assistant Director–Fiscal Risk Management Division (FRMD) and a letter from the Chief Executive Officer of Gento Group, an Interim Payment Certificate (IPC 1A) valued at US\$5,459,499.26 (SLE71,281,565) was issued in 2018 due to delayed payment of IPC 1 as prescribed in clause 60.10 of the contract agreement. We however observed that, the Road Maintenance Fund Administration had already made payment for IPC 1 in 2016. Furthermore, there were no certified arrears (outstanding IPC) regarding this contract, as confirmed by the ASSL's final verification report on domestic debt 2018.

Interim Payment Certificates (IPCs 5) totalling US\$13,524,419.34 were claims for loss and damages for the project's suspension. There was however no evidence of any instruction from the engineer to suspend the work in progress, which contradicts Clause 40.1 of the contract agreement. The ASSL or the Internal Audit Department of the Ministry of Finance did not verify this claim, which is the usual practice for such claims. The amount paid was US\$13,478,570 in 2022, leaving a balance of US\$45,849.

Expenditure without Relevant Supporting Documents

Expenditure undertaken by 10 ministries and departments in 2022 were not supported by relevant documentary evidence. The total amount was SLE33,004,731.

Public Debt

There has been an immense improvement in managing and reporting public debts for domestic arrears and external loans. The level of both external and domestic loans however remains very high. The Public Debt Management Department (PDMD) has been working with the Bank of Sierra Leone and development partners to ensure that the risk of high debt service to total revenue is managed through refinancing and rollover of maturities. We observed the following:

High Risk of Debt Distress

The total outstanding public debt of the Government as at 31st December 2022 was SLE47,577,345, 870 which is 94% of the Gross Domestic Product. We noted that domestic revenue (SLE8,088,376,000) could not meet the debt service obligation (SLE14,879,143,000) for 2022. This has resulted in the Ministry of Finance using other debt instruments to service debt obligation that fell due in 2022.

Third-party Confirmation not received for External Debts

Our audit procedure (to ascertain the accuracy of External Public Debt relating to multilateral and bilateral creditors recorded in the GPFS) was restricted to creditor confirmation because of insufficient information for audit scrutiny. Of a total External Debt of SLE35,607,013,870 reported in the GPFS, SLE33,298,061,466, which accounts for 96%, were confirmed; external creditors did not confirm SLE2,308,952,404, which represents (4%) of the total debt. We could not perform other audit procedures to gain assurance over the remaining unconfirmed balance.

Loans Given to State-Owned Enterprises

Loans totalling SLE15,000,000 were given to State Owned Enterprises (SOE) as stimulus packages: Sierra Leone Airports Authority (SLE7,000,000), Sierra Leone Postal Services (SLE3,000,000) and Sierra Leone Road Transport Corporation (SLE5,000,000). These SOEs should have made a total repayment of SLE10,000,000 at the end of December 2022. No documents were however submitted to the auditor to confirm that these SOEs had made repayments on these loans.

Wages, Salaries and Employee Benefit

In 2022, there was a 13% increase in wages, salaries and employee benefits compared to 2021. The amount rose from SLE3,769,446,000 to SLE4,314,179,000. The government wage bill however remained at 8% of GDP. Throughout 2022, several human resource/payroll reforms were implemented. One of the significant reforms was to ensure that all public workers on the payroll were registered with the National Civil Registration Authority (NCRA) and had a valid National Identification Number (NIN).

Section 25 of the NASSIT Act (2001) requires that the employer and the employee should pay a contribution (15% of earning/income) to the trust within 15 days after the end of each month. Section 27 of the NASSIT Act (2001) also states the penalty for non-payment of contribution.

We observed that several cheques issued to pay NASSIT contributions were not recorded in the wages and salaries account. In the audited financial statement of NASSIT for 2022, it was reported that the Government of Sierra Leone owed NASSIT a total of SLE416,285,714 for contributions and pensions.

Cash and Bank

Performing bank reconciliation between the bank statement and the cashbook is one of the critical controls required to safeguard an organisation's assets. The Accountant-General has, over the years, instituted a robust regime of bank reconciliation.

We however observed with concern that cheques and electronic fund transfers totalling SLE60,669,322.10 were printed and issued during the year for which payments were not made in 2022. During our review of the Other Charges bank statements, we observed that certain transactions were reversed in the bank statement without mentioning their previous occurrence. These issues have been communicated to the BSL.

Details of these observations are found in Chapter I.

DONOR-FUNDED PROJECTS AND PUBLIC ENTERPRISES

Here, we present the findings of the donor-funded projects and public enterprises.

Section 86(1) of the PFM Act of 2016 states: *"Within three months after the accounts of a financial year are closed at the end of a complementary period mentioned in Section 44, the vote controller of every entity in subsection (3) of section 86 shall submit to the Auditor-General annual financial statements of the entity for the financial year."*

Considering this legislation, Public Enterprises and Commissions are required to submit their financial statements to the ASSL by 31st March of the immediate preceding year.

This year, over 90% of Public Enterprises, and Commissions submitted their financial statements on time. The ASSL therefore had ample time to plan and audit those entities. For institutions that did not submit their financial statements on time, they were published in newspapers.

Significant matters identified in the audit examination of the donor-funded projects, Public Enterprises, and Commissions fall into the following categories:

- Statutory deductions not paid to the NRA
- Contract and procurement management
- Payments without supporting documents
- Lapses in salaries and payroll management
- Assets and stores not brought to account
- Revenue management
- Imprest/Advances not retired

We also noted with concern that some entities continue to flout regulations in respect of the security of fixed assets. This was evidenced by the fact that a number of donor-funded projects, Public Enterprises, and Commissions did not maintain fixed assets registers; those with fixed assets registers were not fully updated to include all assets purchased and disposed of; and fixed assets were not coded to be easily identified as the institution's assets.

We observed irregularities with the financial impact of cross-cutting issues amounting to SLE5,679,666 (2019), SLE3,972,948 (2020), SLE4,231,904 (2021) and SLE178,780,479, US\$113,507(2022)

During the audit, a number of ICT issues were observed in several institutions. Due to their sensitivity and security implications, these issues have been restricted to correspondence with the clients and Parliament.

Details of these observations are found in Chapter II.

MINISTRIES AND DEPARTMENTS

We continue to identify lapses in the audit of ministries and departments for the year ended 31st December, 2022. Instances of such lapses are mentioned below:

- Assets and stores not brought to account
- Contract and procurement management
- Withdrawals and allocations expended without supporting documents
- Statutory deductions not paid to the NRA
- Salaries and payroll management
- Management of revenue
- Imprest/advances not retired

The financial impact of these irregularities across ministries and departments is in the table below:

Financial Years	SLE	US\$	€	£
2019	84,583			
2020	657,616			
2021	553,828			
2022	138,290,185*	969,442.57	39,526.42	4,746.06

*Note: SLE138,290,185 is made of SLE39,724,763 and SLE98,565,422

For diplomatic missions, the identified irregularities amounted to US\$1,823,068.74.

Details of the observations on ministries and departments are found in Chapter III.

LOCAL COUNCILS

Local councils (LCs) are responsible for the development of the locality and the welfare of their people. They are mainly funded by the central government through the CF and therefore, subject to audit by the Auditor-General in accordance with Section 119(2) of the Constitution of the Republic of Sierra Leone 1991.

Section 81(3&4) of the Local Government Act (LGA) of 2004 requires the Auditor-General to submit a report of the audit to the local council concerned and the Minister; and to draw attention to any irregularities in the accounts in the report.

Section 81(8) of the LGA of 2004 also requires the Minister to lay the report of the Auditor-General and a report of actions taken thereon if any, before Parliament. This has not been done over the period; as such, a summary of irregularities identified in LCs are included in the Auditor-General's Annual Report submitted to Parliament each year.

Summary of Irregularities

The total value of irregularities in respect of our audit of the 22 LCs in 2022 stood at SLE9,937,462. The irregularities were identified in the following areas: expenses, revenue, procurement and contracts management, salaries and payroll management, statutory deductions, stores and assets as provided in the table below:

Nature of Irregularities	Financial Impact (SLE)
Procurement and contract management	4,940,860
Stores and fixed assets management	1,683,397
Statutory deductions (withholding & PAYE taxes)	1,525,760
Expenditure management	1,373,234
Revenue management	321,038
Payroll management	93,173
Total	9,937,462

The findings within these categories are presented in the individual council reports submitted to the Minister of Local Government and Rural Development for submission to Parliament as stipulated in Section 81(8) of the Local Government Act, 2004.

When auditing the Financial Statements, our aim is to express an opinion on whether they give a true and fair view of the state of affairs of the councils.

The number of unqualified (clean) audit opinions decreased from 21 (95%) in 2021 to 19 (86%) in 2022. We however noted that one council (Port Loko District Council) improved from an Adverse (unsatisfactory) Audit Opinion in 2021 to an Unqualified (clean) Audit Opinion in 2022.

Three councils dropped in their performance. Two of the three councils (Kono District and Port Loko City Councils) moved from unqualified audit opinions to adverse opinions, and one council (Tonkolili District Council) moved from an unqualified audit opinion to a qualified (unsatisfactory) audit opinion.

Councils with qualified audit opinions signified a worrying situation in the management of resources. The Councils did not manage and account for their finances to achieve the best results. The Financial Statements contained material misstatements about specific amounts, or there was insufficient evidence for the ASSL to conclude that the amounts were not materially misstated.

Details of these observations are found in Chapter IV.

PERFORMANCE AUDIT

Performance audit carried out by a Supreme Audit Institutions (SAIs) is an independent, objective and reliable examination of whether government undertakings, programmes, systems, activities are performed in accordance with the principles of economy, efficiency and effectiveness. Three performance audit reports were completed. These include the following:

- a) Implementation of School Feeding Programme
- b) Management of the Distribution of Teaching and Learning Materials
- c) Management of Hospital Infrastructure

Two of these reports had already been submitted to Parliament.

Below are the main observations under each activity examined:

Management of School Feeding – (2019-2021)

The following were observed:

- Garri was supplied to the pupils even though it was not desired by them, and the school authorities were neither informed nor was any assessment done to gauge the pupils' receptiveness to garri.
- Joint Aide Management supplied expired mana packs to schools in Tonkolili.
- Food items were supplied six months after the reopening of schools (March 2020) instead of a month before the re-opening of school.
- Of a total of 22 schools visited that benefited from the SFP, only eight had storage facilities with three in good condition.
- There were delays in the preparation and sharing of food by an average time of 45 minutes.
- Food was not prepared and shared in a hygienic manner. Food was placed on the floor during preparation and sharing.
- The School Feeding Secretariat did not have a system in place for the monitoring and evaluation of the School Feeding Programme.
- About 80% of the head teachers did not have the capacity to implement the Programme.

Management of the Distribution of Teaching and Learning Materials - (2019 – 2021)

The following were observed:

- There were no specific guidelines or policy for the distribution of Teaching and Learning Materials (TLMs).
- The TLM distribution process lacked proper needs assessment.
- The distribution matrix used for the supply of TLMs was inaccurate as it was not reconciled with the enrolment records.
- Pupils were not allowed to take home the core textbooks since the books were not enough.
- The Ministry did not work in line with the school calendar for the distribution of the TLMs. The materials were supplied precisely at the end of second term.
- The M&E Unit did not undertake monitoring exercise as required of them, due to mobility constraints and non-budgetary allocations.

Management of Hospital Infrastructure – (2020-2022)

The following were observed:

- Essential medical equipment were either unavailable or inadequate for the operations of the government hospitals in Freetown, Bo, Kenema and Makeni.
- The Ola During Children's Hospital facility had limited bed capacity as a result of inadequate

space.

- There were faulty equipment such as ceiling fans, biosafety cabinets, freezers, BP and oxygen machines in the sampled hospitals visited. The main autoclave machines in all three regional hospitals visited were also faulty.
- There were inadequate ambulance services, particularly at renowned hospitals.
- Essential drugs and consumables were not sufficient for the hospitals, to the extent that additional drugs were bought for the destitute using internally generated revenue.
- The storage facilities for drugs were not conducive and adequate to accommodate the drugs supplied by the Central Medical Stores.
- Air conditioners and thermo-hydrometers were inadequate at hospital pharmacies to keep drugs under the required temperature.
- There was shortage of healthcare personnel including doctors and nurses to match up the huge turnout in the hospitals.
- Water facilities were inadequate, with the exception of the Bo Government Hospital.
- There were no urinals in the washrooms in hospitals including Connaught, Makeni and Kenema government hospitals.
- Waste generated at the Makeni Government hospital were dumped at the back of the hospital premises in an open space.
- The Bo and Kenema government hospitals sourced power from standby generators which did not produce adequate power to the facilities.

Details of these observations are found in Chapter V.

The ASSL is not focused on the number of recommendations made, rather, it is interested in the rate of implementation. The lack of efforts by clients in addressing recommendations does not give assurance that resources were managed optimally in accordance with the intent of Parliament.

INTRODUCTION

In accordance with Section 119(2) of the 1991 Constitution of Sierra Leone, we conducted the audit of the accounts of Ministries, Departments and Agencies (MDAs) for the financial year ended 31st December, 2022 and hereby present the results. This Report contains issues and matters we considered significant to bring to the attention of Parliament in accordance with Section 119 (4) of the 1991 Constitution of Sierra Leone.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs) and in compliance with existing laws, rules and regulations, and as intended by Parliament.

Throughout the period under review, we continued to provide a direct link between transparency and accountability. We have always been the voice that is independent on the use and management of public funds and the level of accountability displayed by those charged with governance at both central and local levels. Citizens and other stakeholders expect auditors to proffer assurance that public resources are used in an efficient manner, and that financial and performance reporting accurately reflects the true picture of the operations of public institutions.

The work we do supports the institutions we audit in order to identify ways to improve their operations. We do this by making recommendations intended to add value or improve the work they do.

Audit Objectives

The general objectives of the audit are to determine whether:

- proper records and books of accounts were maintained;
- transactions undertaken by the MDAs were within the appropriation law and specifically in line with the regulations set for them;
- rules and procedures applicable were sufficient to ensure an effective check on the assessment, collection, recording and banking of revenue;
- the accounts were presented in line with the appropriate financial reporting standards;
- all public monies due were fully accounted for in line with intent of Parliament; and
- resources that were given to the MDAs have been used in an economic, efficient and effective manner.

OBSERVATIONS FROM THE 2022 AUDITS

The 2022 audit were conducted during an election year, and it was a challenging period for us as those charged with governance and accountability, were in most cases out of office. Elected leaders and political appointees were sometimes not available for timely response to key audit issues, and it was difficult, if not impossible, for the audit teams to visit operational sites to access the level of services delivered to citizens at both central and local levels.

In a bid to mitigate some of these challenges, we held breakfast meetings with some MDAs where we encouraged them to act on recommendations in the previous audit reports. We further impressed on them to submit their Financial Statements in a timely manner (even before the legislative deadline of 31st March, where necessary).

This intervention helped us in achieving our planned target for the year, and as a result we were able to deliver on our mandate by submitting the 2022 Auditor-General's Annual Report to Parliament in time.

Given that government's success is measured primarily by its ability to deliver services to its citizens, this year, in addition to our normal audit approach, we went beyond the books and focussed on service delivery. This was in a bid to assess the impact of the programmes implemented by MDAs on the lives of citizens.

Government's activities are largely funded from taxpayers' money and donor funds. These funds are intended to be spent on programmes that improve the quality of citizens' lives through access to affordable services.

Significant issues that emanated from our management letters provided the basis for this report. The issues raised during the audits were formally discussed with the Management of the audited entities and their comments and responses have been considered before concluding this Report.

In summary, the audit outcomes for Ministries, Departments and Agencies (MDAs), and Local Councils are yet to show a considerable and sustained improvement essential to prevent leakages and wastages in the system.

AUDITING AND REPORTING PROCESS

MDAs and all local councils are audited so that we are able to report on their compliance with key legislation and on their financial and annual performance. Furthermore, performance audit was carried out to assess the level of economy, efficiency and effectiveness with which activities and programmes were implemented. We also assessed the root cause of any error or non-compliance, and proffer recommendations to address or prevent reoccurrence.

We assessed the control environment within which the financial transactions were processed by the Ministry of Finance and the Accountant General's Department. We conducted an audit of the Integrated Financial Management Information System (IFMIS) with the aim to provide an independent assessment of the system and to establish operational, functional and design deficiencies.

Inherent risks associated with significant transactions and events were also assessed with the aim of evaluating the adequacy of managements' responses to these risks. Based on the outcome of these reviews, we developed and executed audit procedures to enable us express an opinion on the true and fair view of the account.

Types of Audits We Conduct

In order to fulfil our mandate during the period under review, we conducted the following audits:

Financial Audit

This audit entails the systematic examination and evaluation of the accounting systems, transactions and accounts of the organisations in order to express an opinion regarding the completeness, accuracy and reliability of the Financial Statements in all material effect. This audit is done using the financial audit methodology as prescribed in the ASSL Financial Audit Manual.

Compliance Audit

Compliance Audit assesses whether the incurrence of an expenditure is in accordance with statutory regulation. The primary objective of this audit is to ascertain whether the appropriate laws and regulations have been followed or complied with by MDAs.

Performance or Value-for-Money Audit

Performance audit focuses on the economy, efficiency and effectiveness with which the audited entity uses its resources. It aims at increasing the effectiveness of entities and programmes by using laid-down and clearly explained auditing standards and practices.

STAKEHOLDER ENGAGEMENT AND COMMUNICATIONS

Stakeholder engagement is one of the fundamental pillars used to assess the credibility and professionalism of SAIs. The ASSL held several meetings with CSOs and NSAs at both central and local levels to jointly explore opportunities for working together and sharing information that will strengthen accountability and transparency. At the Pre-planning Stage, we share information that will inform our audit plans; and at the Reporting and Follow-up Stages, we share the reports with the CSOs and NSAs for them to disseminate the reports and hold those charged with governance or their representatives accountable at the central and local levels.

We also engaged Paramount Chiefs and their subjects in order to seek information regarding the projects and/or government interventions in their respective localities, and in addition, to raise awareness on their roles and responsibilities in the audit process.

We are grateful for the progress we have made in this area and from the profound responses that we received during our engagements.

RECORDS MANAGEMENT

Records management has always been a perennial problem in the public sector. The absence of or the non-submission of records and documents during the audit process is the root cause for the poor internal controls and service deliver in public institutions. Government should therefore enforce existing sanctions to hold defaulting public officials for non-submission of documents during audit exercises.

FUTURE OUTLOOK

The ASSL has been prompted by the heightened global concerns over the environment, the extractive sector, Artificial Intelligence (AI) and other interventions to expand its audit scope into new and emerging areas such as, environment and climate change, extractive industries, forensic, gender and SDGs. With the intervention of African Organisation of English-speaking Supreme Audit Institutions (AFROSAI-E) and other development partners, we continue building the capacity of our staff to conduct audits in these emerging areas.

To improve on the implementation of audit recommendations, the Ministry of Finance in collaboration with other stakeholders, has developed the Standard Operating Procedures (SOPs) on the implementation of recommendations. We strongly believe that the application of the SOPs will improve on the rate of implementation of audit recommendations.

In a bid to reactivate the legal provisions on disallowance and surcharge in public financial management, the ASSL has published a roadmap on the formulation, enactment and implementation of Audit Service Regulations that will provide for the application of disallowance and surcharge powers of the Auditor-General and other ancillary matters to mitigate the prevalence of unlawful expenditure or loss of public funds.

Unlike in previous years, the ASSL now enjoys timely disbursement of funds from the Ministry of Finance.

This notwithstanding, and as reported in previous years, the ASSL will continue to work towards achieving financial independence through stand-alone budgetary support.

In this day and age, we cannot over emphasise the importance of financial management discipline. Every public officer must do their part to ensure that public funds are utilised in a transparent and accountable manner. Considering the limited financial resources in these challenging global environment, preventing financial leakages and wastages, and the recovery of funds that have not been accounted for should be the key priority of all public officers and political appointees. The ASSL recommends that if sanctions and penalties are to be enforced for accountability failures, then government must be swift, brave and consistent enough to take actions on defaulters.

PART I

**CHAPTER I – AUDITOR-GENERAL'S OPINION ON THE GENERAL-PURPOSE FINANCIAL STATEMENTS
OF THE CONSOLIDATED FUND**

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MAIN POINT

INTRODUCTION

The mandate of the Accountant-General

The Accountant-General is mandated under Section 87(1) of the Public Financial Management Act, 2016, to prepare and submit the annual financial statements of the Consolidated Fund and explanatory note to the Auditor-General through the Minister of Finance within three months after the end of the financial year. The Annual Financial Statements of the Consolidated Fund are prepared in accordance with Cash-basis International Public Sector Accounting Standard (IPSAS) and the Public Financial Management Act 2016. The General Purpose Financial Statements (GPFS) comprise the statement of cash receipts and payments, statement of comparison of budget and actual revenue and expenditure, statement of cash position and notes of the Consolidated Fund of the Government of Sierra Leone for the year ended 31st December 2022. The measurement basis applied is the historical cost basis, except where otherwise stated in the accounting policies indicated on pages 13 to 70 of this report.

The mandate of the Auditor-General

The Annual Financial Statements of the Consolidated Fund are subject to audit by the Auditor-General in accordance with Section 119(2) of the 1991 Constitution of the Republic of Sierra Leone and Section 11 (1) of the Audit Service Act, 2014. Section 16 of the PFM Act 2016 further mandates the Auditor General to audit the Annual Financial Statements of the Consolidated Fund on an annual basis to enable him to give an opinion on whether they show a true and fair view and have been prepared in accordance with the applicable reporting framework.

An Overview of the General Purpose Financial Statement

The GPFS provides an integrated view of the government's financial position and performance. It consolidates the Sierra Leone public sector in line with Cash-basis IPSASs. The GPFS of the Consolidated Fund show the cash performance of the Government of Sierra Leone for the financial year ended 31st December 2022. It is prepared based on funds received, held in or paid out of the Consolidated Fund.

Key Economic Developments

The following are critical economic developments that took place in the year 2022:

- **Economic Growth:** The ongoing war in Ukraine created significant uncertainty, which had a restrictive effect on economic activity throughout 2022. In the face of rising food and fuel prices, coupled with somewhat diminished prospects in the mining sector and general global economic uncertainty, the Ministry of Finance's growth forecast for 2022 was revised downward twice. Initially, it was reduced from 5.9% to 3.6 %, and subsequently, it was further adjusted to an estimated 2.8%.
- **Consumer Prices:** Inflation continued to rise in 2022, mainly due to increases in food, fuel, and fertiliser prices, as well as the depreciation of the exchange rate. The year-on-year inflation rate increased from 17.9% in December 2021 to 37.1% in December 2022. Average inflation also increased from 11.9 per cent in 2021 to 27 % in 2022.
- **Gross foreign reserves:** The gross foreign exchange reserves (excluding swaps) are estimated to have decreased from US\$948 million (equivalent to 5.8 months of imports) at the end of 2021 to an estimated US\$684 million (equivalent to 4.6 months of imports) at the end of 2022. The decrease in reserves was mainly due to an increase in food and fuel prices resulting from the war in Ukraine and the accompanying increase in import bills, with the Bank of Sierra Leone providing foreign currency to importers

- Exchange rate: The Leone depreciated significantly during the year 2022, mainly because of the higher demand for foreign exchange for imports compared to the supply of foreign exchange. The nominal exchange rate depreciated by 66.1% between December 2021 and December 2022 against the US\$.

Key Major Reform

In the year 2022, the Government instituted major Public Financial Management (PFM) reforms, including:

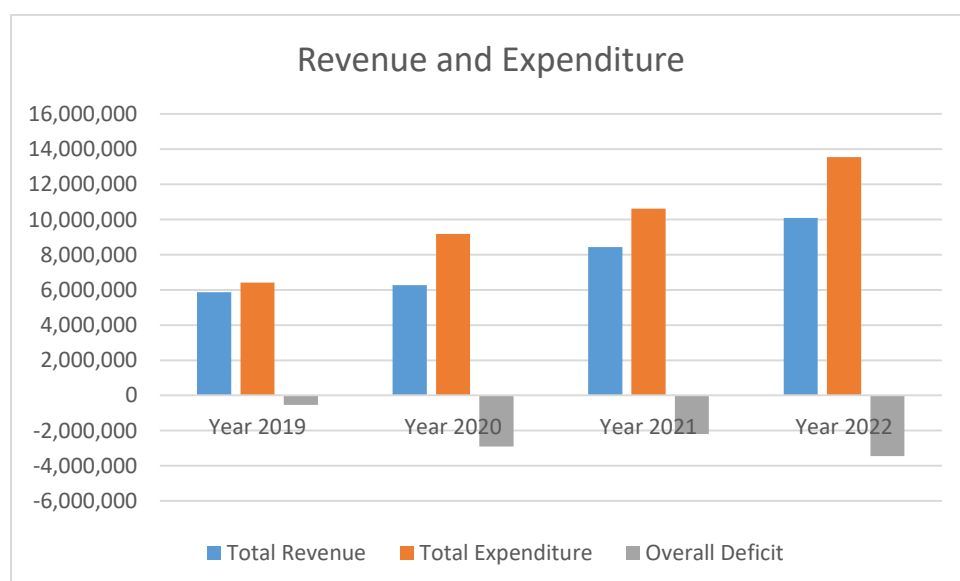
- The Introduction of the New Leones (SLE) in the economy.
- Electronic Funds Transfer (EFT) has been installed, customised and interfaced with the upgraded version of the FreeBalance application. Reduction in transaction processing time; gradually eliminating cheque printing.
- The revision of the Chart of Accounts for Central Government, moving it from 27 to 33 digits, thereby ensuring compliance with GFS 2014.
- Went live with the Electronic Fund Transfer system for some payroll categories and local payments.

Revenue and Expenditure

The revenue collected increased by 19.7% from SLE8.4 billion in 2021 to SLE10 billion in 2022. It comprised Domestic Revenue (SLE8 billion) and Direct Budgetary Support Grants (SLE2 billion). Meanwhile, government expenditure also saw an increase of 17%, from SLE10.7 billion in 2021 to SLE13.5 billion, which comprised Wages, Salaries and Employees Benefits (SLE4.4 billion), Goods and Services (SLE4.2 billion), Transfers and Grants (SLE782 million), Other Recurrent payments (SLE168 billion), Interest Payment (SLE1.9 billion), Domestic Capital/Development Expenditure (SLE1.1 billion), and Arrears Payment (SLE239 million). See the table below.

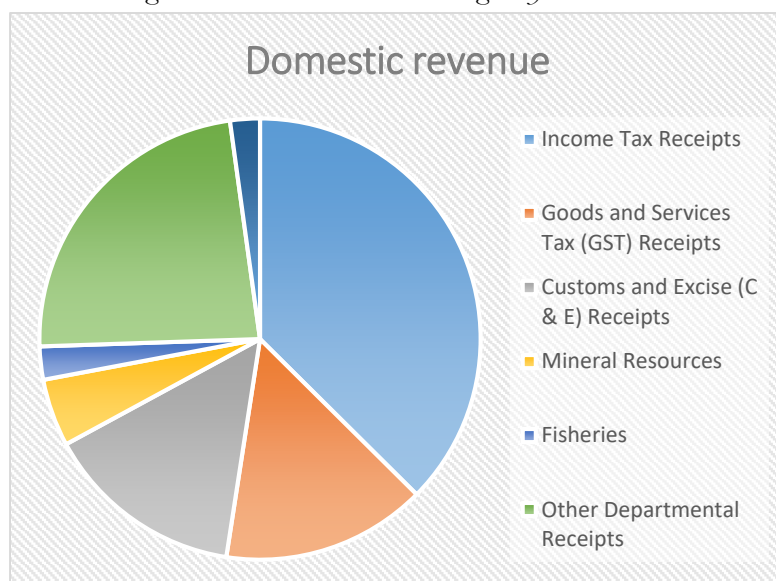
Amounts in thousands of Leones

Details	Year 2019	Year 2020	Year 2021	Year 2022
Total Revenue	5,876,450	6,275,998	8,432,339	10,094,053
Total Expenditure	6,410,152	9,182,424	10,622,083	13,549,786
Overall Deficit	-533,702	-2,906,426	-2,189,744	-3,455,733



The relationship between revenue and expenditure revealed that despite the consistent rise in revenue over the years, there has also been a significant increase in expenditure over the same period.

Chart showing domestic revenue collected during the year



The chart illustrates the composition of domestic revenues for FY2022. Income tax revenue contributed SLE3,028 million or 37% of the total domestic revenue for the financial year, whereas Goods and Services Tax (GST) revenue amounted to SLE1,213.9 million or 15% of total domestic revenue. Customs and Excise (C & E) Receipts SLE1,184.7 million or 15% and Mineral Revenues Le400 million or 5% of total domestic revenue, respectively. Fisheries revenue also accounted for SLE196.6 million, 2% of total domestic revenue.

Public Debt

The total outstanding public debts increased by 50.6% from SLE31.6 billion in 2021 (66% of GDP) to SLE47.6 billion (95% of GDP) in 2022. The amount comprises domestic debts of SLE12 billion (SLE8.8 billion – FY2021) and external debts of SLE35.6 billion (SLE22.8 billion – end FY2021).

The total domestic debts consist of Short-Term Securities (with less than one-year maturity) in the form of treasury bills (SLE9.2 billion) and Ways and Means Advances (SLE111 million) and Long-Term Securities of SLE2.7 billion, mainly in the form of treasury bonds.

The total external debts consist of Multilateral Creditors (SLE28.1 billion), Bilateral Creditors (SLE4.5 million) and Commercial Creditors (SLE3 billion).

Cash and Bank

The total cash and bank balances at the end of the fiscal year 2022 stood at a negative balance of SLE965.8 million (End FY2021 – negative SLE344.0 million). An overall cash deficit of SLE621.7 million was recorded in FY2022, resulting in the movement in cash balances from negative SLE344.0 million at the end of FY2021 to negative SLE965.8million at the end of FY2022. See table below:

Amounts in thousands of Leones

As at	31-Dec-22	31-Dec-21	Change
Cash held at Bank	1,772,642	288,217	1,484,425
Overdraft with Bank	(2,738,499)	(632,293)	(2,106,206)
Net Cash and Bank Balance	(965,857)	(344,076)	(621,782)

1.1. SIGNIFICANT FINDINGS ON THE AUDIT OF THE GENERAL PURPOSE FINANCIAL STATEMENTS OF THE GOVERNMENT OF SIERRA LEONE

REVENUE

The Finance Act of 2022 amended laws and regulations related to the assessment and collection of revenue; thus, the National Revenue Authority (NRA) has made extensive strides in increasing revenue collection during the year. This increment was further boosted by automation of revenue transactions in the Domestic Tax Department and the Customs Department.

Notwithstanding the encouraging steps employed by the NRA to improve the revenue generation performance, we noted some gaps in the revenue assessment, collection, and reporting. These gaps could be attributed mainly to the failure of the NRA to collect tax revenue and apply penalties and sanctions against defaulters. Below are highlights of the findings:

Input GST Wrongly Claimed by Taxpayers not supported

Section 29(5a) of the GST Act of 2009 requires the submission of supporting documents before a tax credit GST can be claimed. We however, noted that input GSTs totalling SLE39,724,763 were not supported by relevant documentation, such as the schedule of local purchases and import GST in the Integrated Tax Administration System (ITAS).

Revenue not Traced to the Consolidated Fund

The transit banks are expected to transfer the revenue collected into the consolidated fund account at the Bank of Sierra Leone (BSL) within 24 hours upon receipt. The Sierra Leone Commercial Bank made a transfer totalling SLE3,565,919 regarding income tax revenue collected during 2022 to the BSL. We however could not trace this transfer in the Income Tax accounts held at the BSL.

Non-compliance with Clauses in the Contract Agreement

The non-compliance with clauses in the contract agreement between some companies and various MDAs led to a revenue loss totalling SLE38,226,990.36. It is important to highlight that these unpaid balances are not part of the domestic arrears disclosed in the Financial Statements.

Table showing amounts not paid			
Details	Amount Due (SLE)	Amount Due (US\$)	MDAs
Approved royalty payment of 8% per sale of each e-Passport.		429,627	Immigration Department
The establishment and management of Agricultural Machinery Services for Farmers and Farming Groups	19,464,733		Ministry of Agriculture and Food Security
Memorandum of Understanding (MoU) between the Ministry of Youth Affairs and Fishing groups	2,241,965		Ministry of Youth Affairs
Concession agreement Container Terminal for Freetown Terminal Limited – Bollore and the Government of Sierra Leone		367,172	Ministry of Finance and National Commission for Privatisation

Table showing amounts not paid			
Details	Amount Due (SLE)	Amount Due (US\$)	MDAs
Revenue not pay to NRA by 75 NGOs	182,500	5,000	Ministry of Development and Economic Planning 2022
Lease land rental, and land freehold (sale),	456,000	50,000	Ministry of Lands, Housing and Country Planning
Total	22,345,198	851,799	

*Note: Dollar values were converted to Leone (US\$1=SLE18.645)

Misstatement of Revenue Arrears figures in the General Purpose Financial Statements

Revenue arrears disclosed in the General Purpose Financial Statements for the year ended 31st December, 2022 was SLE825,265,000. Based on the documents reviewed, the NRA and the respective MDAs are still collecting the outstanding debt. However, we observed the following:

- From Appendix 2 of the audited GPFS, we noted with concern that State Owned Enterprises (SOE) constitute 48% (SLE426,548,647) of the total revenue arrears. Revenue such as Corporation Tax, Withholding Tax, Pay-As-You Earn Tax, Goods and Services Tax, Income Tax, and penalties have not been paid by these SOEs.
- Section 73(1) of the PFMRs of 2018 requires that the Commissioner-General and the vote controller submit revenue arrears to the Accountant-General, which should be included in the GPFS. We however noted that several MDA figures were not included in the arrears, and some arrears in the GPFS were misstated. See details below.

Details	Amount in the GPFS (SLE)	Amount in the client records (SLE)	Remarks
Customs Department	89,481,000	25,875,667	Overstatement
National Telecommunication Authority	65,469,000	336,606,737	Understatement
National Commission for Privatisation	324,615,440	426,549,000	Understatement
Environment Protection Agency	-	25,004,271	Not included
National Tourist Board	-	4,632,310	Not included
Total	479,565,440	818,667,985	

Integrated Tax Administration System and Electronic Cash Register

The NRA also introduced the ITAS and electronic cash register (ECR) to administer revenue transactions in the Domestic Tax Department (DTD). The system became fully operational in 2022. Listed below are key issues we observed:

- There was no escrow agreement for software purchased from the vendor of the ECR system. If the software vendor goes out of business, the NRA cannot obtain a copy of the vendor's software for future support. Best practice dictates that the escrow agreement should be part of the initial agreement made with the vendor.

- We noted that the ITAS and ECR vendors who were the developers of the two systems at the NRA were still accessing the production systems with active elevated rights. Best practice dictates that the vendor/developer should be separated from the live or production environment.
- We observed that there was no ICT Strategic Plan. As such, there were no clear set of goals and objectives on how those technologies will be implemented and used, as well as articulates how the technology strategy supports critical business objectives. The ICT Strategic Plan is an integral part of business strategy that aims to align technology and operations with business goals.

RECURRENT AND CAPITAL EXPENDITURE

Contract Agreement between the Gento Group of Companies and the Sierra Leone Road Authority

From a review of the contract agreement and a signed Memorandum of Understanding valued at US\$42,782,727, we observed that an amount totalling US\$39,676,314 was paid to the contractor leaving a balance of US\$3,106,413. We however noted that there were certain discrepancies in the payment process. Based on the letter written by the Assistant Director–Fiscal Risk Management Division (FRMD) and a letter from the Chief Executive Officer of Gento Group, an Interim Payment Certificate (IPC 1A) valued at US\$5,459,499.26 (SLE71,281,565) was issued in 2018 due to delayed payment of IPC 1 as prescribed in clause 60.10 of the contract agreement. We however observed that, the Road Maintenance Fund Administration had already made payment for IPC 1 in 2016. Furthermore, there were no certified arrears (outstanding IPC) regarding this contract, as confirmed by the ASSL’s final verification report on domestic debt 2018.

Interim Payment Certificates (IPCs 5) totalling US\$13,524,419.34 were claims for loss and damages for the project's suspension. There was however no evidence of any instruction from the engineer to suspend the work in progress, which contradicts Clause 40.1 of the contract agreement. The ASSL or the Internal Audit Department of the Ministry of Finance did not verify this claim, which is the usual practice for such claims. The amount paid was US\$13,478,570 in 2022, leaving a balance of US\$45,849.

Expenditure not Supported by Relevant Documentary Evidence

We reviewed withdrawals from imprest accounts from ministries and departments to assess whether they were spent for the intended purpose and in accordance with the PFMA of 2016. We however noted that transactions totalling SLE33,004,730.76 were not supported by relevant documentary evidence such as payment vouchers, receipts, delivery notes, and expenditure returns. Without the original records and documentation, the purpose for which the expenditure was incurred could not be ascertained, and these payments could have been misclassified in the GPFs. See details in the table below.

Name of MDAs	Details	Amount	
		SLE	US\$
Ministry of Foreign Affairs and International Cooperation: 2022	Bank withdrawals without supporting documents	277,601.00	
Ministry of Health and Sanitation (HQ): 2022	Bank withdrawals without supporting documents	3,978,934.66	198,228.44

Name of MDAs	Details	Amount	
		SLE	US\$
Ministry of Defence: 2022	Bank withdrawals without supporting documents	295,398.11	
Ministry of Land, Housing and Country Planning (HQ): 2022	Bank withdrawals without supporting documents	805,032.00	
Ministry of Gender and Children's Affairs(HQ): 2021-2022	Bank withdrawals without supporting documents	121,750.00	
Ministry of Youth Affairs: 2022	Bank withdrawals without supporting documents	510,910.00	
Ministry of Energy: 2022	Bank withdrawals without supporting documents	102,511.70	
Ministry of Tourism and Cultural Affairs: 2022	Bank withdrawals without supporting documents	556,549.03	
Cabinet Secretariat: 2022	Bank withdrawals without supporting documents	89,612.00	
Office of The President	Bank withdrawals without supporting documents	22,570,463.00	
Total		29,308,761.50	198,228.44

*Note: Dollar values were converted to Leone (US\$1=SLE18.645)

PUBLIC DEBT

There has been an immense improvement in managing and reporting public debts for domestic arrears and external loans. The level of both external and domestic loans however remains very high. The Public Debt Management Department (PDMD) has been working with the Bank of Sierra Leone and development partners to ensure that the risk of high debt service to total revenue is managed through refinancing and rollover of maturities.

We however observed the following:

High Risk of Debt Distress

The total outstanding public debt of the Government as at 31st December 2022 was SLE47,577,345,870 which is 94% of the Gross Domestic Product. We noted that domestic revenue (SLE8,088,376,000) cannot meet the debt service obligation (SLE14,879,143,000) for 2022. This has resulted in the Ministry of Finance using other debt instruments to service debt obligation that fell due in 2022.

Third-party Confirmation not received for External Debts

Our audit procedure to ascertain the accuracy of External Public Debt relating to multilateral and bilateral creditors recorded in the GPFS was restricted to creditor confirmation because of insufficient information for audit scrutiny. Of a total External Debt of SLE35,607,013,870 reported in the GPFS, SLE33,298,061,466, which accounts for 96%, were confirmed; external creditors did not confirm SLE2,308,952,404, which represents (4%) of the total debt. We could not perform other audit procedures to gain assurance over the remaining unconfirmed balance.

Loans Given to State-Owned Enterprises not Recovered

Loans totalling SLE15,000,000 were given to State-Owned Enterprises (SOEs) as stimulus packages: Sierra Leone Airports Authority (SLE7,000,000), Sierra Leone Postal Services (SLE3,000,000) and Sierra Leone Road Transport Corporation (SLE5,000,000). These SOEs should have made a total

repayment of SLE10,000,000 at the end of December 2022. No documents were however submitted to the auditor to confirm that these SOEs have made any repayments on these loans.

WAGES, SALARIES AND EMPLOYEE BENEFIT

In 2022, there was a 13% increase in wages, salaries and employee benefits compared to 2021. The amount rose from SLE3,769,446,000 to SLE4,314,179,000. The government wage bill however remained at 8% of GDP. Throughout 2022, several human resource/payroll reforms were implemented. One of the significant reforms was to ensure that all public workers on the payroll were registered with the National Civil Registration Authority (NCRA) and had a valid National Identification Number (NIN).

Section 25 of the NASSIT Act (2001) requires that the employer and the employee should pay a contribution (15% of earning/income) to the trust within fifteen days after the end of each month. Section 27 of the NASSIT Act (2001) also states the penalty for non-payment of contribution.

We observed that several cheques issued to pay NASSIT contributions were not recorded in the wages and salaries account. In the audited Financial Statement of NASSIT for 2022, it was reported that the Government of Sierra Leone owed NASSIT a total of SLE416,285,714 for contributions and pensions.

CASH AND BANK

Performing bank reconciliation between the bank statement and the cashbook is one of the critical controls required to safeguard an organisation's current assets. The Accountant-General has, over the years, instituted a robust regime of bank reconciliation.

We however observed with concern that cheques and electronic fund transfers totalling SLE60,669,322.10 were printed and issued during the year for which payments were not made in 2022. During our review of the Other Charges bank statements, we observed that certain transactions were reversed in the bank statement without mentioning their previous occurrence. These issues have been communicated to the BSL.

GENERAL OBSERVATION

Non-compliance with Laws and Regulations

Section 206 (1) of the PFMR 2018 states: *"The Accountant-General shall maintain a commitment register mentioned in regulation 95 through the computerised financial management system, databases of advance payments and staff loans mentioned in regulations 128 and 130; and a register of Ineligible Expenditure mentioned in regulation 274."* However, for the period under review, these documents were not provided to the auditors for examination. On the audited GPFS, the net position staff loans and advances during FY 2022 stood at SLE4,000,000.

1.2. AUDITOR-GENERAL'S OPINION ON THE GENERAL-PURPOSE FINANCIAL STATEMENTS OF THE CONSOLIDATED FUND

OPINION

We have audited the General-Purpose Financial Statements of the Consolidated Fund for the year ended 31st December 2022. These Financial Statements comprise the Statement of Cash Receipts and Payments of the Consolidated Fund, the Statement of Comparison of Budget and Actual Revenue and Expenditure, the Statement of Cash Position for the year ended, and notes of explanations and elaboration to the annual financial statements of consolidation fund.

In our opinion, the accompanying Financial Statements present fairly, in all material respects, the cash position of the Government of Sierra Leone as at 31st December, 2022 and its cash performance for the year then ended in accordance with Cash-basis International Public Sector Accounting Standards.

Emphasis of matter

We draw attention to the undermentioned matters that are ancillary to our responsibilities in auditing the GPFs of the Consolidated Fund. Our opinion is not modified in respect of these matters.

Input GST Claimed by Taxpayers without Documentation

Taxpayers utilised GST credits totalling SLE39,724,763 for the period under review. The relevant supporting documents were however not uploaded into the ITAS to justify such tax credits. This resulted in understating taxpayers' net GST liabilities and the loss of much-needed revenue for the government.

Recurrent Expenditure without Supporting Documents

In the following circumstances, we were not provided with sufficient and appropriate audit evidence to confirm the accuracy and completeness of the expenditure reported in the Financial Statements.

- (i) Withdrawals amounting to SLE33,004,731 were made from 10 ministries and departments imprest accounts without relevant documentary evidence like payment vouchers and other supporting documents.
- (ii) Payment amounting to SLE6,326,768 was made to Kalpataru Power Trans Ltd. regarding refund of GST. However, evidence of GST payment to substantiate the refund claimed was not made available to the ASSL.

Prior Year Adjustments

We draw attention to Note 32 of the GPFs, which describes the Prior Year Adjustments totalling SLE320,997,225. This was due to cancelled cheques relating to prior years' transactions that were not paid in 2017, 2018, 2019 and 2020. These were wrongly recorded as expenditures in the 2017, 2018, 2019, and 2020 Financial Statements.

Other matters

Statutory Deduction not Paid to NASSIT

Section 25 of the NASSIT Act (2001) requires the payment of contributions to the NASSIT within 15 days after the end of each month. We noted that cheques drawn for the payment of NASSIT contributions amounting to SLE200,756,560.95 were not paid.

Non-compliance with Clauses in the Contract Agreements

Non-compliance with the clauses in the respective contract agreements led to the loss of government revenue. Typical among them are as follows:

- (i) According to the contract change note, the contractor, HID CID Limited, was required to pay a royalty of 8% per sale of each e-passport to the Government of Sierra Leone. An outstanding royalty amount of US\$429,627 (approximately SLE8,010,395,415) for passports produced in 2022 however remains unpaid.
- (ii) Fourteen private businesses were involved in the contract for Agricultural Machinery Services. However, the total lease payment of SLE19,464,733 due to the government has not been made. This non-payment contradicts Section 16.3 of the Contract Agreement between the Ministry of Agriculture and Food Security and the private businesses.
- (iii) Fishing youth groups did not meet their payment obligations for fishing accessories provided by the Ministry of Youth Affairs. As a result, there was an outstanding amount of SLE2,241,965 for 2022, which led to a revenue loss that affected the Project's operations.
- (iv) The Freetown Terminal Limited-Bolloré owed the Government of Sierra Leone the sum of US\$526,062. Of this amount, the Ministry of Finance approved a waiver amounting to US\$158,890 leaving an outstanding amount of US\$367,172. This is approximately SLE6,845,921.94 not paid into the Consolidated Fund.

Responsibilities of the Accountant-General and the Minister of Finance for the General Purpose Financial Statements

The Accountant-General is responsible for the preparation and fair presentation of these Financial Statements in accordance with the requirements of the PFM Act 2016. He is to ensure that they comply with the International Public Sector Accounting Standard - Financial Reporting under the Cash Basis of Accounting (Cash Basis IPSAS) and relevant legislation; and for such internal control as he determines necessary to enable the preparation of the Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Accountant-General issues as he considers appropriate, instructions applicable to accounting practices and financial reporting of budgetary agencies and other entities included in general government. In addition, he ensures the development of efficient and effective information technology platforms for the accounting and management of public finances.

The Minister of Finance has ultimate responsibility for monitoring and exercising control over the financial management of all bodies included in the Financial Statements.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards for Supreme Audit Institutions will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with International Standards for Supreme Audit Institutions, we exercise professional scepticism throughout the audit. We also do the following:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of internal control.
- Evaluate the appropriateness of accounting policies, uses and the reasonability of accounting estimates and related disclosures made.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the government's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report in relation to disclosures made in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. Future events or conditions may however cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in blue ink, appearing to read 'Abdul Aziz', with a long horizontal line extending to the right.

ABDUL AZIZ
ACTING AUDITOR-GENERAL

1.3. GENERAL-PURPOSE FINANCIAL STATEMENT (GPFS)

STATEMENT A

STATEMENT OF CASH RECEIPTS AND PAYMENTS OF THE CONSOLIDATED FUND FOR THE YEAR ENDED 31ST DECEMBER 2022

Amounts in thousands of Leones

	Note	FY2022	FY2021
REVENUE AND GRANT RECEIPTS			
Domestic Revenue			
<i>Income Tax Receipts</i>	6	3,028,107	2,430,663
<i>Goods and Services Tax (GST) Receipts</i>	7	1,213,941	1,213,032
<i>Customs and Excise (C & E) Receipts</i>	8	1,184,692	1,564,036
<i>Mineral Resources</i>	9	400,102	523,254
<i>Fisheries</i>	10	196,588	153,697
<i>Other Departmental Receipts</i>	11	1,888,512	1,297,968
<i>Road User Charges</i>	12	176,434	211,839
Total Domestic Revenue Receipts		8,088,376	7,394,488
Receipts from Foreign Grants (Direct Budgetary Support - Grants)			
<i>HIPC Debt Relief Assistance</i>	13	58,777	16,549
<i>Other Grants and Aid</i>	14	1,946,901	1,021,302
Total Direct Budgetary Support Grants		2,005,677	1,037,851
TOTAL REVENUE AND GRANTS RECEIPTS		10,094,053	8,432,339
EXPENDITURE PAYMENTS			
Recurrent Operations			
<i>Wages, Salaries and Employee Benefits</i>	15	4,240,716	3,769,446
<i>Use of goods and services</i>	16	4,666,413	3,091,565
Transfers and Grants			
<i>Grants to Tertiary Educational Institutions</i>	17	59,261	9,238
<i>Transfers to the Road Fund</i>	18	163,587	210,045
<i>Transfers to Local Councils</i>	19	268,121	82,405
<i>Other Grants</i>	20	306,942	183
Other Recurrent Payments	21	160,080	33,467
Interest Payments			
<i>Financing Costs – Domestic Interest Payments</i>	22	1,647,684	1,132,678
<i>Financing Costs – External Interest Payments</i>	23	243,971	102,879
Total Interest Payments		1,891,654	1,235,557
Total Recurrent Expenditure Payments		11,756,775	8,431,908
Domestic Capital/Development Expenditure	24	1,554,717	1,485,621
Arrears Payments	26	238,294	704,554
TOTAL EXPENDITURE PAYMENTS		13,549,786	10,622,083
CASH SURPLUS/(DEFICIT), INCLUDING GRANTS		(3,455,732)	(2,189,744)

STATEMENT A

STATEMENT OF CASH RECEIPTS AND PAYMENTS OF THE CONSOLIDATED FUND FOR THE YEAR ENDED 31ST DECEMBER 2022

Amounts in thousands of Leones

	Note	FY2022	FY2021
FINANCING ITEMS			
External Borrowing (Loans)	27	475,670	961,752
External Debt Amortization	28	(881,605)	(622,664)
Domestic Borrowing (Net)	29	3,239,882	1,638,856
Staff Loans and Advances (Net)	31	4	1,706
Other Items (Net)			
<i>Returned Payments</i>		0	50
Total Other Items (Net)		0	50
OVERALL CASH SURPLUS/(DEFICIT)		(621,782)	(210,044)
Cash Balance at 1st January 2022	32	(344,076)	(134,032)
Cash Balance at 31st December 2022	32	(965,857)	(344,076)

The accounting policies and explanatory notes to these financial statements form an integral part of these financial statements.

Richard S Williams
Accountant-General
Government of Sierra Leone

Date 31st March 2023

STATEMENT B

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL REVENUE AND EXPENDITURE FOR THE YEAR ENDED 31ST DECEMBER 2022

Amounts in thousands of Leones

			FY2022		FY2021
	Original Budget Estimates	Revised Budget Estimates	Actual	Surplus/ (Shortfall)	Actual
Domestic Revenue					
Income Tax Receipts	2,709,000	2,930,529	3,028,107	319,107	2,430,663
Goods and Services Tax (GST) Receipts	1,464,000	1,451,027	1,213,941	(250,058)	1,213,032
Customs and Excise (C & E) Receipts	1,737,100	1,549,274	1,184,692	(552,408)	1,564,036
Mineral Resources	316,000	395,846	400,102	84,102	523,254
Fisheries	142,028	103,028	196,588	54,560	153,697
Other Departmental Receipts	988,112	1,097,021	1,888,512	900,399	1,297,968
Road User Charges	286,260	269,810	176,434	(109,826)	211,839
Total Domestic Revenue	7,642,500	7,796,535	8,088,376	445,876	7,394,488
Total Direct Budgetary Support					
Grants	2,300,473	3,447,817	2,005,677	(294,796)	1,037,851
Total Revenue and Grant Receipts	9,942,973	11,244,353	10,094,053	151,080	8,432,339
EXPENDITURE PAYMENTS					
Wages, Salaries and Employees			4,240,716	(342,716)	
Benefits	3,898,000	4,314,179			3,769,446
Non-Salary, Non-Interest Recurrent Expenditure	2,502,351	3,017,845	4,666,413	(2,164,061)	3,091,565
Transfers and Grants					
Grants to Tertiary Educational Institutions	80,906	80,906	59,261	21,644	9,238
Transfers to the Road Fund	134,434	269,810	163,587	(29,153)	210,045
Transfers to Local Councils	115,687	115,687	268,121	(152,434)	82,405
Other Grants	0	0	306,942	(306,942)	183
Other payments	0	0	160,080	(160,080)	33,467
Total Non-Interest Recurrent Expenditure Payments	6,731,377	7,798,426	9,865,120	(3,133,743)	7,196,351
Capital/Development Expenditure	2,506,789	2,738,094	1,554,717	952,072	1,485,621
Financing Costs – Domestic Interest Payments	1,260,249	1,401,988	1,647,684	(387,435)	1,132,678
Financing Costs – External Interest Payments	178,724	161,910	243,971	(65,247)	102,879
Arrears Payments	0	0	238,294	(238,294)	704,554
Total Expenditure Payments	10,677,139	12,100,418	13,549,786	(2,872,646)	10,622,083
Cash Surplus/(Deficit) from operations	(734,166)	(856,065)	(3,455,732)	3,023,726	(2,189,744)
External Borrowing (Loans)	1,135,500	1,135,500	475,670		961,752
External Debt Amortization	(739,958)	(864,726)	(881,605)		(622,664)
Domestic Borrowing (Net)	1,595,000	1,415,213	3,239,882		1,638,856
Staff Loans and Advances (Net)	0	0	4		1,706
Other Items (Net)	0	0	0		50
Net Financing Flows	1,990,542	1,685,987	2,833,951		1,979,700
Overall Cash Surplus/(Deficit)	1,256,376	829,921	(621,782)		(295,925)

STATEMENT B

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL REVENUE AND EXPENDITURE FOR THE YEAR ENDED 31ST DECEMBER 2022

Amounts in thousands of Leones

			FY2022		FY2021
	Original Budget Estimates	Revised Budget Estimates	Actual	Surplus/ (Shortfall)	Actual
Reconciliation to Fiscal Profile					
Cash Surplus/(Deficit) from operations	(734,166)	(856,065)			
External Borrowing (Loans)	(1,135,500)	(1,135,500)			
Contingency	(20,876)	(21,014)			
Arrears Payments	0	0			
Overall Deficit/Surplus (Fiscal Profile)	(1,890,542)	(2,012,579)			

STATEMENT C

STATEMENT OF CASH POSITION AS AT 31ST DECEMBER 2022

Amounts in thousands of Leones

	As At 31st December 2022	As At 31st December 2021	Change in Balances
CONSOLIDATED FUND			
CASH AND CASH EQUIVALENTS			
Treasury Ways & Means Advances Account	117,989	196,194	(78,204)
Treasury Main Account	144,542	(346,825)	491,368
Strategic Petroleum Fund Account	2,017	2,017	0
Road Maintenance Fund (RMFA)	0	1,793	(1,793)
Cargo Tracking	0	705	(705)
Anti-Corruption Commission	0	0	0
Fish Protection Stats Res	4,194	1,761	2,433
Donation To Free Health Care	9,581	0	9,581
GST-Refund	59,486	34,326	25,160
COI Special Recovery	3,009	3,009	0
Civil Aviation Authority Escrow	23,603	1,256	22,347
Petroleum Regulatory Agency	3,292	268	3,024
Petroleum Directorate Account	3,740	3	3,736
Environmental Protect Agency	6,870	519	6,351
National Tel. Commission Account	49,705	4,717	44,987
SL Maritime Administration Account	17,284	1,908	15,377
SL Roads Safety Authority	1,223	1,250	(27)
USL Teaching Hospital Complex	736	44	692
Multi Donor Free Quality Education SLL	502	502	0
Local Council Development Project	3,052	552	2,500
SL Content Development Fund	1	1	1
ISS SLPA GOSL Cargo Tracking	4,103	1,748	2,354
NATCOM Bradcorp Gateway Revenue	2,066	7,050	(4,984)
CTN Fees Forex	2,087	1,777	310
National Water Resources Management Agent	152	2	150
NACOVERC Lab Fees USD	2,252	573	1,679
Vehicle Loan Scheme AC	1,493	1,493	0
NACOVERC Lab Fees & Fines	1,713	0	1,713
Debt Management Treasury	217,359	0	217,359
Timber Export Levy	366,267	0	366,267
Goods and Services Tax	2	0	2
Revenue Income Tax Account	1,103	0	1,103
Standards Bureau	1,714	0	1,714
State Lands Sales	8	0	8
Revenue Immigration Account	1	0	1
Audit Service	30	0	30
Departmental Bank A/C	682,338	332,444	349,894
COVID-19 Emergency Response	39,131	39,131	0
TOTAL CASH AND CASH EQUIVALENTS	1,772,642	288,217	1,848,425

STATEMENT C

STATEMENT OF CASH POSITION AS AT 31ST DECEMBER 2022

Amounts in thousands of Leones

	As At 31st December 2022	As At 31st December 2021	Change in Balances
OVERDRAFTS HELD AT BANK			
Other Charges Account	(1,900,228)	(240,442)	(1,659,785)
Salaries Account	(461,382)	(296,002)	(165,380)
Pensions Accounts	(47,594)	(12,028)	(35,566)
External Debt Service Payment A/C	(225,014)	(152)	(224,862)
Departmental Bank O/D A/C	(102,979)	(83,669)	(19,310)
Afforestation and City Levy	(31)	0	(31)
Other Ministries /Department Unclaimed	(1,272)	0	(1,272)
TOTAL BANK OVERDRAFT HELD	(2,738,499)	(632,293)	(2,106,206)
NET CASH AND BANK BALANCES - CONSOLIDATED FUND	(965,857)	(344,076)	(621,782)

Note: The overdrafts held at bank represent overdraft balances in Treasury Accounts held at the Bank of Sierra Leone.

1.4. NOTES OF EXPLANATIONS AND ELABORATION TO THE PUBLIC ACCOUNTS

The numbered notes that follow relate directly to the content of the Financial Statements above and are numbered accordingly.

1. General Information

The Financial Statements are for the CF of the Government of Sierra Leone, as specified in section 111 of the Constitution of Sierra Leone 1991 and the PFM Act of 2016.

The Unaudited Financial Statements presented above reflect the Cash Receipts and Payments of the Consolidated Fund of the Government of Sierra Leone for the financial year ended 31st December 2022 predominantly on the basis of moneys received by, held in or paid out by the Accountant General during the year under review. The Government through the Accountant General's Department (known as the Treasury) operates a centralised treasury function that accounts for moneys either received directly by the treasury or collected by the National Revenue Authority (NRA) and administers cash expenditures incurred by all ministries, departments and agencies (MDAs) during the financial year. The amounts appropriated to the MDAs are not controlled by the MDAs but are deployed on their behalf by the Treasury on presentation of appropriate documentation and authorisation. Thus, the amounts reported as allocations/appropriations in the STATEMENT OF COMPARISON OF BUDGET AND ACTUAL REVENUE AND EXPENDITURE FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2022 are those the Treasury has expended for the benefit of the MDAs. These also include adjustments for expenditure payments and cash balances for four self-accounting entities within the FreeBalance Accountability Suite used by the Government. These self-accounting entities are the Ministry of Defence (MOD), the Sierra Leone Police (SLP) the Sierra Leone Correctional Service and the Office of The Ombudsman The list for entities included in the accounts is provided for in **Appendix 1**

In effect, the Annual Financial Statements of the CF of the Government of Sierra Leone include the results of transactions and financial operations of all its Ministries, Departments and Agencies that were processed through the National Treasury and the Self-accounting entities. As far as Subvented Agencies are concerned, these Financial Statements only capture transfers coming out of the CF. The subvented and other public sector entities that are outside of the consolidated fund will separately produce their own financial statements for audit. These audited financial statements will thereafter be combined by the Accountant General with those of the CF in producing the annual financial statements of the central government, as required by section 89 of the PFM Act 2016, covering all entities included in the Central Government.

The use of public resources by the Government is primarily governed by the 1991 Constitution (as amended), the PFM Act of 2016 (and its attendant regulations), and the National Public Procurement Act of 2016 (and its attendant regulations).

The principal address of the Accountant General's Department of the Ministry of Finance, is Ministerial Building, George Street, Freetown, Sierra Leone. Website: www.mof.gov.sl, Email: agd@mof.gov.sl and info@mof.gov.sl.

2. Summary of Significant Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Statement of Public Accounts.

a. Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with the requirements of the PFM Act, 2016 and comply with the International Public Sector Accounting Standard - Financial Reporting under the Cash Basis of Accounting (Cash Basis IPSAS). The measurement basis applied is the historical cost basis, except where otherwise stated in the accounting policies below.

The Financial Statements have been prepared on the cash basis using the Government's standard chart of accounts.

The accounting policies adopted have been consistently applied to all the years presented.

b. Reporting Currency

The Financial Statements are presented in Leones, which is the functional and reporting currency of the Government of Sierra Leone.

c. Reporting Period

The reporting period for these financial statements is a period of twelve months starting on 1st January 2022 to 31 December 2022, as specified in Section 1 of the PFM Act, 2016.

d. Receipts

Receipts are cash inflows within the Financial Year, comprising of receipts from Statutory/Authorized Allocations, Taxes, External Assistance (Bilateral and Multilateral Agencies), Other Aid and Grants, other borrowings, Capital receipts (Sale of Assets etc.), Receipts from Trading activities, fines, levies, and other receipts.

These items shall be disclosed in summary on the face of the Statement of Cash Receipts and Payments for the year in accordance with the standardized GPFS. Notes shall be provided with detailed Statement of Revenues collected during the year by source of revenue and by line item accounts code. Also, a Statement of Arrears of Revenues as at end of the financial year shall be provided by source of revenue and by line item accounts code.

Disposal proceeds from the sale of assets are recognized as receipts at the time of disposal.

e. Interest Received

Interest actually received during the financial year shall be treated as a receipt under item 'Other Receipts'.

f. Government Business activities

Cash receipts from trading activities shall be recorded net in the GPFS (after deducting direct expenses) unless otherwise provided for by law or policy in force. Total net receipts from all trading activities shall be disclosed in the Statement of cash receipts and payments under 'trading activities' item

Wherein gross revenue is recorded, corresponding payments shall be charged under a corresponding payment item head 'Government Business activities' in the Statement of Cash Receipts and Payments.

g. Payments

Payments are recurrent and capital cash outflows made during the financial year and shall be categorized either by major economic categories/programme (activities) and/or by function in the statement of cash receipts and payment.

Payments for purchase of items of capital nature shall be expensed in the year in which the item has been purchased. It shall be disclosed under capital payments. Investments shall also be treated in the same way as capital purchases.

Prepaid expenses are amounts paid in advance of receipt of goods/services or work done (under contractual arrangements) and are charged directly to the respective expenditure item in the period of payment.

h. Interest on Loans

Actual Interest on loans and other bank commissions charged on Bank Accounts during the year shall be treated as payments and disclosed under interest payment in the Statement of Cash Receipts and Payments.

i. Foreign Currency Translation

Cash flows arising from foreign currency transactions are translated into Leones using the spot exchange rates prevailing at the date of payment/receipt.

Foreign currency balances, as at the year end, shall be translated at the exchange rates prevailing on that date (closing spot rate or year-end exchange rate).

Foreign exchange gains and losses resulting from the settlement of foreign transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of Cash Receipts and Payments accordingly either as receipts/payments.

j. Cash and Cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. These comprise mainly Bank account balances; include amounts held at the Bank of Sierra Leone and at various commercial banks, cash imprests and other short term highly liquid investments held at the end of the financial year.

k. Imprests and Advances

The Government policy specifically states that all imprests and advances shall be retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an imprest/advance is given out close to the financial year end or an imprest/advance already given could not be accounted for, such an imprest/advance (or balance outstanding) shall be treated as cash equivalent since there shall be no proof that such funds have been utilized.

l. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the Financial Statements.

The Budget Figures are the amounts approved by the Legislature in accordance with the Appropriation Act (annual budget and supplementary budget) and as detailed in the Government of Sierra Leone Budget Printed Estimates.

An assessment of the actual budgetary performance, at the level of legislative approval, against the comparable budget for the financial year under review has been included as Statement B of these Financial Statements.

m. Contingencies

In addition to those items recognized/accounted for in the Annual Financial Statements, there are a number of liabilities or assets that may arise in the future but are not recognized /accounted for. This is because they are dependent on uncertain future events occurring or the liability/asset cannot be measured reliably. Where these contingencies are to crystallize, there will be an associated impact on cash transactions that will be reflected on cash basis of accounting being used.

In that regard, contingent liabilities (including Guarantees) are recorded in the Statement of Contingent Liabilities (on memorandum basis) when the contingency becomes evident and under the cash accounting method they are recognized only when the contingent event occurs and payment is made. Contingent assets are not recognized and where not probable neither disclosed.

n. Unpaid (Outstanding) Commitments

Unpaid (Outstanding) Commitments including operating and capital commitments arising from non-cancellable contractual or statutory obligations are in the Statement of Unpaid (Outstanding) Commitments (shown on memorandum basis – as additional disclosure).

3. Authorization Date

The Un-Audited Financial Statements were authorized for issue on 25th March 2023 by Mr. Sheku Fantamadi Bangura, Minister of Finance of the Government of Sierra Leone.

4. The Approved National Budget

The approved National Budget is developed on the same accounting basis (cash basis), same classification basis, and for the same period (from 1st January 2022 to 31st December 2022) as for the financial statements. The Appropriation Act for FY2022 was adopted and passed into law by Parliament in November 2021. Following that, the Appropriation Act for FY2022 was signed into law by the President of the Republic of Sierra Leone in December 2021. This Government Budget and Statement of Economic and Financial Policies for the Financial Year, 2022 with the Theme “Building Resilience for Inclusive Green Recovery”. The key objectives of the 2022 Government Budget include the pursuing of fiscal consolidation to ensure fiscal and debt sustainability, accelerate investments in human capital in order to improve wellbeing of current and future generation. It also focuses on the expansion of social protection programmes to mitigate the impact of the liberalization of fuel prices to ensure inclusive growth and poverty reduction.

The total amount of the Approved Appropriation from the Legislature for FY2022 is SLE11,812 million (Revised Budget SLE13,235 million) of which the Recurrent Expenditure amounted to SLE8,170 million (Revised Budget SLE9,362 million) representing Wages, Salaries and Employees Benefits (SLE3,898 million), (Revised Budget SLE4,314 million) Non-Salary Non-Interest Recurrent Expenditure

(SLE2,833 million) (Revised Budget SLE 3,848 million) and Public Debts Charges (SLE2,178 million), (Revised Budget SLE2,428 million). Devolved Functions (SLE115 million), Development Expenditure (SLE2,506 million), (Revised Budget SLE2,738 million) and Contingency Fund (SLE20 million), (Revised Budget SLE21 million).

Reasons for Significant Variance between the Original and Revised Budget:

The actual variance is the difference between the revised budget (Supplementary budget) as the budget was revised in 2022. The FY2022 budget was revised due to the several reasons, i.e. Macroeconomic and fiscal uncertainties due to the Russia - Ukraine war caused by supply chain disruption and resulting in increased prices; government response to emerging expenditure priorities; the provision of additional resources by Development partners including the World bank, IMF, AfDB, etc; and anticipated additional domestic revenue.

Reasons for Significant Variance between the Revised Budget and Actual Expenditure:

- a) There is a variance in Wages, Salaries and Employees Benefits when the actual expenditure is compared to the revised budget. This variance is caused mainly by the depreciation of the Leones in respect of the payment of Foreign mission staff salaries. Salaries of foreign mission staff are paid in foreign currencies and this is greatly affected by the depreciation of the Leones against those currencies.
- b) The negative variance in Non-Salary, Non-Interest Recurrent Expenditure is caused by the following:
 - i. Depreciation of the SLLeones effect on foreign denominated Contracts
 - ii. Hick fuel in prices and other goods and services due to the supply chain disruption by the Russia- Ukraine war
 - iii. Government expenditure on pre-elections related activities significantly increased in FY2022 as part of governments elections preparedness effort. This is so because, funding anticipated by the government from partners was not received as such the government had the responsibility to fully finance the entire electioneering process.
 - iv. Following the August 10 demonstration, security related costs also increased significantly as MACP was activated till the end of December
- c) The variance in Transfers to Local Councils amounted to negative SLE153,424. This variance is as a result of increased government subsidies for school fees in respect of increased above budgeted enrolment in Pre-primary, primary and Junior secondary school. Also, the government subsidies on NPSE and BECE fees to WAEC has subsequently increased due to the increase in number of candidates that took the examinations.

5. Comparative Information

Certain comparative figures have been reclassified to conform to the current year's presentation. In particular, the provisions of the recently enacted PFM Act 2016 require that the Annual Financial Statements of the Consolidated Fund be prepared and submitted within three months of the end of a financial year, separate from those of budgetary and sub-vented agencies, and other entities of the Central Government. However, Section 89 of the PFM Act 2016 further required that the Accountant General prepare and submit to the Auditor General the Annual Financial Statements of the Central Government, which cover all entities included in the Central Government, not later than ten months after the end of a financial year.

6. Income Tax Receipts

The total amount of Income Tax Receipts collected during the fiscal year 2022 amounted to SLE3,028,102 million (SLE2,430,663 thousand - FY2022). The summary details of the income tax receipts are presented in the table below:

Income Tax Receipts (In thousands of Leones)

	Budget Estimates FY 2022	Actual FY 2022	Surplus/ (Shortfall) FY 2022	Actual FY 2021
Corporate Tax	805,000		(805,000)	
Personal Income Tax	1,904,000	2,426,796	522,796	1,874,178
PAYE- Government Employees		528,588	528,588	454,180
Withholding Tax-Govt. Contractors		64,443	64,443	93,715
Withholding Tax-Free Health Care		8,281	8,281	8,591
Total Income Tax Receipts	2,709,000	3,028,107	1,124,107	2,430,663

The total amount of Domestic Revenue Tax Arrears as at 31st December 2022 amounted to SLE825.3million (SLE653.5million - FY 2021). Further details are presented in Appendix 2 - Statement of Domestic Revenue Arrears.

7. Goods and Services Tax (GST) Receipts

The total amount of Goods and Services Tax (GST) Receipts collected during the fiscal year 2022 amounted to SLE1,213,941 thousand (SLE1,213,032 thousand - FY2021). The summary details of the Goods and Services Tax receipts are presented in the table below:

Goods and Services Tax (GST) Receipts (In thousands of Leones)

	Budget Estimates FY 2022	Actual FY 2022	Surplus/ (Shortfall) FY 2022	Actual FY 2021
Import GST	844,812	675,899	(168,912)	1,196,018
Domestic GST	619,188	517,517	(101,671)	0
GST Refund		20,525	20,525	17,312
Total GST Receipts	1,464,000	1,213,941	(250,058)	1,213,032

8. Customs and Excise (C & E) Receipts

The total amount of Customs and Excise (C & E) Receipts collected during the fiscal year 2022 amounted to SLE1,184,692 Thousand (SLE1,564,036 Thousand - FY2021), with further details shown below:

Custom and Excise (C & E) Receipts (In thousands of Leones)

	Budget Estimates FY 2022	Actual FY 2022	Surplus/ (Shortfall) FY 2022	Actual FY 2021
Import Duties	950,100	833,631	(116,469)	1,186,102
Petroleum Fuel Oils Excise Duty	706,044	262,815	(443,229)	375,633
Other Excise Duties	80,956	86,218	5,262	
Duty Waiver Income		2,028	2,028	2,301
Total C & E Receipts	1,737,100	1,184,692	(552,408)	1,564,036

9. Mineral Resources

The total receipts from mineral resources for FY2022 amounted to SLE400,102 Thousand (SLE523, 254 Thousand - FY2021), with further details shown below:

Mineral Receipts (In thousands of Leones)

	Budget Estimates FY 2022	Actual FY 2022	Surplus/ (Shortfall) FY 2022	Actual FY 2021
Royalty on Rutile	9,100	10,977	1,877	
Royalty on Bauxite	17,025	25,834	8,809	
Royalty on Diamond and Gold	90,796	4,439	(86,357)	7,586
Royalty on Iron Ore	77,023	119,268	42,245	
Licences	122,056	118,440	(3,616)	
Miscellaneous		121,144	121,144	515,668
Total Mineral Receipts	316,000	400,102	84,102	523,254

10. Fisheries

The total receipts from fisheries for FY2022 amounted to SLE153,697 Thousand (SLE196, 558 Thousand - FY2021), with further details shown below:

Fisheries Receipts (In thousand of Leones)

	Budget Estimates FY 2022	Actual FY 2022	Surplus/ (Shortfall) FY 2022	Actual FY 2021
Reg'n Artisanal Fish Vessels	142,028	2,433	(139,595)	80,066
Freight Levy Maritime		93,392	93,392	72,745
Fish Health Certificates		100,762	100,762	886
Total Fisheries Receipts	142,028	196,588	54,560	153,697

11. Other Departmental Receipts

The total amount of Other Departmental Receipts collected during the fiscal year 2022 amounted to SLE1,888,512 Thousand (SLE1,297,968 Thousand - FY2021), with further details shown below:

Other Departmental Receipts (In thousands of Leones)

	Budget Estimates FY 2022	Actual FY 2022	Surplus/ (Shortfall) FY 2022	Actual FY 2021
Issuance of National ID Cards	-	-	-	25
Passports	-	18,699	18,699	5,922
Pharmacy Board Licence	-	7,351	7,351	12,122
Rent Received from Gov't Qtrs.	-	-	-	153
Strategic Petroleum Income	-	36,094	36,094	27,321
Petroleum Directorate	-	12,481	12,481	5,383
Forest Produce Licences	304,858	9,078	-295,781	36,269
Export Licences	-	366,267	366,267	316,514
EPA Monitoring Fees	-	75,325	75,325	41,711
Standards Bureau Import Inspection Fees	-	1,468	1,468	1,540

Other Departmental Receipts (In thousands of Leones)

	Budget Estimates FY 2022	Actual FY 2022	Surplus/ (Shortfall) FY 2022	Actual FY 2021
NATCOM Bradcorp Gateway Revenue	-	225,459	225,459	170,282
SLRSA Vehicle Licences	-	86,098	86,098	91,866
SLCAA Aircrafts Certificates	-	98,154	98,154	41,132
Penalties	-	-	-	2,645
Auctioneer Licence	-	10	10	470
Donation to Free Health Care	-	9,581	9,581	6,064
Hospital Fees	-	3,689	3,689	2,458
Produce Licence	-	6,629	6,629	12,512
NPPA Sale of Bidding	-	682	682	655
ASSL Audit Fees	-	704	704	856
National Water Resources Fees	-	1,101	1,101	871
NACOVERC Lab Fees and Fines	-	15,599	15,599	80,000
NACOVERC Lab Fees USD	-	1,679	1,679	10,573
CTN Fees	-	2,087	2,087	1,777
Privatisation Receipt	125,378	75,678	-49,700	39,069
Land Sales	-	8,663	8,663	-
Local Content Development Fund	-	-	-	1
Receipt Development Grant (CAPITAL)	-	-	-	3,217
Miscellaneous Receipts	557,876	825,937	268,061	386,584
Total Other Departmental Receipts	988,112	1,888,512	900,399	1,297,968

The total amount of Miscellaneous Receipts of SLE 825, 937 Thousand for fiscal year 2022, (SLE 386, 584 Thousand – FY2021) comprises, as follows:

MISC RECEIPTS - FY2022

MDA		FY2022	FY2021
Code	Description	SLE' Thousand	SLE' Thousand
105	Ministry of Political and Public Affairs	305	0
107	Ministry of Local Govt. and Rural Development	2,553	3,074
110	Secretary to the President	63,544	8,606
112	Office of the Vice President	97,539	33,708
117	Cabinet Secretariat	859	52
118	The Judiciary	27,020	10,163
122	Human Resource Management Office	583	911
124	Law Officers' Department	9,097	8,356
127	Ministry of Planning and Economic Development	11,614	3,314
128	Ministry of Foreign Affairs and International Coop.	7,444	8,509
129	Ministry of Finance	18,456	13,236
130	National Revenue Authority (NRA)	151,386	136,755

MISC RECEIPTS - FY2022

MDA			
Code	Description	FY2022 SLE' Thousand	FY2021 SLE' Thousand
132	Accountant General's Department	3,549	43,719
133	Ministry of Information and Communication	1,472	2,374
141	Government Printing Department	4,577	1,649
201	Ministry of Defence	183,318	26,586
205	Ministry of Internal Affairs	1,219	699
206	Sierra Leone Police	94,569	30,630
207	Sierra Leone Correctional Services	55,944	476
208	National Fire Authority	119	54
211	Immigration Department	3,428	1,047
301	Ministry of Education Science and Technology	8,883	4,940
302	Ministry of Sports	580	25
303	Ministry of Tourism and Cultural Affairs	4,159	1,866
304	Ministry of Health and Sanitation	35,755	27,108
305	Ministry of Social Welfare Gender and Children Affairs	809	569
306	Ministry of Lands Country Planning and Environment	129	833
310	Ministry of Youth Affairs	1,066	1,040
401	Ministry of Agriculture, Forestry and Food Security	17,692	12,354
402	Ministry of Fisheries and Marine Resources	14,201	391
404	Ministry of Transport and Aviation	678	533
406	Ministry of Energy	375	615
407	Ministry of Labour and Social Security	891	626
408	Ministry of Works Housing and Infrastructure	1,150	622
409	Ministry of Trade and Industry	71	501
414	Ministry of Water Resources	901	572
614	NERCOVERC)	0	70
Total		825,937	386,584

12. Road User Charges

Receipts collected from Road User Charges totalled SLE 176,434 Thousand (SLE 211,839 Thousand – FY2021).

Road User Charge Receipts (In thousands of Leones)

	Budget Estimates FY 2022	Actual FY 2022	Surplus/ (Shortfall) FY 2022	Actual FY 2021
Road User Charges	286,260	176,434	(109,826)	211,839
Total Road User Charge Receipts	286,260	176,434	(109,826)	211,839

These amounts are collected and transferred to the Road Maintenance Fund under the control of the Roads Maintenance Fund Administration (RMFA).

13. HIPC Debt Relief

The total amount of debt relief granted in FY2022 under the Highly-Indebted Poor Countries (HIPC) programme was SLE58,777 Thousand (SLE16,549 Thousand – FY2021), with details as shown below

HIPC Debt Relief Assistance (In thousand of Leones)

	Budget Estimates FY 2022	Actual FY 2022	Surplus/ (Shortfall) FY 2022	Actual FY 2021
International Fund for Agric Development (IFAD)		42,549	-	7,251
European Economic Community (EEC)	983,935	4,733	(979,202)	9,298
International Monetary Fund (IMF)		11,495	-	
Total HIPC Debt Relief Assistance	983,935	58,777	(979,202)	16,549

14. Receipts from External Donor Grants (Direct Budgetary Support - Grants)

The total amount of foreign (external) grants received during FY2022 was SLE1,946,901 Thousand (SLE1,021,302 Thousand – FY2021), with details as shown below:

Other Grants and Aid (In thousands of Leones)

	Budget Estimates FY 2022	Actual FY 2022	Surplus/ (Shortfall) FY 2022	Actual FY 2021
World Bank –IDA		1,946,901	1,946,901	832,715
EU State Building Contract		-		188,588
International Monetary Fund (IMF)		-		
Other Grant and Aid	1,316,538		(1,316,538)	
Total Other Grants and Aid	1,316,538	1,946,901	630,363	1,021,302

The Government of Sierra Leone received the sum of US\$90 million equivalent of SLE1.94 billion from The World Bank's International Development Association (IDA). This was received during the third and fourth quarter of 2022 through its Second Inclusive and Sustainable Growth Programme.

15. Wages, Salaries and Employee Benefits

The actual total amount of Wages, Salaries and Employee Benefits paid during FY2022 was SLE4,240,716 Thousand (SLE3,769,446 Thousand – FY2021), excluding Wages and Salaries Arrears Payments of SLE12,510 Thousand (SLE18,359 Thousand – FY2021) made during the year.

Details of Wages, Salaries and Employees Benefits expended during the financial year being analysed by Object Code are presented below:

Wages, Salaries and Employee Benefits by Object Code (In Thousands of Leones)

			Actual FY 2022	Actual FY 2021
2111	210101	Basic Salaries	2,258,506	1,993,901
2112	210201	Salary Grants	810,840	679,734
2119	210301	Daily Wage	410	-
2114	210601	Travelling Claim To Retirement	-	251
2121	210403	Transport Allowance	92,967	91,085
2122	210404	Medical Allowance	352	26,410
2123	210405	Rent Allowance	99,325	92,011
2126	210408	Domestic Servant Allowance	79	81
2127	210409	Fuel Allowance	694	72
2128	210410	Risk Allowance	4,391	43,135
2130	210412	Clothing Allowance	491	579
2131	210413	Responsibility Allowance	404	324

Wages, Salaries and Employee Benefits by Object Code (In Thousands of Leones)

			Actual FY 2022	Actual FY 2021
2132	210414	Remote Allowance	60,263	54,709
2133	210415	Acting Allowance	11,185	7,316
2136	210418	Travel Bonus	178	204
2139	210421	Other Allowances	100,172	69,619
2140	210422	Late Allowance	7	7
2145	210427	Entertainment Allowance	1,209	831
2147	210429	Security Allowance	498	-
2149	210431	Leave Allowance	216,546	165,900
2152	210434	Special Acting Allowance	562	413
2153	210435	Representation Allowance	61	62
2155	210437	Children Allowance	993	1,036
2156	210438	Education Allowance	160	157
2158	210440	On Call Medical Allowance	75,364	67,926
2159	210441	COVID-19 Risk Allowance	24,222	-
2160	210442	Maintenance Allo.Vehicle Loan	-	209
2196	210443	Rice Allowance	41,421	-
NA	210444	COVID-19 Allowance	43,756	-
NA	210445	Non-Accountable Allowance (Judges)	4,073	-
2181	210801	Emp Cont To Social Security Pen	91,930	218,198
2182	210901	Gratuities	-	150,463
2183	210802	Pensions	37,185	51,027
2184	210803	Death Gratuities	23,162	14,991
2185	210804	2%NASSIT for Army Early Retire	1,769	2,543
2186	210805	2.5% Initial Cost NASSIT Scheme	24,472	36,253
2182	210806	Living Gratuity	213,469	-
Total Wages, Salaries and Employee Benefits			4,240,716	3,769,446

Further details on Wages, Salaries and Employee Benefits paid by the Government during FY2022 are available in Appendix 3 below, analysed by Ministry, Department and Agency (MDA).

16. Use of Goods and Services

Use of Goods and Services expended during the financial year totalled SLE4,666,413 and (SLE3,092,591 Thousand – FY2021). These include such items as Stationery, Communications, Water and Sewage, Fuel and Lubricants for Vehicles, Fuel for Generators, Specialised Medical Equipment etc.

Details of Use of Goods and Services expended during the financial year being analysed by Object Code are presented below:

Use of goods and services (In Thousands of Leones)

			Actual FY 2022	Actual FY 2021
2211	220101	Local Travelling	25,494	6,194
2212	220102	Overseas Travelling	87,435	24,710
2221	220201	Electricity	10,323	3,645
2222	220202	Water	4,054	1,452

Use of goods and services (In Thousands of Leones)

			Actual FY 2022	Actual FY 2021
2223	220203	Telephone & Other Comm	5,237	4,647
2241	220302	Office & General	1,021,975	840,309
2242	220303	Stationery	12,121	9,846
2243	220501	Official Recpt, Ent & Hosp	1,272	1,215
2244	220401	Office Cleaning	4,269	2,830
2245	220304	Office Stores/Supplies	19,948	17,973
2246	220402	Computer Running Costs	3,127	4,013
2247	220403	Cleaning - Others	133	28,914
2251	220502	Advertisements	94	59
2252	220503	Publications	614	522
2253	220504	Printing (General)	1,635	107
2255	220506	Public Relations Expenses	-	144
2261	220404	Building Maintenance	15,130	7,433
2263	220406	Road Maintenance	378	558
2262	220405	Machinery & Equip Maintenance	2,152	983
2264	220407	Vehicle Maintenance	15,936	5,206
2265	220408	Generator Running Cost	192	79
2267	220410	Insurance-Motor Vehicles/Cycle	512	248
2268	220411	Insurance-Machine & Equipment	-	6,415
2270	220305	Rice For Officers & Other Rank	143,173	85,757
2272	220306	Medical ConsumablesS	27,525	-
2277	220310	Imprest	13,087	11,588
2291	220511	Bank Charges	15,279	50,843
2292	220512	Misc Operat'L Expenses	596	14,015
2293	220513	Honoraria & Other All'Ces	2,599	-
2294	220514	'Freight/Port Charges	3,322	843
2311	220103	Recruitment	92	2,949
2312	220104	Training Local	4,308	4,428
2313	220105	Training Overseas	12,236	8,007
2314	220106	Local Conferences	9,242	804
2315	220107	Professional Fees/Consultancy	32,340	46,753
2317	220109	Legal Expenses	400	-
2318	220110	Medical Expenses	55,466	17,983
2321	220113	Uniforms/Protective Clothing	6,323	15,410
2322	220114	Text Books	25,520	-
2323	220115	Teaching & Learning Materials	49,845	-
2324	220116	Diets & Feeding	116,571	50,682
2343	220119	Hotel Accommodation	207	-
2231	220124	Hire Of Transport	153	-
2227	220301	Sports Equipments	6,900	-
2325	220315	Drugs & Medical Supplies	19,600	8,160
2326	220316	Tools & Laboratory Items	-	50
2281	220412	Fuel & Oil-Boats & Other Sea Vessels	670	-
2284	220413	Fuel & Oil-Generator	1,559	-
2338	220414	Other Fire Prevention Expenses	1,368	-
2328	220415	Fuel & Oil (Vehicles)	173,093	84,667
2366	220416	Fuel & Oil-Motor Bikes and Tricycles	271	-
2332	220319	Essential Drugs	273	2,234
2333	220320	Medical Supplies	2,194	170

Use of goods and services (In Thousands of Leones)

			Actual FY 2022	Actual FY 2021
2334	220321	Other Consumables	34	50
2352	220324	Other Drugs & Medical Supplies	23,250	-
2339	220519	Other Funeral Expenses	3,950	558
2341	220520	Rent For Office Accomod'T	23,238	30,755
2344	220522	Rates	7,704	2,649
2346	220524	State House & Pres. Lodge Exp	3,376	21,855
2351	220526	Research Expenses	593	-
2364	220528	Sports Competitions	80,360	56,692
2365	220529	Fuel For Emergency Power	18,756	220,968
2383	220533	Official Receptions/Hosp	8,462	651
2385	220534	Diplomatic Corp Activities	1,115	1,616
2389	220538	Other Service Activity Exps	100	-
2392	220541	State Security Expenses	31,904	26,017
2393	220542	Agricultural Expenses	139,429	4,382
2394	220543	Agricultural Input	60,509	-
2411	230101	Current Grants Gen Govn Bodies	2,109,854	1,247,645
2415	230105	Grant In Aid	577	555
2418	220549	Donations	-	702
2419	220550	Other Contributions	-	900
2423	230111	Youth Development Prog.	1,793	-
2446	220314	Ration For Officers	7,054	-
2611	240101	Aquisition Of Land	150	-
2613	240103	Furn,Office Equip,Safes	12,306	4,791
2614	240104	Computers And Ancillary Equip	9,258	6,035
2615	240105	Vehicles	107,091	72,762
2616	240106	Intangible Assets	-	195
2621	240111	Feasibility Study,Proj.Design	-	99
2623	240113	Motor Vehicles	-	453
2624	240114	Bicycles And Tricycles	100	-
2631	240116	Plant,Equip& Machinery	3,726	10,775
2632	240117	Const'N/Reconst'N Of Buildings	33,101	2,150
2633	240118	Rehabilitation Of Buildings	25,165	5,467
Total Use of goods and services			4,666,413	3,091,565

Further details are available in Appendix 4, comparing the Budget Estimates and Actual Expenditure Payments at the MDA Level and providing Spending Analysis by Object Code.

17. Grants to Tertiary Educational Institutions

The total amount expended during the financial year on Grants to Tertiary Educational Institutions was SLE59,261 Thousand (SLE9,238 Thousand – FY2021).

18. Transfers to the Road Maintenance Fund

The total amount accounted for as Road User Charges and transferred to the Road Maintenance Fund under the control of the Road Maintenance Fund Administration (RMFA) was SLE163,587 Thousand (SLE210,045 Thousand – FY2021).

19. Transfers to Local Councils

The total amounts paid in respect of Transfers to Local Councils and school fee subsidies for FY2022 was SLE268,121 Thousand (SLE82,405 Thousand – FY2021).

Transfers to Local Councils (In Thousands of Leones)

Local Councils	Particulars	Actual FY 2022	Actual FY 2021
70101	Direct Transfers to Local Councils	24,431	30,642
70102	Kailahun District	3,454	3,830
70103	Kenema City Council	783	1,056
70104	Kenema District Council	1,535	2,115
70105	Koidu New Sembenhun City Council	2,179	2,201
70106	Kono District Council	1,675	2,041
70107	Makeni City Council	649	934
70108	Bombali District Council	1,217	1,705
70109	Kambia District Council	2,353	3,067
70110	Koinadugu District Council	2,240	2,607
70111	Port Loko District Council	2,948	3,606
70112	Tonkolili District Council	2,972	3,591
70113	Bo City Council	729	1,046
70114	Bo District Council	1,541	2,378
70115	Bonthe Municipal Council	1,039	1,425
70116	Bonthe District Council	1,233	1,430
70117	Moyamba District Council	2,389	3,298
70118	Pujehun District Council	2,566	3,103
70119	Western Area Rural District Council	1,396	2,149
70120	Freetown City Council	4,335	6,239
70121	Port Loko City Council	546	725
70122	Karene City Council	1,470	1,821
70123	Falaba City Council	1,207	1,401
		64,886	82,405
	Indirect Transfers to Local Councils		
	School Fees Subsidy	203,234	-
	Local Government Development Grant	-	-
		268,121	82,405

20. Other Grants (Payments)

The Other Grants (Payments) made in FY2022 totalled SLE306,942 Thousand (SLE 183 Thousand - FY2021), as outlined below:

Other Grants (In Thousands of Leones)

	Actual FY 2022	Actual FY 2021
Grants to Educational Units	27,175	183
Exams Subsidy to WAEC	84,072	-
Exams Subsidy to Nctva/Nvq	465	-
Election Expenses	192,519	-
Beds & Mattresses for Board Home	2,711	-
Total Other Grants	306,942	183

21. Other Recurrent Payments

The Other Recurrent payments made in FY2022 totalled SLE160,080 Thousand (SLE33,467 Thousand- FY2021), as outlined below:

Other Recurrent Payments (In Thousands of Leones)

	Actual FY 2022	Actual FY 2021
Social Benefits	605	850
Subscription to International Org.	22,445	31,265
Consolidated Act Based Expense	136,030	1,352
Peace Education	1,000	-
Total Other Recurrent Payments	160,080	33,467

22. Financing Costs – Domestic Interest Payments

The Financing Costs for Domestic Borrowing held in FY2022 (Domestic Interest Payments) amounted to SLE1,647,684 Thousand (SLE1,132,678 Thousand - FY2021) representing interest payments actually made during the period on various domestic debts of the Government, as outlined below:

Financing Costs - Domestic Interest Payments (Amounts In Thousands of Leones)

	Budget Estimates FY 2022	Actual FY 2022	Surplus/ (Shortfall) FY 2022	Actual FY 2021
Interest on Treasury Bills	885,573	1,421,846	(536,272)	972,664
Interest on Treasury Bonds	99,538	199,881	(100,344)	154,349
Ways and Means Interest	17,818	25,957	(8,138)	5,665
Total Domestic Interest Payments	1,002,929	1,634,697	(631,768)	1,132,678

Further details available in Note 28 and Appendices 6-8

23. Financing Costs – External Interest Payments

The Financing Costs for External Borrowing held in FY2022 (External Interest Payments) amounted to SLE243,971 million (SLE102,879 Thousand - FY2021) representing interest payments actually made during the period to external creditors, as outlined below:

Financing Costs - External Interest Payments (Amounts In Thousands of Leones)

	Budget Estimates FY 2022	Actual FY 2022	Surplus/ (Shortfall) FY 2022	Actual FY 2021
Multilateral Debts	229,593	190,880	(38,713)	95,446
Bilateral Debts	-	44,766	44,766	7,434
Commercial Debts	-	8,325	8,325	-
Total External Interest Payments	229,593	243,971	14,378	102,879

Further details available in Note 27 and Appendix 9

24. Capital/Development Expenditure

The total amount of SLE1,554,717 Thousand (SLE1,485,621 Thousand – FY2021) for Domestic Development Expenditure represents the Government's contribution to various Development Projects.

Further details are available in Appendix 5, with Actual Expenditure Payments at the MDA Level.

Development Project Operations

The total receipts recorded for Donor Funded Projects for the year under review amounted to SLE474,038 Thousand (SLE568,028 Thousand – FY2021) while total payments made by these projects stood at SLE555,686 Thousand (SLE549,974 Thousand – FY2021), resulting in a surplus of SLE81,648 Thousand (surplus SLE18,045 Thousand – FY2021). Summary details are provided in the analysis below:

Development Project Operations

Amounts in millions of Leones

	FY2022	FY2021
Project Receipts	474,038	568,028
Project Payments	555,686	549,974
Loss/Gains on Exchange	(8,575)	1,608
Development Project Operations (Net Flows)	(90,223)	19,663

Further details are available in Appendix 5a, Development Project Fund Flow

25. In-kind contributions/third party payments

During the Fiscal Year under review, the Government received from various sources In-kind contributions as donations made in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. However, it is not currently possible to identify and reliably ascertained the financial value received for such contributions.

26. Arrears Payments

The Arrears Payments made in FY2022 totalled SLE238, 294 million (SLE789, 409 Thousand – FY 2021), as outlined below:

Arrears Payments (In Thousands of Leones)

	Actual FY 2022	Actual FY 2021
Wages and Salaries Arrears	12,510	18,359
Domestic Arrears	225,784	771,050
Total Arrears Payments	238,294	789,409

27. Receipts from External Borrowings (Direct Budgetary Support - Loans)

The total amount of foreign (external) loans disbursed during FY2022 as direct budgetary support was SLE475,670 Thousand (SLE961,752 Thousand – FY2021), with details as shown below:

External Borrowing (Loans) (In Thousands of Leones)

	Budget Estimates FY 2022	Actual FY 2022	Surplus/ (Shortfall) FY 2022	Actual FY 2021
International Monetary Fund (IMF)	1,135,500	475,670	(659,830)	961,752
Total External Borrowing (Loans)	1,135,500	475,670	(659,830)	961,752

The total amount of direct budget support loan disbursements during FY2022 was SLE475.6 million (SLE961.7million–FY2021). This is mainly consisting of the various amounts received from the International Monetary Fund (IMF). Firstly in January of 2022 the amount of SLE77 million which is the equivalent of XDR11.5 million. The other tranches were received in June and July amounting SLE273 million and SLE125 million respectively.

The IMF, in 2022 provided its credit facilities to the Government through the Bank of Sierra Leone totalling SLE475.6 million. This amount is comprised as a form of the on-lending budget finance from the IMF under its Extended Credit Facility (ECF) programme.

28. External Public Debt Amortization - Repayment of principal on Foreign Loans

The total amount of External Debt Payments made during the financial year was SLE1,125,576 Thousand (SLE571,144 Thousand – FY2021), comprising Principal Loan Repayments of SLE881,605 Thousand (SLE468,235 Thousand – FY2021) and Interest Payments of SLE243,971Thousand (SLE102,879 Thousand – FY2021).

External Public Debt Amortization - Repayment of principal on Foreign Loans with External Interest Payments (In Thousands of Leones)

	FY2022			FY2021		
	Loan Repayment During the Year	Interest Payments	Total Payments	Loan Repayment During the Year	Interest Payments	Total Payments
MULTILATERAL DEBTS						
International Development Association	129,231	53,545	182,776	65,701	37,568	103,269
African Development Fund (ADF)	19,686	17,837	37,522	14,507	12,776	27,283
Opec Fund For International Development	99,234	29,974	129,208	67,315	11,572	78,888
International Fund For Agricultural Development (IFAD)	61,596	11,741	73,337	14,004	3,719	17,723
Islamic Development Bank	75,036	41,766	116,802	58,491	3,710	62,200
Arab Bank For Economic Development Bank	35,060	2,208	37,268	10,236	1,764	12,001
European Investment Bank	27,468	16,191	43,660	18,284	16,548	34,832
ECOWAS Regional Development Fund	10,133	5,694	15,827	5,913	2,486	8,399
ECOWAS Bank For Investment Development	53,094	11,924	65,018	18,064	5,302	23,365
Total Multilateral Debts (A)	510,538	190,880	701,418	272,515	95,446	367,960
BILATERAL DEBTS						
Saudi Fund For Development	15,801	7,493	23,294	-	-	-
Kuwait Fund	68,884	16,477	85,361	73,260	4,610	77,871
China	69,164	14,281	83,446	-	2,795	2,795
Exim Bank Of India	119,149	6,515	125,664	-	28	28
Total Bilateral Debts (B)	272,999	44,766	317,765	73,260	7,434	80,694
COMMERCIAL DEBTS (C)						
Commercial & Suppliers Credit	98,068	8,325	106,393	122,460	-	122,460
TOTAL EXTERNAL PUBLIC DEBTS PAYMENTS	881,605	243,971	1,125,576	468,235	102,879	571,114

Further details are available in Appendix 9.

29. Domestic Borrowing (Net)

Domestic Borrowing issued during FY2022 totalled SLE17,119,544 Thousand (SLE7,966,629 Thousand – FY2021) and this comprises:

Domestic Borrowing - Net (Amounts In Thousands of Leones)

	Issues FY 2022	Repayments FY 2022	Net Flows FY 2022	Issues FY 2021	Repayments FY 2021	Net Flows FY 2021
Short term Securities (Less than one year)						
Treasury Bills	9,349,872	7,191,994	2,157,878	7,237,540	5,806,430	1,431,110
Bridging Loan			0			
Ways and Means	6,025,955	6,110,898	(84,942)	17,375	21,165	(3,790)
Total Short term Securities	15,375,827	13,302,892	2,072,936	7,254,915	5,827,595	1,427,320
Long term Securities	1,743,717	450,675	1,293,042	711,714	690,879	20,835
Total Domestic Borrowing Payments	17,119,544	13,753,567	3,365,978	7,966,629	6,518,474	1,448,155

Treasury Bills –The amount of SLE9,349,872 Thousand (SLE7,237,540 Thousand – FY2021) represents total amount of treasury bills issued during the year as 91-Day, 182-Day and 364-Day Treasury Bills. The total worth of Treasury Bills redeemed during the year amounted to SLE7,191,994 Thousand (SLE5,806,430 Thousand – FY2021). The total outstanding amount of treasury bills at the end of FY2022 is SLE9,145,934 million (SLE7,196,473 Thousand – end FY2021). Further details are available in the Table below (**Summary Schedule of Domestic Public Debts**) and in **Appendix 6** for 91-Day Treasury Bills, **Appendix 7** for 182-Day Treasury Bills and **Appendix 8** for 364-Day Treasury Bills.

One-year Treasury Bonds – There are no further issues of one-year bond during the period and all outstanding have been redeemed in the previous years

Bridging Loan - Bridging Loans obtained from the Bank of Sierra Leone during FY2022 were repaid during the course of the year leaving no outstanding balances as at the end of the financial year

Ways and Means advances – The net decrease in Ways and Means given by the Bank of Sierra Leone to finance Government's operations) was SLE84,942 Thousand, thus arriving at a closing bank balance of SLE111.2 Thousand repayable in the ensuing year.

Long Term Securities (with more than one-year maturity) - A total amount of SLE1,743,717 million (SLE711,714 Thousand– FY2021) represents long-term securities issued in the form of treasury bonds during the year ended FY2022. The total worth of Long-term securities redeemed during the year amounted to SLE450,675 Thousand (SLE690,879 Thousand – FY2021).

The total outstanding amount of long-term securities held as 1.5-Year, 2-Year, 5-Year and 10-Year Treasury Bonds at the end of FY2022 is SLE2,713,146 Thousand (SLE1,597,219 Thousand – end FY2021) held by the Bank of Sierra Leone (SLE2,566,578 million) and NASSIT (SLE146,569 million). The Special Marketable Securities held by the Bank of Sierra Leone totalling SLE1,994,747 million as at 31st December 2022, comprises: 3-Year Treasury Bonds SLE1,081,500 million, 5-Year Treasury Bonds SLE367,990 million and 10-Year Treasury Bond SLE552,258 million. The treasury bonds are held by the Bank of Sierra Leone following a Memorandum of Understanding with the Government dated 14th October 2006 converting Non-Marketable, Non-Interest-Bearing Securities to Special Marketable Securities for capitalization of the Bank and for monetary purposes. The interest cost of financing the operations and the total amount payable at redemption will be borne by the Government.

Further details are available in the Table below (**Summary Schedule of Domestic Public Debts**)

Summary Schedule of Domestic Public Debts – Domestic Borrowing, Redemption and Financing Costs

Summary Statement of Outstanding Domestic Public Debts as at 31st December 2022

	Outstanding Balance 01-Jan-22	Issued During the PRD	Matured During the PRD	Outstanding Balance 31-Dec-22		Interest Payments FY2022	Interest Payments FY2021		Issue Date	Maturity Date	Interest Due Period
	SLE' m	SLE' m	SLE' m	SLE' m		SLE' m	SLE' m				
Short term Securities (with one year or less maturity)											
91-Day Treasury Bills	0	203,341	201,177	2,164		2,039	239		See Schedule on 91 Days See Schedule on 182 Days See Schedule on 364 Days		
182-Day Treasury Bills	1,897	5,578	4,658	2,818		399	6,563				
364-Day Treasury Bills	6,986,159	9,140,953	6,986,159	9,140,953		1,180,405	958,110				
Total Treasury Bills	6,988,056	9,349,872	7,191,994	9,145,934		1,182,843	964,912				
NB-Treasury Bills are recorded at Issued Values, excluding outstanding interests											
Bridging Loans - Bank of Sierra Leone (BSL)	0	0	0	0							
Ways and Means Advances	196,194	6,025,955	6,110,898	111,251		12,970	5,665				
Total Short-Term Securities	7,184,250	15,375,827	13,302,892	9,257,186		1,195,814	970,577				
1.5-Year Treasury Bonds											
							7,315				
							17,068				
Total 1.5-Year Treasury Bonds	0	0	0	0			24,383				
2-Year Treasury Bonds											
2-Year Treasury Bond (NASSIT)	40,487	40,487	40,487	40,487		6,478	6,109		11-Jun-21	09-Jun-23	16.0%
2-yr Bond (Le28.00 bn issued in Sept, 2019)	28,000	28,000	28,000	28,000		5,320	6,160		24-Sep-21	22-Sep-23	19.0%
2-yr Bond (Le20.00 bn issued in Sept, 2019)		0		0			4,800		25-Sep-19	22-Sep-21	24.0%
2-yr Bond (Le42.499 bn issued in Sept, 2019)		0		0			9,350		02-Oct-19	29-Sep-21	22.0%
2-yr Bond (Le19.013 bn issued in Oct, 2019)		0		0			4,183		11-Oct-19	08-Oct-21	18.0%
2-yr Bond (Le23.00 bn issued in Dec, 2019)		0		0			5,520		23-Dec-19	20-Dec-21	24.0%
2-yr Bond (Le45.00 bn issued in Dec, 2019)		0		0			11,025		31-Dec-19	28-Dec-21	24.0%
2-yr Bond (Le13.38 bn issued in Sept, 2020)	13,384	0	13,384	0		1,004	2,008		10-Mar-20	08-Mar-22	15.0%
2-yr Bond (Le4.5 bn issued in Dec, 2020)	4,500	0	4,500	0		495	495		10-Dec-20	08-Dec-22	11.0%
2-Year Treasury Bond	10,000		0	10,000		2,000	1,000		18-Mar-21	16-Mar-23	20.0%
2-Year Treasury Bond (NASSIT)	20,000		0	20,000		3,200			05-Aug-21	03-Aug-23	16.0%
2-Year Treasury Bond (SLCB)	27,000		0	27,000		4,860			26-Aug-21	24-Aug-23	18.0%
2-Year Treasury Bond (UBA)	31,388		0	31,388		5,650			30-Aug-21	28-Aug-23	18.0%
2-Year Treasury Bond (UBA)	32,057		0	32,057		5,770			29-Sep-21	27-Sep-23	18.0%
2-Year Treasury Bond (ECOBANK)	16,029		0	16,029		3,206			29-Sep-21	27-Sep-23	20.0%
2-Year Treasury Bond (UBA)	21,514		0	21,514		3,873			07-Oct-21	05-Oct-23	18.0%
2-Year Treasury Bond (UBA)	73,239		0	73,239		13,183			01-Sep-21	30-Aug-23	18.0%
2-Year Treasury Bond NASSIT		10,000	0	10,000		800			20-Jan-22	18-Jan-24	23.0%
2-Year Treasury Bond (RCB)		73,808		73,808		8,672			17-Feb-22	15-Feb-24	23.5%
2-Year Treasury Bond (UBA)		10,000		10,000		1,200			03-Mar-22	29-Feb-24	24.0%
2-Year Treasury Bond (RCB)		36,904		36,904		4,244			03-Mar-22	29-Feb-24	24.0%
2-Year Treasury Bond (RCB)		36,904		36,904		4,244			24-Mar-22	21-Mar-24	23.0%
2-Year Treasury Bond NASSIT		15,000		15,000		1,833			10-Jun-22	07-Jun-24	24.4%
2-Year Treasury Bond (RCB)		40,000		40,000		5,000			01-Jul-22	28-Jun-24	25.0%
2-Year Treasury Bond NASSIT		10,000		10,000					22-Jul-22	19-Jul-24	26.9%
2-Year Treasury Bond (UBA)		10,000		10,000					28-Jul-22	25-Jul-24	27.0%
2-Year Treasury Bond (ECOBANK)		25,000		25,000					12-Aug-22	09-Aug-24	28.0%
2-Year Treasury Bond (SLCB)		33,666		33,666					02-Sep-22	30-Aug-24	28.0%
2-Year Treasury Bond (RCB)		30,000		30,000					13-Sep-22	10-Sep-24	28.0%
2-Year Treasury Bond (ECOBANK)		25,000		25,000					13-Sep-22	10-Sep-24	28.0%
2-Year Treasury Bond (RCB)		34,984		34,984					18-Nov-22	15-Nov-24	28.0%

	Outstanding Balance 01-Jan-22	Issued During the PRD	Matured During the PRD	Outstanding Balance 31-Dec-22	Interest Payments FY2022	Interest Payments FY2021	Issue Date	Maturity Date		Interest Due Period
	SLE' m	SLE' m	SLE' m	SLE' m	SLE' m	SLE' m				
2-Year Treasury Bond (UBA)		27,360		27,360			18-Nov-22	15-Nov-24	28.0%	
2-Year Treasury Bond (Zenith)		60,000		60,000			23-Dec-22	20-Dec-24	28.0%	Semi-annually (Jun&Dec)
Total 2-Year Treasury Bonds	317,598	487,173	86,371	718,399	81,031	50,650				
Bank of Sierra Leone (BSL) 3-Year Capitalisation Bonds										
3-Year BSL Capitalisation Bond (NNIB Converted 2014)	81,801	81,801	81,801	81,801	4,908	4,908	26-Mar-20	23-Mar-23	6.0%	
3-Year BSL Recap Bond (2010 W & M)	62,013	62,013	62,013	62,013	6,821	5,581	10-Sep-21	06-Sep-24	11.0%	Semi-annually (Mar&Sept)
3-Year Treasury Bond (RCB)				0		4,192	25-Jan-18	21-Jan-21	22.4%	Semi-annually (Jan&Aug)
3-Year Treasury Bond (SLCB)				0		2,515	01-Feb-18	28-Jan-21	22.4%	Semi-annually (Jan&Jul)
3-Year Treasury Bond (SLCB/Hajj A/C)				0		1,167	06-Feb-18	02-Feb-21	16.0%	Semi-annually (Feb&Aug)
3-Year Treasury Bond (SLCB)				0		1,257	09-Feb-18	05-Feb-21	22.4%	Semi-annually (Feb&Aug)
3-Year Treasury Bond (Ecobank)				0		3,367	15-Feb-18	11-Feb-21	22.4%	Semi-annually (Feb&Aug)
3-Year Treasury Bond (Fimet Benton Villa)	12,945	0		12,945	1,294	4,746	25-Jul-19	21-Jul-22	20.0%	Quarterly (Oct)
3-Year Treasury Bond (NASSIT)	15,000	0	15,000	0		2,454	14-Jun-19	10-Jun-22	19.5%	Semi-annually (Jun&Dec)
3-Year Treasury Bond (NASSIT)	10,000	0	10,000	0		1,317	26-Jul-19	22-Jul-22	19.5%	Semi-annually (Jan&Jul)
3-Year Treasury Bond		30,197	0	30,197	4,529	2,265	21-Jan-21	18-Jan-24	15.0%	Semi-annually (Jan&Jul)
3-Year Treasury Bond		37,500	0	37,500	5,625	2,813	28-Jan-21	25-Jan-24	15.0%	Semi-annually (Jan&Jul)
3-Year Treasury Bond		25,850	0	25,850	4,136	2,068	04-Feb-21	01-Feb-24	16.0%	Semi-annually (Feb&Aug)
3-Year Treasury Bond		83,569	0	83,569	16,714	8,357	31-Mar-21	27-Mar-24	20.0%	Semi-annually (Mar&Sept)
3-Year Treasury Bond Eco Bank		39,431		39,431	4,535		13-Jan-22	09-Jan-25	23.0%	Semi-annually (Jun&Dec)
3-Year Treasury Bond Eco Bank		39,431		39,431	4,633		20-Jan-22	16-Jan-25	23.5%	Semi-annually (Jun&Dec)
3-Year Treasury Bond (SLCB)		39,500		39,500	4,938		07-Apr-22	03-Apr-25	25.0%	Semi-annually (Oct&Apr)
3-Year Treasury Bond (SLCB)		39,500		39,500	4,938		14-Apr-22	10-Apr-25	25.0%	Semi-annually (Oct&Apr)
3-Year BSL Bond (2021 W & M)		198,175		198,175	13,872		13-May-22	09-May-25	14.0%	Semi-annually (Nov&Mar)
3-Year Treasury Bond Eco Bank		25,000		25,000			21-Jul-22	17-Jul-25	28.0%	Semi-annually (Jan&Jul)
3-Year Treasury Bond Eco Bank		15,000		15,000			28-Jul-22	24-Jul-25	28.0%	Semi-annually (Jan&Jul)
3-Year Treasury Bond (VISTA)		40,000		40,000			05-Aug-22	01-Aug-25	28.0%	Semi-annually (Feb&Aug)
3-Year Treasury Bond (NASSIT)		35,000		35,000			12-Aug-22	08-Aug-25	28.0%	Semi-annually (Feb&Aug)
3-Year Treasury Bond (VISTA)		50,000		50,000			22-Aug-22	18-Aug-25	28.0%	Semi-annually (Feb&Aug)
3-Year Treasury Bond (RCB)		37,046		37,046			02-Sep-22	30-Aug-24	28.0%	Semi-annually (Mar&Sept)
3-Year Treasury Bond (Zenith)		50,000		50,000			21-Sep-22	17-Sep-25	28.0%	Semi-annually (Mar&Sept)
3-Year Treasury Bond (GTB)		70,000		70,000			23-Sep-22	19-Sep-25	28.0%	Semi-annually (Mar&Sept)
3-Year Treasury Bond (Access)		11,000		11,000			14-Oct-22	10-Oct-25	28.0%	Semi-annually (Apr&Oct)
3-Year Treasury Bond (RCB)		45,000		45,000			09-Dec-22	05-Dec-25	30.0%	Semi-annually (Jun&Dec)
3-Year Treasury Bond (RCB)		13,542		13,542			16-Dec-22	12-Dec-25	30.0%	Semi-annually (Jun&Dec)
Total 3-Year BSL Capitalisation Bonds	181,759	1,068,555	168,814	1,081,500	76,943	47,006				
5-Year Treasury Bonds										
	50,000	50,000	50,000	50,000	4,500	4,500	12-Dec-22	06-Dec-27	9.0%	
	65,000	0	0	65,000	5,850	5,850	20-Dec-18	14-Dec-23	9.0%	
5-Year BSL (Converted from NNIB) Bonds	65,000	0	0	65,000	5,850	5,850	20-Jun-19	13-Jun-24	9.0%	Semi-annually (Jun&Dec)
	50,000	0	0	50,000	4,500	4,500	20-Dec-19	13-Dec-24	9.0%	
	50,000	50,000	50,000	50,000	4,500	4,500	19-Jun-20	16-Jun-25	9.0%	
5-Year NASSIT Bond	41,072	41,072	41,072	41,072	6,161	5,955	04-Oct-21	28-Sep-26	15.0%	Semi-annually (Apr&Oct)
5-Year BSL (Ways and Means) Bond	46,918	46,918	46,918	46,918	5,630	5,630	04-May-22	28-Apr-27	12%	Semi-annually (May&Nov)
Total 5-Year Treasury Bonds	367,990	187,990	187,990	367,990	36,991	36,786				
CSE Bond	534,008	0	0	534,008	0	0	31-Oct-17	18-Nov-24	Zero Coupon Bond	

	Outstanding Balance 01-Jan-22	Issued During the PRD	Matured During the PRD	Outstanding Balance 31-Dec-22		Interest Payments FY2022	Interest Payments FY2021		Issue Date	Maturity Date	Interest Due Period
	SLE' m	SLE' m	SLE' m	SLE' m		SLE' m	SLE' m				
10-Year BSL Capitalisation Bond	18,750	0	7,500	11,250		1,350	1,950		01-May-14	18-Apr-24	8.0% Semi-annually (Apr&Oct)
Total Long-Term Securities	1,420,104	1,743,717	450,675	2,713,146		196,316	160,774				
TOTAL OUTSTANDING DOMESTIC PUBLIC DEBTS	8,604,354	17,119,544	13,753,567	11,970,332		1,392,129	1,131,351				

The Treasury Bills are marketable securities of the Government on the basis of a 91-day period, 182-day period and 364-day period. The Treasury Bonds on the other hand are Marketable Securities on one-year, two-year, five-year and ten-year basis.

Further details on Treasury Bills and the Treasury Bonds can be obtained from Appendices 6-8.

30. Privatization Receipts

Privatization Receipts during the fiscal year 2022 arising as a result of government's share of concession fees has been recorded as part of other departments' revenue.

31. Staff Loans and Advances (Net)

The net position staff loans and advances during FY 2022 stood at SLE4 Thousand (SLE1,706 Thousand – FY2021).

32. Cash and Cash Equivalents

The net amount of Cash and Cash Equivalents totalled a negative balance of SLE 924.7 million taking into account SLE100.0 million of project cash balances (Negative SLE212.7 million – FY2021), most of which are held with the Bank of Sierra Leone, net of project balances of SLE190.2 million

Cash and Bank Balances

As at	31-Dec-22	31-Dec-21	Change
	SLE' thousand	SLE' thousand	SLE' thousand
Cash held at Bank	1,772,642	288,217	1,484,425
Overdraft with Bank	(2,797,435)	(691,229)	(2,106,206)
Net Cash and Bank Balance	(1,024,793)	(403,011)	(621,782)
Cash Balance at 31st December 2022	100,064	190,286	

34. Disclosure on Cancelled Cheques

The Annual Public Accounts have been adjusted due to cancelled cheques relating to prior years amounting to SLE 320.9 million.

1.5. ADDITIONAL NOTES TO THE ACCOUNTS

1. Investments – Public Enterprises

The Government has participating equity interests in a number of Public Enterprises (as State Owned Enterprise – SOEs), as presented in Appendix 10 below.

2. Contingent Liabilities and Contingent Assets

Contingent liabilities are:

- costs that the government will have to face if a particular event occurs, or
- present liabilities that are unable to be measured with sufficient reliability to be captured in the financial statements (unquantifiable liabilities).

The contingent liabilities typically consist of guarantees and indemnities, and through legal disputes and claims (particularly through financial litigations).

Contingent assets are possible assets that have arisen from past events but the amount of the asset, or whether it will eventuate, will not be confirmed until a particular event occurs.

Pending Financial Litigations:

Contingent liabilities as at year-end, relating to pending financial litigations against the Government of Sierra Leone, amounted to SLE 806 million, as presented below:

SUMMARY OF PENDING FINANCIAL RELATED LITIGATIONS 2022		
NATURE	AMOUNT(SLE)	AMOUNT (\$)
Damages for termination of contract		8,000,000
Violation of Human Rights		14,500,000
Damages for termination of contract		1,000,000
Violation of Human Rights		1,000,000
Violation of Human Rights		500,000
SUMMARY OF PENDING FINANCIAL RELATED LITIGATIONS 2022		
NATURE	AMOUNT (\$)	AMOUNT (\$)
Violation of Human Rights		20,000
Damages for termination of contract		6,800,000
Violation of Human Rights		1,000,000
Violation of Human Rights		10,000,000
Amounts in Leones (SLE)&(\$)	806,300,600	42,820,000
Total Amount in Leones (SLE)	-	
Note: The Exchange Rate As At 31st December 2022 is \$ 1 = SLE18.83		

Guarantees and Indemnities

Guarantees are legally binding promises made by the Government to assume responsibility for a debt, or performance of an obligation of another party, should that party default. Indemnities are legally binding promises where the Government undertakes to accept the risk of loss or damage that another party may suffer and to hold the other party harmless against loss caused by a specific stated event.

The Government provides guarantees against bank loans contracted by state-owned or public enterprises and local councils. Total guarantees amount to SLE193.1 million as at December 2022. In the event of public enterprises or local councils' fail to pay the loan on time, the guarantees would be invoked and the liabilities for payment will be passed on to Government. Consequently, the guarantees would eventually become debt to Government. An examination of the stock of current guarantees indicates that risks emanating from guarantees are minimal at the moment. Should they materialize, the impact on public debt would be small.

The List of Guarantees provided by the Government as of 31st December 2022 is as follows:

SCHEDULE OF GUARANTEES ISSUED BY GOVERNMENT OF SIERRA LEONE

Name of Institution	Amount Outstanding as at end 2022 (SLE'Thousand)	Remarks
Sierra Leone State Lottery	0.0	Joint Venture
Guma Valley Water Company	2,164	Loan
National Hajj Committee	15,872	Loan
National Telecommunication Commission	50,000	Loan
Electricity Distribution and Supply Authority (EDSA)	46,130	Loan
Electricity Distribution and Supply Authority (EDSA)	70,000	Letter of Credit
Sierra Leone Ports Authority	9,000	Loan
Total	193,166	

Contingent Assets

There are no Contingent Assets recorded.

1.6. SUPPLEMENTARY DISCLOSURES IN APPENDICES

APPENDIX 1: LIST OF TREASURY AND DEPARTMENTAL BANK ACCOUNTS

MDA name	Bank name	Accounts name
Consolidated Revenue Fund	Bank of Sierra Leone	Consists of (91) Treasury Accounts
Ministry of Local Government & Community Development	Bank of Sierra Leone	Ministry of Local Government Head Office Imprest
Ministry of Foreign Affairs & International Co-operation	Bank of Sierra Leone	Ministry of Foreign Affairs Imprest Account.
Ministry of Finance	Bank of Sierra Leone	Local Government Finance Department (Imprest)
	Bank of Sierra Leone	Ministry of Finance Imprest Account
	Bank of Sierra Leone	ECOWAS National Coordinating Committee Account
	SL Commercial Bank	Ecowas National Unit Account
	Bank of Sierra Leone	Duty Waiver Joint Monitoring Fund
	SL Commercial Bank	Duty Waiver Joint Monitoring Fund
Ministry of Information and Broadcasting	Bank of Sierra Leone	Ministry of information and Communication
Ministry of Internal Affairs	Bank of Sierra Leone	Ministry of Internal Affairs Imprest Account
Ministry of Education, Science & Technology	Bank of Sierra Leone	Imprest
	Bank of Sierra Leone	Education Management Information System
Ministry of Tourism and Culture (Culture Division)	Bank of Sierra Leone	Imprest
Ministry of Social Welfare, Gender & Children's Affairs	Bank of Sierra Leone	Ministry of Social Welfare Gender a/c
Ministry of Mines and Mineral Resources	Bank of Sierra Leone	Mines and Mineral Resources Imprest Account
Ministry of Transport and Aviation	Bank of Sierra Leone	Imprest Account
Ministry of Works , Housing and Infrastructure	Bank of Sierra Leone	Imprest and General Administration
	Bank of Sierra Leone	Miatta Conference Centre
Ministry of Trade and Industry	Bank of Sierra Leone	Imprest
	Bank of Sierra Leone	Registrar for Cooperative Account
Immigration Department	Bank of Sierra Leone	Immigration Dept Imprest Account
Cabinet Secretariat	Bank of Sierra Leone	Cabinet Secretariat
Human Resource Management Office	Bank of Sierra Leone	Human Resources Management Office Imprest Account
SL Correctional Services	Bank of Sierra Leone	SL Correctional Service Quarterly
Ministry of Defence	Bank of Sierra Leone	Min of Defence Quarterly Allocation
	Bank of Sierra Leone	RSLAF Personnel
	Bank of Sierra Leone	RSLAF Other Charges
SL Police	Bank of Sierra Leone	SL Police Other Charges
	Bank of Sierra Leone	Sierra Leone Police Imprest Account
	Bank of Sierra Leone	Sierra Leone Police Salaries Account
	Bank of Sierra Leone	Sierra Leone Police General
Accountant General's Department	Bank of Sierra Leone	Accountant General's Department Imprest

MDA name	Bank name	Accounts name
Ministry of Parliamentary and Political Affairs	Bank of Sierra Leone	Political and Public Affairs Account
Office of the President	Bank of Sierra Leone	Overseas and Local Travelling
		Secretary to President Imprest A/c
		Office of the First Lady
Office of the Vice President	Bank of Sierra Leone	Office of the Vice President Account
High Court	Bank of Sierra Leone	Judiciary Imprest Account
		Master & Registrar High Court A/C
Law Officers' Department	Bank of Sierra Leone	Solicitor-General (Imprest)
Administrator and Registrar General	Bank of Sierra Leone	Administrator and Registrar General Imp
Ministry of Planning and Economic Development	Bank of Sierra Leone	Ministry of Planning and Economic Development Imprest
	Bank of Sierra Leone	National Monitoring and Evaluation Department
Government Printing Department	Bank of Sierra Leone	Government Printing Department Imprest
National Fire Authority	Bank of Sierra Leone	National Fire Authority
Ministry of Sports	Bank of Sierra Leone	Ministry of Sport Imprest Account
Ministry of Health and Sanitation	Bank of Sierra Leone	Ministry of Health and Sanitation Imprest
Ministry of Lands, Country Planning and the Environment	Bank of Sierra Leone	Ministry of Lands Imprest Account
Ministry of Youth Affairs	Bank of Sierra Leone	Ministry of Youth Affairs Account
Ministry of Agriculture, Forestry and Food Security	Bank of Sierra Leone	Ministry of Agriculture Imprest Account
Ministry of Fisheries and Marine Resources	Bank of Sierra Leone	Ministry of Fisheries Imprest
Ministry of Energy and Power	Bank of Sierra Leone	Ministry of Energy Imprest
Ministry of Labour, Industrial Relations and Social Security	Bank of Sierra Leone	Office of the Permanent Secretary
Ministry of Water Resources	Bank of Sierra Leone	Ministry of Water Resources imprest

APPENDIX 2: REVENUE ARREARS as at 31st December 2022

Amounts in Thousands of Leones

	Revenue Arrears 31st Dec 2022	Revenue Arrears 31st Dec 2021
Arrears as per Domestic Tax Department		
State Owned Enterprise	426,549	
Large Tax Office (LTO)	298,534	256,287
Small and Medium Tax Office (Company)	2,250	6,212
Small and Medium Tax Office (Trade)	2,399	1,661
Extractive Industry Revenue Unit	583	511
Total for Domestic Taxes Department	730,314	264,672
Arrears as per Custom and Excise Department		
Debt Management Unit	89,481	33,633
Total for Customs and Excise Department	89,481	33,633
Arrears as per Non-Tax Revenue		
Non-Tax Revenue Collection	65,469	355,212
Total for Non-Tax Revenue	65,469	355,212
Total Revenue Arrears	885,265	653,517

**APPENDIX 3 – COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL COSTS FOR WAGES,
SALARIES AND EMPLOYEES BENEFITS BY MDA
for the financial year ended 31st December 2022**

Amounts in Thousands of Leones

MDA Code	Description	Budget Estimates	Actual	Surplus/ (Shortfall)	Actual
		FY 2022	FY 2022	FY 2022	FY 2021
101	Charged Emoluments	135,297	134,948	349	161,745
105	Ministry of Political and Public Affairs	2,872	2,838	34	2,851
106	Office of the Chief of Staff	19,981	16,957	3,024	22,078
107	Ministry of Local Government & Rural Development	44,462	42,356	2,106	17,153
108	Sierra Leone Small Arms Commission	3,297	3,549	(252)	3,831
109	Independent Commission for Peace and National Cohesion	2,600	5,312	(2,712)	-
110	Office of the Secretary to the President	103,966	128,041	(24,075)	108,080
112	Office of the Secretary to the Vice President	23,367	33,072	(9,705)	22,333
116	Parliamentary Service Commission	33,079	41,515	(8,436)	33,791
117	Cabinet Secretariat	6,625	7,531	(905)	6,640
118	Supreme Court	86,830	92,086	(5,256)	28,810
121	Audit Service Sierra Leone	41,574	45,374	(3,800)	41,412
122	Human Resource Management Office	16,340	16,585	(245)	15,915
123	Public Service Commission	5,671	5,768	(97)	5,371
124	Law Officers' Department	34,814	35,954	(1,139)	(98,459)
125	Local Court's Administration	-	3,315	(3,315)	20,404
126	Independent Police Complaints Board	1,836	2,134	(298)	1,744
127	Ministry of Planning and Economic Development	10,481	32,395	(21,913)	14,051
128	Ministry of Foreign Affairs & International Co-operation	290,961	402,667	(111,706)	280,608
129	Ministry of Finance and Economic Development	127,220	142,387	(15,167)	130,978
131	Revenue Appellate Board	2,245	2,215	30	2,224
132	Accountant General's Department	25,945	33,972	(8,027)	28,660
133	Ministry of Information and Communications	26,408	27,626	(1,218)	25,834
134	National Electoral Commission of Sierra Leone	34,048	22,895	11,153	32,465
137	National Commission for Democracy	4,552	4,259	293	4,356
138	Statistics Sierra Leone	23,090	21,974	1,116	17,971
139	National Commission for Privatisation	7,693	7,498	196	7,352
140	Mass Media Services (SLBC Staff)	12,087	8,963	3,124	7,606
141	Government Printing Department	689	664	25	678
142	National Public Procurement Authority	10,095	11,773	(1,678)	8,871
144	National Commission for Human Rights	17,778	32,853	(15,075)	19,142
145	Rights to Access Information Commission	3,794	4,230	(436)	3,579

**APPENDIX 3 – COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL COSTS FOR WAGES,
SALARIES AND EMPLOYEES BENEFITS BY MDA
for the financial year ended 31st December 2022**

Amounts in Thousands of Leones

MDA Code	Description	Budget Estimates FY 2022	Actual FY 2022	Surplus/ (Shortfall) FY 2022	Actual FY 2021
146	Ministry of Western Region	2,500	-	2,500	-
201	Ministry of Defence:	223,923	207,587	16,337	322,200
203	National Civil Registration Authority	40,955	37,866	3,090	39,502
205	Ministry of Internal Affairs	433	1,764	(1,331)	427
206	Sierra Leone Police	282,164	313,383	(31,220)	272,940
207	Sierra Leone Correctional Services	41,938	44,593	(2,655)	37,821
208	National Fire Authority	8,072	8,416	(344)	7,272
209	Central Intelligence and Security Unit	10,869	11,411	(542)	9,691
210	Office of National Security	17,633	13,708	3,925	14,338
211	Immigration Department	7,029	6,008	1,021	5,651
212	National Drugs Law Enforcement Agency	1,519	1,288	231	1,433
213	National Disaster Management Agency	10,000	12,153	(2,153)	-
300	Ministry of Technical and Higher Education	308,595	346,714	(38,119)	265,175
301	Ministry of Basic and Senior Secondary Education	788,043	747,020	41,023	763,877
302	Ministry of Sports	6,944	6,075	869	6,483
303	Ministry of Tourism and Cultural Affairs	760	742	18	736
304	Ministry of Health and Sanitation	455,881	537,086	(81,205)	465,307
305	Ministry of Social Welfare, Gender & Children's Affairs	9,604	9,437	167	7,284
306	Ministry of Lands, Country Planning and the Environment	6,216	7,110	(894)	5,900
307	National Pharmaceutical Procurement Unit	6,838	5,316	1,522	5,540
308	National Commission for Social Action	16,648	15,091	1,557	16,016
310	Ministry of Youth Affairs	6,064	5,611	452	4,607
311	Health Service Commission	3,478	2,531	947	945
312	Teaching Service Commission	11,680	13,329	(1,648)	12,481
313	National Youth Service	4,895	5,761	(866)	5,010
314	National HIV and AIDS Commission	3,126	3,731	(605)	3,034
315	Teaching Hospital Complex Administration	2,081	-	2,081	-
317	SL Council for Post Grad Colleges Health Specialist	460	743	(283)	481
318	Ministry of Environment	2,178	3,632	(1,454)	2,447
319	Ministry of Gender & Children's Affairs	4,315	5,714	(1,399)	4,949
320	National Sports Authority	3,177	4,234	(1,056)	3,239
341	Pensions, Gratuities and Retirement Benefits	190,811	217,876	(27,065)	228,225

**APPENDIX 3 – COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL COSTS FOR WAGES,
SALARIES AND EMPLOYEES BENEFITS BY MDA
for the financial year ended 31st December 2022**

Amounts in Thousands of Leones

MDA Code	Description	Budget Estimates FY 2022	Actual FY 2022	Surplus/ (Shortfall) FY 2022	Actual FY 2021
345	Pharmacy Board Services	2,622	2,313	309	2,601
401	Ministry of Agriculture, Forestry and Food Security	17,939	17,952	(13)	17,266
402	Ministry of Fisheries and Marine Resources	2,529	3,846	(1,317)	2,515
403	Ministry of Mines and Mineral Resources	34,079	35,706	(1,627)	34,209
404	Ministry of Transport and Aviation Ministry of Tourism and Cultural Affairs (National Tourist Board and Relics Commission)	5,135	4,457	678	3,521
405	Ministry of Energy	9,333	9,698	(365)	9,226
406	Ministry of Employment Labour and Social Security	5,923	6,830	(907)	5,792
407	Ministry of Works, Housing and Infrastructure	4,145	5,154	(1,010)	3,959
408	Ministry of Trade and Industry	3,978	4,317	(339)	3,998
409	National Protected Area Authority	28,025	28,126	(101)	27,354
410	Road Maintenance Fund	19,043	20,507	(1,464)	18,857
411	Administration (SLRA Staff)	28,778	30,383	(1,606)	28,452
413	Sierra Leone Electricity and Water Regulatory Commission	4,955	4,622	334	4,640
414	Ministry of Water Resources Nuclear Safety and Radiation Protection Authority	16,948	21,836	(4,888)	17,523
417	Sierra Leone Agricultural Research Institute	4,876	3,523	1,353	3,572
418	Sierra Leone Local Content Agency	16,835	15,084	1,751	15,787
419	Small and Medium Enterprises Development Agency	3,420	3,200	220	3,338
421	Sierra Leone Meteorological Agency	6,393	9,539	(3,146)	6,963
422	Sierra Leone Seed Certification Agency	5,550	4,692	857	5,317
426	National Fertilizer Regulatory Agency	1,293	4,686	(3,394)	1,924
427	National Investment Board	471	3,196	(2,724)	967
428	Unallocated Head Exp	5,123	-	5,123	-
612	Transfers to Local Councils	-	498	(498)	-
701		32,082	30,922	1,160	60,581
Grand Total		3,898,000	4,240,716	(342,716)	3,769,446

APPENDIX 4 - COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL COSTS FOR USE OF GOODS AND SERVICES BY MDA
for the financial year ended 31st December 2022

Amounts in Thousands of SLLeones

MDA Code	Description	Budget Estimates FY 2022	Actual FY 2022	Surplus/ (Shortfall) FY 2021	Actual FY 2021
105	Ministry of Politicsl and Public Affairs	2,424	4,399	(1,976.00)	3,314
106	Office of the Chief of Staff	21,410	36,428	(15,018.00)	21,294
107	Ministry of Local Government & Rural Development	16,583	22,013	(5,430.00)	23,472
108	Sierra Leone Small Arms Commission	1,260	1,260	-	882
109	Independent Commission for Peace and National Cohesion	2,000	-	2,000	-
110	Office of the President	76,532	232,672	(156,141.00)	56,028
112	Office of the Vice President	18,693	143,971	(125,278.00)	129,334
116	Parliament	36,717	44,617	(7,901.00)	52,959
117	Cabinet Secretariat	3,147	5,301	(2,154.00)	3,425
118	Supreme Court	15,000	33,337	(18,337.00)	13,690
121	Audit Serive Sierra Leone	11,411	13,599	(2,189.00)	11,267
122	Human Resource Management Office	3,500	5,299	(1,799.00)	4,164
123	Public Service Commission	3,097	6,692	(3,595.00)	2,558
124	Law officer's Department	23,394	25,240	(1,845.00)	42,715
125	Local Courts	494	-	494	-
126	Independent Police Complaints Board	1,251	1,125	126	1,250
127	Ministry of Planning and Economic Development	16,710	30,467	(13,757.00)	17,358
128	Ministry of Foreign Affairs & International Co-operation	104,453	125,535	(21,082.00)	110,186
129	Ministry of Finance and Economic Development	68,431	112,779	(44,348.00)	80,376
130	National Revenue Authority (NRA)	207,721	204,210	3,511	188,360
131	Revenue Appellate Board	932	466	466	500
132	Accountant General's Department	25,000	209,110	(184,110.00)	25,693
133	Ministry of Information and Communication	4,000	11,929	(7,929.00)	7,427
134	National Electoral Commission (NEC)	300,000	-	300,000	22,010
137	National Commission for Democracy	1,500	1,700	(200.00)	1,751
138	Statistics - Sierra Leone	6,000	6,000	-	8,200
139	National Commission for Privatisation (NCP)	2,000	68,392	(66,392.00)	47,227
140	Mass Media Services	3,000	3,000	0	2,759
141	Government Printing Department	3,416	9,428	(6,012.00)	4,770
142	National Public Procurement Authority (NPPA)	5,500	9,990	(4,490.00)	5,895
143	Justice and Legal Service Commission	466	-	466	-
144	Human Rights Commission Sierra Leone	2,000	1,900	100	2,300

**APPENDIX 4 - COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL COSTS FOR USE OF
GOODS AND SERVICES BY MDA
for the financial year ended 31st December 2022**

Amounts in Thousands of SLLeones

MDA Code	Description	Budget Estimates FY 2022	Actual FY 2022	Surplus/ (Shortfall) FY 2021	Actual FY 2021
	Rights to Access Information				
145	Commission	1,800	1,700	100	974
146	Ministry of Western Region	1,000	1,000	-	-
201	Ministry of Defence	112,351	374,755	(262,404.00)	115,192
203	National Civil Registration Authority	5,197	5,191	6	5,620
205	Ministry of Internal Affairs	3,000	4,500	(1,500.00)	4,000
206	Sierra Leone Police	110,095	321,602	(211,507.00)	203,658
207	Sierra Leone Correctional Services	60,665	79,347	(18,682.00)	100,285
208	National Fire Authority	5,982	6,538	(556.00)	12,004
209	Central Intelligence & Security Unit	10,000	15,685	(5,685.00)	14,000
210	Office of National Security	9,200	37,755	(28,555.00)	9,915
211	Immigration Department	7,335	9,524	(2,190.00)	8,359
	National Drugs Law Enforcement				
212	Agency	796	698	98	897
	National Disaster Management				
213	Agency	14,500	9,260	5,240	-
	Ministry of Technical Higher				
300	Education	126,781	14,178	112,602	117,870
	Ministry of Education, Science and				
301	Technology	31,299	241,309	(210,010.00)	13,561
302	Ministry of Sports	3,685	2,771	914	1,889
	Ministry of Tourism and Cultural				
303	Affairs	3,576	7,091	(3,514.00)	3,746
304	Ministry of Health and Sanitation	55,782	193,081	(137,299.00)	99,563
	Ministry of Social Welfare, Gender &				
305	Children's Affairs	15,160	11,317	3,843	8,236
	Ministry of Lands, Country Planning				
306	and the Environment	3,510	2,582	929	6,219
	National Pharmaceutical Procurement				
307	Unit (NPPU)	75,063	57,496	17,568	3,269
	National Commission for Social				
308	Action	2,880	2,880	-	2,200
309	Dental and Medical Board	628	-	628	298
310	Ministry of Youth Affairs	5,802	8,406	(2,604.00)	6,130
311	Health Service Commission	2,201	2,880	(679.00)	838
312	Teaching Service Commission	2,656	-	2,656	2,516
313	National Youth Service	2,500	1,770	730	5,315
314	National HIV and AIDS Commission	2,500	2,134	366	949
	Teaching Hospital Complex				
315	Administration	2,000	-40	2,040	3,763
316	Civil Service Training College	683	623	60	610

**APPENDIX 4 - COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL COSTS FOR USE OF
GOODS AND SERVICES BY MDA
for the financial year ended 31st December 2022**

Amounts in Thousands of SLLeones

MDA Code	Description	Budget Estimates FY 2022	Actual FY 2022	Surplus/ (Shortfall) FY 2021	Actual FY 2021
	Post Graduate College of Health				
317	Specialist	2,754	1,377	1,377	2,306
318	Ministry of Environment	3,837	26,703	(22,865)	1,678
	Ministry of Gender & Children's				
319	Affairs	4,010	4,357	(347)	2,678
320	National Sports Authority	26,567	83,576	(57,009)	58,844
345	Pharmacy Board Services	4,500	7,077	(2,577)	3,140
	Ministry of Agriculture, Forestry and				
401	Food Security	34,529	224,324	(189,795)	31,287
	Ministry of Fisheries and Marine				
402	Resources	15,375	19,590	(4,216)	7,469
	Ministry of Mines and Mineral				
403	Resources	4,151	4,228	(77)	1,421
404	Ministry of Transport and Aviation	56,388	39,854	16,535	23,515
	Ministry of Tourism and Cultural				
405	Affairs	9,501	6,815	2,686	6,571
406	Ministry of Energy	126,503	726,492	(599,989)	225,147
407	Ministry of Labour and Social Security	6,821	10,008	(3,187)	3,875
	Ministry of Works, Housing and				
408	Infrastructure	12,664	64,033	(51,369)	17,406
409	Ministry of Trade and Industry	17,284	13,012	4,272	14,083
410	National Protected Area Authority	3,261	3,465	(203)	2,956
411	Road Maintenance Fund	134,434	-	134,434	468
	National Telecommunications				
412	Commission	201,628	176,277	25,351	113,766
	Sierra Leone Electricity and Water				
413	Regulatory Commission	954	-	954	-
414	Ministry of Water Resources	15,737	6,237	9,500	11,693
415	Sierra Leone Maritime Administration	36,010	69,634	(33,623)	57,592
416	Civil Aviation Authority	46,351	77,869	(31,519)	30,861
	Nuclear Safety and Radiation				
417	Protection Authority	3,000	2,299	701	2,233
	Sierra Leone Agricultural Research				
418	Institute (SLARI)	3,700	2,014	1,686	986
419	Local Content Agency	3,000	2,000	1,000	2,623
	Sierra Leone Environmental				
420	Protection Agency	32,557	64,939	(32,382)	34,561
	Small and Medium Enterprises				
421	Development Agency	1,671	836	836	1,666
422	Sierra Leone Meteorological Agency	1,636	1,668	(32)	1,276
	Sierra Leone Petroleum Regulatory				
423	Agency	12,370	37,877	(25,507)	28,365
424	Sierra Leone Petroleum Directorate	7,264	56,718	(49,453)	24,110

**APPENDIX 4 - COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL COSTS FOR USE OF
GOODS AND SERVICES BY MDA
for the financial year ended 31st December 2022**

Amounts in Thousands of SLLeones

MDA Code	Description	Budget Estimates FY 2022	Actual FY 2022	Surplus/ (Shortfall) FY 2021	Actual FY 2021
425	Sierra Leone Road Safety Authority Sierra Leone Seed Certification	44,720	88,649	(43,929)	90,616
426	Agency	1,500	1,500	-	1,743
427	National Fertilizer Regulatory Agency	1,500	1,500	-	1,403
428	National Investment Board	841	1,507	(665)	-
509	Change in Arrears	100,000	0	100,000	98
601	Public Debt Charges	1,260,249	15,279	1,244,970	50,388
602	Public Debt Charges - External	918,682	-	918,682	-
610	Contingency Expenditure	8,119	-	8,119	36,980
611	Special Warrants of the President	6,329	23,672	(17,344)	24,739
612	Unallocated Head of Expenditure	6,429	249	6,179	17,279
614	National CoronaVirus Emergency Response Center(NaCOVERC)	174,000	13,886	160,114	512,705
Grand Total		5,017,498	4,666,413	351,086	3,091,565

APPENDIX 5 – COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL COSTS FOR DOMESTIC CAPITAL/ DEVELOPMENT EXPENDITURE BY MDA

For the financial year ended 31st December 2022

Amounts in Thousands of SLLeones

MDA Code	Description	Budget Estimates FY 2022	Actual FY 2022	Surplus/ (Shortfall) FY 2022	Actual FY 2021
105	Ministry of Political and Public Affairs	-	20	(20)	-
	Ministry of Local Government & Rural				
107	Development	2,769	-	2,769	2,328
110	Office of the President	7,000	1,500	5,500	7,000
116	Parliament	500	605	(105)	-
	Cabinet Secretariat and Head of the				
117	Civil Services (CS&HOCS)	1,008	-	1,008	-
118	The Judiciary	380	-	380	-
121	Audit Service Sierra Leone	2,000	-	2,000	-
124	Law Officers' Department	811	-	811	165
	Ministry of Planning and Economic				
127	Development	12,750	5,029	7,721	3,926
	Ministry of Foreign Affairs &				
128	International Co-operation	5,000	-	5,000	6,314
	Ministry of Finance and Economic				
129	Development	4,000	8,635	(4,635)	11,964
	Ministry of Information and				
133	Communication	9,423	3,750	5,673	4,130
134	National Electoral Commission (NEC)	2,769	-	2,769	2,778
138	Statistics - Sierra Leone	2,769	38,600	(35,831)	70,487
141	Government Printing Department	2,000	2,363	(363)	-
201	Ministry of Defence	5,000	-	5,000	11,617
203	National Civil Registration Authority	9,000	4,876	4,123	103,453
205	Ministry of Internal Affairs	3,923	-	3,923	-700
206	Sierra Leone Police	4,000	-	4,000	1,581
208	National Fire Authority	750	55	695	-
209	Central Intelligence & Security Unit	1,500	17,149	(15,649)	12,982
	Ministry of Technical Higher				
300	Education	15,873	-	15,873	11,193
	Ministry of Education, Science and				
301	Technology	369,843	40,587	329,256	306,605
	Ministry of Tourism and Cultural				
303	Affairs	923	130	793	-
304	Ministry of Health and Sanitation	30,882	3,562	27,319	114,151
	Ministry of Social Welfare, Gender &				
305	Children's Affairs	2,300	11	2,289	500
	Ministry of Lands, Country Planning				
306	and the Environment	923	4,000	(3,077)	500
	National Commission for Social				
308	Action	8,453	8,000	453	4,950
310	Ministry of Youth Affairs	19,391	2,901	16,490	11,415
313	Health Service Commission	1,500	1,900	(400)	2,000
318	Ministry of Environment	10,729	-	10,729	9,173

APPENDIX 5 – COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL COSTS FOR DOMESTIC CAPITAL/ DEVELOPMENT EXPENDITURE BY MDA

For the financial year ended 31st December 2022

Amounts in Thousands of SLLeones

MDA Code	Description	Budget Estimates FY 2022	Actual FY 2022	Surplus/ (Shortfall) FY 2022	Actual FY 2021
319	Ministry of Gender & Children's Affairs	2,384	-	2,384	1,458
401	Ministry of Agriculture, Forestry and Food Security	97,675	3,824	93,851	137,191
402	Ministry of Fisheries and Marine Resources	11,615	2,784	8,831	(9,363)
404	Ministry of Transport and Aviation	3,923	4,959	(1,036)	7,979
405	Ministry of Tourism and Cultural Affairs	4,600	-	4,600	1,500
406	Ministry of Energy	37,025	140,028	(103,003)	75,386
407	Ministry of Employment Labour and Social Security	831	331	499	500
408	Ministry of Works, Housing and Infrastructure	352,176	1,115,483	(763,307)	437,218
409	Ministry of Trade and Industry	19,384	-	19,384	30,808
410	National Protected Area Authority	750	110	640	-
414	Ministry of Water Resources	86,062	137,424	(51,363)	65,613
417	Nuclear Safety and Radiation Protection Authority	500	1,100	(600)	300
701	Transfers to Local Councils	35,159	5,000	30,159	38,517
Grand Total		1,190,251	1,554,717	(364,466)	1,485,621

APPENDIX 5 (A) –DEVELOPMENT PROJECT FUNDS FLOWS

Amounts in Thousands of SLLeones

	FY2022	FY2021
Project Revenue Receipts		
Gosl Budget Transfer - Salaries	274,096	270,891
Gosl Budget Transfer - Expenses	70,448	160,172
External Grants	53,369	69,087
O/W EXt Grants-DP	-	7,816
Earmarked Revenue	3,265	1,632
Other Revenue	41,243	34,704
Sales of Goods Services	31,617	23,725
Total Project Revenue Receipts	474,038	568,028
Project Expenditure Payments		
Wages Salaries	105,548	167,792
Others	128,702	47,368
Goods Services	241,156	294,877
Capital Development	41,157	35,212
Grants Paid	35,060	4,687
Interest	4,062	37
Total Expenditure	555,686	549,974
Overall Cash Surplus/(Deficit)	(81,648)	18,055
Loss/Gains on Exchange	(8,575)	1,608
Cash Balance at 1st January 2022	190,286	170,623
Cash Balance at 31st December 2022	100,064	190,286

APPENDIX 6: STATEMENT OF MOVEMENTS IN 91-DAY TREASURY BILLS
during the financial year ended 31st December 2022

Issued Date	Issued at Nominal Value	Maturity Date	Matured at Nominal Value	Balance as at 31/12/2022	Interest Paid in FY2022	Interest Rate
6-Jan-22		7-Apr-22	0			
13-Jan-22		14-Apr-22	0			
20-Jan-22		21-Apr-22	0			
27-Jan-22	742,500.00	28-Apr-22	742,500.00		7,500.00	1%
11-Feb-22	196,193,497.50	13-May-22	196,193,497.50		1,981,752.50	1%
25-Feb-22	-	27-May-22	0		-	
4-Mar-22	-	3-Jun-22	0		-	
10-Mar-22	169,983.00	9-Jun-22	169,983.00		1,717.00	
18-Mar-22		17-Jun-22	0			
31-Mar-22	750,004.80	30-Jun-22	750,004.80		12,195.20	2%
1-Apr-22	-	1-Jul-22	0		-	
8-Apr-22		8-Jul-22	0			
15-Apr-22		15-Jul-22	0			
22-Apr-22		22-Jul-22	0			
28-Apr-22	294,450.00	28-Jul-22	294,450.00		5,550.00	2%
6-May-22		5-Aug-22	0		-	
13-May-22		12-Aug-22	0		-	
20-May-22		19-Aug-22	0		-	
27-May-22		26-Aug-22	0		-	
3-Jun-22		2-Sep-22	0		-	
9-Jun-22	742,500.00	8-Sep-22	742,500.00		7,500.00	
1-Jul-22		30-Sep-22	0		-	
21-Jul-22	700,029.00	20-Oct-22	700,029.00		7,071.00	1%
1-Sep-22	841,500.00	1-Dec-22	841,500.00		8,500.00	

APPENDIX 6: STATEMENT OF MOVEMENTS IN 91-DAY TREASURY BILLS
during the financial year ended 31st December 2022

Issued Date	Issued at Nominal Value	Maturity Date	Matured at Nominal Value	Balance as at 31/12/2022	Interest Paid in FY2022	Interest Rate
3-Nov-22	1,869,919.00	2-Feb-23		1,869,919		
1-Dec-22	294,000.00	2-Mar-23		294,000		
	203,340,883.30		201,176,964.30	2,163,919.00	2,039,285.70	
FY2022						
SUMMARY						
Outstanding Balance FY2021		-				
Issued FY2022		203,340,883				
Matured FY2022			201,176,964			
Outstanding Balance FY2022				-		
Total for FY2021		203,340,883	201,176,964	2,163,919		

APPENDIX 7: STATEMENT OF MOVEMENTS IN 182-DAY TREASURY BILLS
during the financial year ended 31st December 2022

Issued Date	Issued at Nominal Value	Maturity Date	Matured at Nominal Value	Balance as at 31/12/2022	Interest Paid in FY2022	Interest Rate
15-Jul-21	699,967.25	13-Jan-22	699,967.25		32,982.75	5%
29-Jul-21	30,034.75	27-Jan-22	30,034.75		1,415.25	5%
12-Aug-21	9,550.00	10-Feb-22	9,550.00		450.00	5%
19-Aug-21	168,718.65	17-Feb-22	168,718.65		7,731.35	5%
16-Sep-21	250,019.00	17-Mar-22	250,019.00		11,781.00	5%
17-Sep-21	20,001.30	18-Mar-22	20,001.30		898.70	4%
18-Sep-21	50,012.30	19-Mar-22	50,012.30		2,687.70	5%
11-Nov-21	59,961.00	12-May-22	59,961.00		3,289.00	5%
18-Nov-21	644.80	19-May-22	644.80			0%
02-Dec-21	171,035.50	02-Jun-22	171,035.50		10,714.50	6%
09-Dec-21	108,100.00	09-Jun-22	108,100.00		6,900.00	6%
16-Dec-21	187,154.00	16-Jun-22	187,154.00		11,946.00	6%
23-Dec-21	132,862.00	23-Jun-22	132,862.00		8,112.14	6%
30-Dec-21	9,400.00	30-Jun-22	9,400.00		600.00	6%
	1,897,460.55		1,897,460.55			
13-Jan-22	30,013.50	14-Jul-22	30,013.50		2,086.50	7%
20-Jan-22	2,121,157.00	21-Jul-22	2,121,157.00		135,393.00	6%
03-Feb-22	545,059.00	04-Aug-22	545,059.00		34,791.00	6%
10-Feb-22	83,700.00	11-Aug-22	83,700.00		6,300.00	8%
17-Feb-22	113,460.00	18-Aug-22	113,460.00		8,540.00	8%
17-Mar-22	20,022.00	15-Sep-22	20,022.00		1,278.00	6%
24-Mar-22	6,016.00	22-Sep-22	6,016.00		384.00	6%
31-Mar-22	732,918.00	29-Sep-22	732,918.00		46,782.00	6%
14-Apr-22	392,437.60	13-Oct-22	392,437.60		24,462.40	6%
28-Apr-22	59,931.38	27-Oct-22	59,931.38		3,818.62	6%
05-May-22		03-Nov-22	0.00			0%
12-May-22	22,560.00	10-Nov-22	22,560.00		1,440.00	6%
02-Jun-22	29,992.38	01-Dec-22	29,992.38		1,907.62	6%

APPENDIX 7: STATEMENT OF MOVEMENTS IN 182-DAY TREASURY BILLS
during the financial year ended 31st December 2022

Issued Date	Issued at Nominal Value	Maturity Date	Matured at Nominal Value	Balance as at 31/12/2022	Interest Paid in FY2022	Interest Rate
09-Jun-22	97,968.84	08-Dec-22	97,968.84		6,231.16	6%
16-Jun-22	320,044.08	15-Dec-22	320,044.08		20,355.92	6%
23-Jun-22	82,777.00	22-Dec-22	82,777.00		5,273.00	6%
22-Sep-22	50,013.32	23-Mar-23		50,013.32		
29-Sep-22	400,012.55	30-Mar-23		400,012.55		
06-Oct-22		06-Apr-23		-		
13-Oct-22	250,019.60	13-Apr-23		250,019.60		
20-Oct-22		20-Apr-23		-		
27-Oct-22		27-Apr-23		-		
03-Nov-22		04-May-23		-		
10-Nov-22	200,032.00	11-May-23		200,032.00		
17-Nov-22		18-May-23		-		
24-Nov-22		25-May-23		-		
01-Dec-22		01-Jun-23		-		
08-Dec-22	20,022.00	08-Jun-23		20,022.00		
15-Dec-22		15-Jun-23		-		
22-Dec-22		22-Jun-23		-		
30-Dec-21		30-Jun-22		-		
	5,578,156.25		4,658,056.78	920,099.47	398,551.61	
FY2022				-		
SUMMARY				-		
Outstanding Balance FY2021		1,897,461				
Issued FY 2022		5,578,156				
Matured FY 2022			4,658,057			
Outstanding Balance FY 2022				920,099		
Total for FY2022		7,475,617	4,658,057	2,817,560		

APPENDIX 8: STATEMENT OF MOVEMENTS IN 364-DAY TREASURY BILLS
during the financial year ended 31st December 2022

Issued Date	Issued at Nominal Value	Maturity Date	Matured at Nominal Value	Balance as at 31/12/2022	Interest Paid in FY2022	Interest Rate
07-Jan-21	173,793,188.40	06-Jan-22	173,793,188		14,053,545.69	8%
14-Jan-21	139,798,329.65	13-Jan-22	139,798,330		13,223,716.14	9%
21-Jan-21	130,095,871.86	20-Jan-22	130,095,872		8,746,537.56	7%
28-Jan-21	140,015,073.71	27-Jan-22	140,015,074		4,144,912.46	3%
04-Feb-21	159,319,647.20	03-Feb-22	159,319,647		20,192,055.52	13%
11-Feb-21	192,556,320.98	10-Feb-22	192,556,321		20,611,522.64	11%
18-Feb-21	210,011,726.08	17-Feb-22	210,011,726		22,316,423.70	11%
25-Feb-21	133,670,402.80	24-Feb-22	133,670,403		7,961,800.19	6%
04-Mar-21	94,738,743.03	03-Mar-22	94,738,743		12,360,780.16	13%
11-Mar-21	167,749,437.65	10-Mar-22	167,749,438		31,615,644.53	19%
18-Mar-21	115,409,248.44	17-Mar-22	115,409,248		11,975,580.46	10%
25-Mar-21	172,756,022.64	24-Mar-22	172,756,023		35,476,645.81	21%
01-Apr-21	94,046,592.75	31-Mar-22	94,046,593		20,599,772.57	22%
08-Apr-21	151,087,419.50	07-Apr-22	151,087,420		18,433,267.44	12%
15-Apr-21	153,202,509.44	14-Apr-22	153,202,509		33,132,470.02	22%
22-Apr-21	162,734,812.51	21-Apr-22	162,734,813		8,901,573.53	5%
29-Apr-21	85,246,711.71	28-Apr-22	85,246,712		13,476,464.76	16%
06-May-21	98,651,276.88	05-May-22	98,651,277		22,024,570.04	22%
13-May-21	90,396,326.95	12-May-22	90,396,327		14,024,381.33	16%
20-May-21	136,772,943.31	19-May-22	136,772,943		24,192,797.97	18%
27-May-21	136,827,329.63	26-May-22	136,827,330		21,789,532.96	16%
03-Jun-21	70,993,776.50	02-Jun-22	70,993,777		12,945,873.16	18%
10-Jun-21	83,815,299.29	09-Jun-22	83,815,299		10,920,653.83	13%
17-Jun-21	71,698,243.78	16-Jun-22	71,698,244		11,205,583.54	16%
24-Jun-21	131,715,286.50	23-Jun-22	131,715,287		16,552,223.62	13%
01-Jul-21	189,435,499.06	30-Jun-22	189,435,499		33,278,783.30	18%
08-Jul-21	150,829,911.96	07-Jul-22	150,829,912		24,418,772.04	16%
15-Jul-21	214,977,909.19	14-Jul-22	214,977,909		41,857,001.41	19%

APPENDIX 8: STATEMENT OF MOVEMENTS IN 364-DAY TREASURY BILLS
during the financial year ended 31st December 2022

Issued Date	Issued at Nominal Value	Maturity Date	Matured at Nominal Value	Balance as at 31/12/2022	Interest Paid in FY2022	Interest Rate
22-Jul-21	166,477,964.80	21-Jul-22	166,477,965		40,407,586.40	24%
29-Jul-21	106,509,051.25	28-Jul-22	106,509,051		24,969,849.48	23%
05-Aug-21	158,329,380.13	04-Aug-22	158,329,380		35,670,620.99	23%
12-Aug-21	139,843,762.10	11-Aug-22	139,843,762		31,156,237.57	22%
19-Aug-21	44,969,810.69	18-Aug-22	44,969,811		9,630,189.67	21%
26-Aug-21	120,076,547.20	25-Aug-22	120,076,547		24,623,451.37	21%
02-Sep-21	69,451,479.36	01-Sep-22	69,451,479		13,135,270.62	19%
09-Sep-21	167,684,911.83	08-Sep-22	167,684,912		29,815,089.75	18%
16-Sep-21	124,327,286.86	15-Sep-22	124,327,287		21,533,261.66	17%
23-Sep-21	69,034,291.85	22-Sep-22	69,034,292		12,630,208.71	18%
30-Sep-21	76,597,625.20	29-Sep-22	76,597,625		14,861,625.05	19%
07-Oct-21	27,884,163.95	06-Oct-22	27,884,164		5,460,285.72	20%
14-Oct-21	110,849,533.68	13-Oct-22	110,849,534		21,815,067.00	20%
21-Oct-21	101,711,707.13	20-Oct-22	101,711,707		20,302,242.80	20%
28-Oct-21	283,111,538.90	27-Oct-22	283,111,539		57,506,208.61	20%
04-Nov-21	116,031,345.60	03-Nov-22	116,031,346		23,760,605.50	20%
11-Nov-21	135,869,443.72	10-Nov-22	135,869,444		27,912,205.96	21%
18-Nov-21	127,428,912.64	17-Nov-22	127,428,913		25,864,088.53	20%
25-Nov-21	166,691,511.48	24-Nov-22	166,691,511		34,471,289.61	21%
02-Dec-21	196,950,753.96	01-Dec-22	196,950,754		40,595,397.02	21%
09-Dec-21	229,773,873.30	08-Dec-22	229,773,873		48,081,929.24	21%
16-Dec-21	79,528,994.78	15-Dec-22	79,528,995		16,980,104.43	21%
23-Dec-21	45,948,049.25	22-Dec-22	45,948,049		10,019,651.09	22%
30-Dec-21	268,731,085.11	29-Dec-22	268,731,085		58,770,116.51	22%
	6,986,158,886.12		6,986,158,886.12		1,180,405,469.66	
06-Jan-22	173,005,214.70	05-Jan-23		173,005,214.70		

APPENDIX 8: STATEMENT OF MOVEMENTS IN 364-DAY TREASURY BILLS
during the financial year ended 31st December 2022

Issued Date	Issued at Nominal Value	Maturity Date	Matured at Nominal Value	Balance as at 31/12/2022	Interest Paid in FY2022	Interest Rate
07-Jan-21	0	06-Jan-22		-		
13-Jan-22	145,281,313.22	12-Jan-23		145,281,313.22		
14-Jan-21	0	13-Jan-22		-		
20-Jan-22	148,361,773.23	19-Jan-23		148,361,773.23		
21-Jan-21	0	20-Jan-22		-		
27-Jan-22	152,169,812.30	26-Jan-23		152,169,812.30		
28-Jan-21	-	27-Jan-22		-		
03-Feb-22	181,916,081.60	02-Feb-23		181,916,081.60		
04-Feb-21	-	03-Feb-22		-		
10-Feb-22	218,481,373.08	09-Feb-23		218,481,373.08		
11-Feb-21	-	10-Feb-22		-		
17-Feb-22	264,554,345.29	16-Feb-23		264,554,345.29		
18-Feb-21	-	17-Feb-22		-		
24-Feb-22	159,814,865.05	23-Feb-23		159,814,865.05		
25-Feb-21	-	24-Feb-22		-		
03-Mar-22	100,411,566.53	02-Mar-23		100,411,566.53		
04-Mar-21	-	03-Mar-22		-		
10-Mar-22	192,944,253.33	09-Mar-23		192,944,253.33		
11-Mar-21	-	10-Mar-22		-		
17-Mar-22	138,247,134.60	16-Mar-23		138,247,134.60		
18-Mar-21	-	17-Mar-22		-		
24-Mar-22	169,772,447.44	23-Mar-23		169,772,447.44		
25-Mar-21	-	24-Mar-22		-		
31-Mar-22	115,639,307.16	30-Mar-23		115,639,307.16		
01-Apr-21	-	31-Mar-22		-		
07-Apr-22	181,672,069.34	06-Apr-23		181,672,069.34		
08-Apr-21	-	07-Apr-22		-		
14-Apr-22	165,964,057.92	13-Apr-23		165,964,057.92		

APPENDIX 8: STATEMENT OF MOVEMENTS IN 364-DAY TREASURY BILLS
during the financial year ended 31st December 2022

Issued Date	Issued at Nominal Value	Maturity Date	Matured at Nominal Value	Balance as at 31/12/2022	Interest Paid in FY2022	Interest Rate
15-Apr-21	-	14-Apr-22		-		
21-Apr-22	160,150,166.43	20-Apr-23		160,150,166.43		
22-Apr-21	-	21-Apr-22		-		
28-Apr-22	355,758,546.48	27-Apr-23		355,758,546.48		
29-Apr-21	-	28-Apr-22		-		
05-May-22	124,617,800.46	04-May-23		124,617,800.46		
06-May-21	-	05-May-22		-		
12-May-22	102,493,597.89	11-May-23		102,493,597.89		
13-May-21	-	12-May-22		-		
19-May-22	166,230,066.82	18-May-23		166,230,066.82		
20-May-21	-	19-May-22		-		
26-May-22	165,737,948.46	25-May-23		165,737,948.46		
27-May-21	-	26-May-22		-		
02-Jun-22	68,902,422.08	01-Jun-23		68,902,422.08		
03-Jun-21	-	02-Jun-22		-		
09-Jun-22	87,393,644.23	08-Jun-23		87,393,644.23		
10-Jun-21	-	09-Jun-22		-		
16-Jun-22	73,010,083.01	15-Jun-23		73,010,083.01		
17-Jun-21	-	16-Jun-22		-		
23-Jun-22	160,750,081.68	22-Jun-23		160,750,081.68		
24-Jun-21		23-Jun-22		-		
24-Jun-21		23-Jun-22		-		
30-Jun-22	241,007,229.68	29-Jun-23		241,007,229.68		
01-Jul-21		30-Jun-22		-		
07-Jul-22	165,669,041.60	06-Jul-23		165,669,041.60		
08-Jul-21		07-Jul-22		-		
14-Jul-22	223,450,200.24	13-Jul-23		223,450,200.24		
15-Jul-21		14-Jul-22		-		

APPENDIX 8: STATEMENT OF MOVEMENTS IN 364-DAY TREASURY BILLS
during the financial year ended 31st December 2022

Issued Date	Issued at Nominal Value	Maturity Date	Matured at Nominal Value	Balance as at 31/12/2022	Interest Paid in FY2022	Interest Rate
21-Jul-22	179,088,120.39	20-Jul-23		179,088,120.39		
22-Jul-21		21-Jul-22		-		
28-Jul-22	125,043,341.30	27-Jul-23		125,043,341.30		
29-Jul-21		28-Jul-22		-		
04-Aug-22	194,737,704.60	03-Aug-23		194,737,704.60		
05-Aug-21		04-Aug-22		-		
11-Aug-22	162,522,680.80	10-Aug-23		162,522,680.80		
18-Aug-22	50,950,088.85	17-Aug-23		50,950,088.85		
25-Aug-22	149,612,654.02	24-Aug-23		149,612,654.02		
26-Aug-21		25-Aug-22		-		
01-Sep-22	81,253,309.26	31-Aug-23		81,253,309.26		
02-Sep-21		01-Sep-22		-		
08-Sep-22	198,235,064.16	07-Sep-23		198,235,064.16		
09-Sep-21		08-Sep-22		-		
15-Sep-22	145,881,888.23	14-Sep-23		145,881,888.23		
16-Sep-21		15-Sep-22		-		
22-Sep-22	75,106,049.77	21-Sep-23		75,106,049.77		
23-Sep-21		22-Sep-22		-		
29-Sep-22	91,605,700.43	28-Sep-23		91,605,700.43		
30-Sep-21		29-Sep-22		-		
06-Oct-22	28,905,855.75	05-Oct-23		28,905,855.75		
13-Oct-22	132,642,924.82	12-Oct-23		132,642,924.82		
14-Oct-21		13-Oct-22		-		
20-Oct-22	124,820,994.82	19-Oct-23		124,820,994.82		
21-Oct-21		20-Oct-22		-		
27-Oct-22	340,958,915.89	26-Oct-23		340,958,915.89		
28-Oct-21		27-Oct-22		-		

APPENDIX 8: STATEMENT OF MOVEMENTS IN 364-DAY TREASURY BILLS
during the financial year ended 31st December 2022

Issued Date	Issued at Nominal Value	Maturity Date	Matured at Nominal Value	Balance as at 31/12/2022	Interest Paid in FY2022	Interest Rate
03-Nov-22	139,602,119.10	02-Nov-23		139,602,119.10		
04-Nov-21		03-Nov-22		-		
10-Nov-22	161,852,319.25	09-Nov-23		161,852,319.25		
11-Nov-21		10-Nov-22		-		
17-Nov-22	156,001,421.00	16-Nov-23		156,001,421.00		
18-Nov-21		17-Nov-22		-		
24-Nov-22	201,220,876.00	23-Nov-23		201,220,876.00		
25-Nov-21		24-Nov-22		-		
01-Dec-22	440,080,871.78	30-Nov-23		440,080,871.78		
02-Dec-21		01-Dec-22		-		
08-Dec-22	585,402,864.28	07-Dec-23		585,402,864.28		
09-Dec-21		08-Dec-22		-		
15-Dec-22	397,604,675.26	14-Dec-23		397,604,675.26		
16-Dec-21		15-Dec-22		-		
22-Dec-22	53,374,093.99	21-Dec-23		53,374,093.99		
23-Dec-21		22-Dec-22		-		
29-Dec-22	321,042,000.80	28-Dec-23		321,042,000.80		
30-Dec-21		29-Dec-22		-		
	9,140,952,978.37			9,140,952,978.37	1,180,405,469.66	

FY2022				-		
SUMMARY				-		
Outstanding Balance FY2021		6,986,158,886				
Issued FY2022		9,140,952,978				
Matured FY2022			6,986,158,886			
Outstanding Balance FY2022				9,140,952,978		
		16,127,111,864	6,986,158,886	9,140,952,978		

APPENDIX 9: STATEMENT OF OUTSTANDING DEBTS DUE EXTERNAL CREDITORS (ON A LOAN BY LOAN BASIS)

(APPENDIX A1) REVISED DISBURSED OUTSTANDING DEBTS ON A LOAN BY LOAN BASIS TO EXTERNAL CREDITORS AS AT 1st JANUARY 2022 AND 31st DECEMBER 2022 (IN THOUSAND UNITS OF CURRENCIES EXCEPT OTHERWISE STATED)																	
Loan Key	Type of Loan	Currency	Year Signed	Total Loan Approved	Year of first Disbursement	Grace Period (in Years)	First Repayment Year	Number of Payments Per Year	Total Number of Payments	Last Year of Repayment	Annual Principal Repayment	Interest Rate	Disbursed Outstanding Debt Including Principal Arrears As At 1st January, 2022	Disbursements	Principal Repayment	Disbursed Outstanding Debt Including Principal Arrears As At 31 December 2022	
																In Specific Loan Currency	In SLE Equivalent
	Govt. of the People's Rep. of China																
1993020 /SL GOSL	Chinese U S Dollar Clearing Account	USD	1993	11,220,227.4	1993	1	1994	2	20	2004	1,122,022.7	0	8,415.20	0.00	0.00	8,415.20	159,292,446.40
2005281 /SL GOSL	Chinese Loan Account No. 12	CNY	2005	20,000,000.0	2011	10	2015	1	10	2024	2,000,000.0	0	4,460.00	0.00	2,000.00	2,460.00	6,345,004.20
2006281 /SL GOSL	Chinese Loan Account No. 2006/1	CNY	2006	20,000,000.0	2007	15	2021	1	10	2030	2,000,000.0	0	18,100.00	0.00	0.00	18,100.00	46,684,787.00
	Exim Bank of China																
2007281 /SL GOSL	SIERRATEL Wireless Local Loop Cr.No.(2007) 011(182)	CNY	2007	115,984,112.7	2007	5	2012	2	30	2027	7,732,274.2	2	50,259.80	0.00	7,732.30	42,527.50	109,689,925.50
2011283 /SL GOSL	Dedicated Security Info system Cr.No.GCL 018	CNY	2011	100,000,000.0	2011	5	2017	2	30	2031	6,666,666.7	2	73,333.30	0.00	6,666.70	66,666.70	171,951,333.30
2012284 /SL GOSL	S.L. National Fibre Optic Backbone Proj. Cr.NoGCL 024	CNY	2012	970000000	2012	5	2018	2	30			2	68,544.10	0.00	6,466.70	62,077.40	160,114,340.90
2012284 /SL GOSL	S.L. National Fibre Optic Backbone Proj. Phase II	USD	2019	30,000,000.0	2020	5	2024	2	30			2	29,433.10	0.00	0.00	29,433.10	557,144,787.20
2020006 /SL GOSL	Agreement on Debt Suspension with China EXIMBank (1st May to 31st Dec 2020):	CNY	2020	12,448,318.9	2020	1	2022	2				n/a	12,448.30	0.00	4,149.40	8,298.90	21,405,050.30
2021007 /SL GOSL	Agreement on Debt Suspension with China EXIMBank (1st Jan to 30 th June 2021):	CNY	2020	4,340,383.2	2020	1	2022	2				n/a	4,340.40	0.00	0.00	4,340.40	11,195,020.30
2021010 /SL GOSL	Agreement on Debt Suspension with China EXIMBank (1st July to 31st Dec 2021):	CNY	2020	7,897,049.0	2020	1	2022	2				n/a	7,897.00	0.00	0.00	7,897.00	20,368,621.50
	Kuwait Fund for Arab Econ. Development																
2008010 /DR GOSL	Resch. WATERLOO-KENT PROJECT - HIPC	KWD	2008	3,513,348.0	2008	16	2024	2	50	2048	48,000.0	0.5	3,513.30	0.00	0.00	3,513.30	227,169,498.10
2002010 /SL GOSL	Waterloo - Kent-Tokeh Road Project Cr.No.640	KWD	2002	3,100,000.0	2002	3	2005	2	46	2027	140,800.0	2	664.70	0.00	140.80	523.90	33,876,333.90
2004060 /SL GOSL	Tokeh - Lumley Road Project No. 684	KWD	2004	2,500,000.0	2005	3	2008	2	12	2030	114,000.0	2	961.00	0.00	114.00	847.00	54,766,155.90
2007040 /SL GOSL	Kenema-Pendembu Road Project Cr.No. 753	KWD	2007	3,000,000.0	2009	6	2013	2	11	2033	150,000.0	2	1,672.40	0.00	150.00	1,522.40	98,436,002.40
2011060 /SL GOSL	Three Tertiary Hospitals Project Cr.No.830	KWD	2011	4,250,000.0	2013	5	2017	2	39	2036	210,000.0	1.5	1,211.70	0.00	210.00	1,001.70	64,768,217.20
2013284 /SL GOSL	Reconstruction of the Motoboka-Sefadu Road Project	KWD	2013	4,000,000.0	2014	5	2018	2	40	2057	100,000.0	2	3,286.50	0.00	200.00	3,086.50	199,568,633.20
2016003 /SL GOSL	The Hillside Bypass Road Project Phase II	KWD	2016	6,000,000.0	2017	4	2021	2				2	4,298.00	0.00	300.00	3,998.00	258,504,010.10
2017003 /SL GOSL	Tokeh - Lumley Road Improvement Project:	KWD	2017	5,000,000.0	2017	5	2021	2				2	2,623.70	0.00	250.00	2,373.70	153,480,356.40
2020008 /SL GOSL	-Debt Service Suspension Agreement with KuwaitFund:	KWD	2020	711,483.4	2020	2	2022	2				2	711.50	0.00	237.20	474.30	30,669,212.60
2021004 /SL GOSL	Supplementary Loan for Developing Three Hospitals Project:	KWD	2021	630,000.0	2023	5	2023	2				2	0.00	0.00	0.00	0.00	0.00
	Saudi Fund For Economic Development																
2006030 /SL GOSL	SFED Western Area Power Generation Project Phase 2 Cr.No. 0455/02	SAR	2006	31,000,000.0	2009	10	2017	2	40	2036	1,550,000.0	1	24,619.20	0.00	1,550.00	23,069.20	116,014,868.50
2008040 /SL GOSL	SFED Kenema Pendembu Road Proj Cr.No 0485/03	SAR	2008	37,500,000.0	2010	10	2018	2	40	2038	1,876,000.0	1	32,304.10	0.00	1,876.00	30,428.10	153,022,749.20
2010050 /SL GOSL	SFED Western Area Power Gen Proj Ph 1 Cr.No. 0521/04	SAR	2010	6,000,000.0	2011	10	2020	2	40	2040	300,000.0	1	5,627.40	0.00	300.00	5,327.40	26,791,263.60
2016001 /SL GOSL	SFED Rehabilitation and Expansion of Fourah Bay College	SAR	2016	45,000,000.0	2017	10	2027	2	40	2046	2,250,000.0	1	42,052.00	0.00	0.00	42,052.00	211,479,507.20
2021005 /SL GOSL	Support of the Education Project 6/778	SAR	2021	93,750,000.0	2022	10	2032	2	40			1	0.00	825.00	0.00	825.00	4,148,846.90
2022001 /SL GOSL	Debt Service Suspension Initiative I Saudi Fund	SAR	2020	2,381,673.2	2020	2	2022	2				1	0.00	2,381.70	781.70	1,600.00	8,046,400.00
2022002 /SL GOSL	Debt Service Suspension Initiative I Saudi Fund	SAR	2020	4,737,552.8	2020	2	2022	2				1	0.00	4,737.60	937.60	3,800.00	19,110,200.00
	Exim Bank of India																
2008050 /SL GOSL	Dollar Credit Line Agreement - Agric. Sector ProjectCr.No.95	USD	2008	15,000,000.0	2009	5	2014	2	30	2028	1,000,000.0	1.75	7,119.00	0.00	1,000.00	6,119.00	115,828,512.70
2010030 /SL GOSL	Dollar Credit Line Agreement - Portable Water Projects Cr.No.110	USD	2010	30,000,000.0	2011	5	2016	2	30	2031	1,935,483.9	1.75	18,198.00	0.00	1,935.50	16,262.50	307,835,823.30
2016006 /SL GOSL	Dollar Line of Credit - Transmission Line andSubstation:	USD	2010	78,000,000.0	2017	5	2023	2	30	2042	3,900,000.0	1.75	587.70	0.00	0.00	587.70	11,125,448.00
2021003 /SL GOSL	Debt Service Suspension Agreement with IndiaEXIM Bank:	USD	2020	2,512,896.8	2020	2	2020	2				1.75	2,153.90	0.00	718.00	1,435.90	27,181,214.40
	EXIM BANK OF KOREA																
2013100 /SL GOSL	FCC Administrative Building Complex - Korea Loan	USD	2013	54,986,000.0	2014	14	2027	2	50	2052	2,199,440.0	0.01	50,120.10	0.00	0.00	50,120.10	948,732,636.00
2021003 /SL GOSL	Debt Relief under DSSI from Korea Exim Bank:	USD	2020	3,652.0	2020	2	2022	2					3.70	0.00	1.20	2.40	46,086.30
	Abu Dhabi Fund for Development																
2012286 /SL GOSL	ADHF- Tokeh-Lumley Road Project	AED	2012	20,000,000.0	2014	5	2017	2	30	2032	1,333,333.3	2	10,861.80	0.00	0.00	10,861.80	54,466,037.40
2014105 /SL GOSL	Solar Park FreeTown Project	AED	2014	33,057,000.0	0	5	2019	2	30	2034	2,203,800.0	2	28,649.20	0.00	2,203.80	26,445.40	132,609,826.50

(APPENDIX A1) REVISED DISBURSED OUTSTANDING DEBTS ON A LOAN BY LOAN BASIS TO EXTERNAL CREDITORS AS AT 1st JANUARY 2022 AND 31st DECEMBER 2022 (IN THOUSAND UNITS OF CURRENCIES EXCEPT OTHERWISE STATED)																	
Loan Key	Type of Loan	Currency	Year Signed	Total Loan Approved	Year of first Disbursement	Grace Period (in Years)	First Repayment Year	Number of Payments Per Year	Total Number of Payments	Last Year of Repayment	Annual Principal Repayment	Interest Rate	Disbursed Outstanding Debt Including Principal Arrears As At 1st January, 2022	Disbursements	Principal Repayment	Disbursed Outstanding Debt Including Principal Arrears As At 31 December 2022	
													In Specific Loan Currency				
																In SLE Equivalent	
African Development Fund																	
1994023 /CF GOSL	Matotoka-Sefadu Road Rehab Proj.-Excl MDRI - EUR	EUR	1994	17,591.1	2007	13	2007	2	72	2042	344.1	0.75	11.00	0.00	0.50	10.50	211,419.40
1998023 /CF GOSL	Health Services Rehab. Proj. - USD excl. MDRI	USD	1998	99,139.5	2005	10	2008	2	80	2048	2,974.2	0.75	78.80	0.00	3.00	75.80	1,435,624.70
1999025 /CF GOSL	Health Services proj. - EUR - excels MDRI ass.	EUR	1999	4,298,204.8	2005	8	2008	2	80	2048	45,018.1	0.75	3,400.00	0.00	128.30	3,271.70	65,853,922.80
1999028 /CF GOSL	ADF Education II - EUR - excels MDRI	EUR	1999	158,098.4	2007	8	2007	2	65	2039	3,439.0	0.75	73.00	0.00	4.00	69.00	1,389,234.30
2002033 /CF GOSL	Artisanal Fisheries - excl. MDRI EUR	EUR	2002	2,134,609.4	2007	10	2012	2	80	2051	21,346.1	0.75	1,921.10	0.00	64.00	1,857.10	37,380,730.20
2002034 /CF GOSL	Artisanal Fisheries Devmt Proj. - USD excl MDRI	USD	2002	5,133,617.8	2009	10	2012	2	80	2051	51,336.2	0.75	4,620.30	0.00	154.00	4,466.20	84,542,491.40
2002035 /CF GOSL	Artisanal Fisheries Dev Project - JPK xcl MDRI	JPY	2002	306,705.6	2008	10	2012	2	80	2052	3,067.1	0.75	276.00	0.00	0.00	276.00	36,696,091.70
2003012 /CF GOSL	ADF-Rehab Basic Non-Form Educ. - xcl MDRI EUR	EUR	2003	1,706,466.7	2007	10	2013	2	80	2052	17,064.7	0.75	1,552.90	0.00	17.10	1,535.80	30,913,661.50
2003013 /CF GOSL	ADF - Rehab of Basic Non-Form Educ. - JPK xcl MDRI	JPY	2003	609,808.0	2005	10	2013	2	80	2052	7,007.9	0.75	546.70	0.00	7.00	539.70	71,751,581.80
2003014 /CF GOSL	ADF-Rehab of Basic non-formal education -USD xcl MDRI	USD	2003	13,964,722.5	2008	10	2013	2	80	2052	139,646.0	0.75	12,599.10	0.00	139.60	12,459.40	235,846,754.50
2003072 /CF GOSL	ADF - Social Action Support Project - US\$ xcl MDRI	USD	2003	3,311,051.4	2005	10	2013	2	80	2052	33,110.5	0.75	3,029.60	0.00	33.10	2,996.50	56,721,376.30
2003073 /CF GOSL	Social Action Support Project - JPK xcl MDRI	JPY	2003	218,152.8	2005	10	2013	2	80	2052	2,181,528.0	0.75	199.60	0.00	2.20	197.40	26,246,122.00
2003074 /CF GOSL	ADF-SASProject - EUR xcl MDRI	EUR	2003	3,879,974.5	2006	10	2013	2	80	2052	38,799.8	0.75	3,550.20	0.00	38.80	3,511.40	70,678,539.50
2003081 /CF GOSL	ADF-Nerica Rice Dissemination Proj. - EUR xcl MDRI	EUR	2003	442,520.2	2005	10	2013	2	80	2052	4,425.2	0.75	404.90	0.00	4.40	400.50	8,061,053.40
2003082 /CF GOSL	ADF - Nerica Rice Dissemination - US\$	USD	2003	1,985,046.6	2008	10	2013	2	80	2053	19,850.5	0.75	1,799.60	0.00	19.90	1,779.80	33,689,951.80
2003083 /CF GOSL	Nerica Rice Dissemination Project - JPK xcl MDRI	JPY	2003	104,938.2	2008	10	2013	2	80	2054	1,049.4	0.75	96.00	0.00	1.00	95.00	12,525,190.80
2003284 /CF GOSL	ADF - Nerica Rice Dissemination - GBP	GBP	2003	243,358.1	2012	10	2013	2	80	2053	2,433.6	0.75	222.70	0.00	2.40	220.20	5,016,910.30
2004011 /CF GOSL	ERRL II excl. MDRI - ADF - US\$	USD	2004	10,512,538.4	2005	10	2014	2	80	2053	105,125.4	0.75	9,649.10	0.00	105.10	9,544.00	180,660,475.30
2005011 /CF GOSL	ADF- Agricultural Sector Rehab. Project - JPK xcl MDRI	JPY	2005	249,233.4	2006	10	2015	2	80	2055	1,246.2	0.75	233.00	0.00	2.50	230.50	30,648,103.10
2005012 /CF GOSL	ADF-Agricultural Sector Rehab. proj. - EUR	EUR	2005	2,140,639.2	2007	10	2015	2	80	2055	21,406.3	0.75	2,001.50	0.00	21.40	1,980.10	39,856,147.10
2005013 /CF GOSL	ADF -Agricultural Sector Rehab. Proj. - USD	USD	2005	7,219,328.2	2008	10	2015	2	80	2055	72,193.3	0.75	4,453.80	0.00	48.80	4,405.00	83,383,027.00
2005014 /CF GOSL	ADF - Agriculture Sector Rehabilitation Project - GBP	GBP	2005	3,811,601.0	2012	10	2015	2	80	2054	38,116.0	0.75	2,975.60	0.00	31.80	2,943.70	67,056,669.70
2006071 /CF GOSL	ADF -Bumbuna Hydro Power Project - USD - Add. Financing	USD	2006	8,227,911.3	2009	11	2020	2	80	2060	82,279.1	0.75	7,981.10	0.00	82.30	7,898.80	149,517,867.60
2006072 /CF GOSL	ADF-Bumbuna Hydo Project - JPK-Add. Financing	JPY	2006	194,068.4	2009	9	2016	2	80	2058	1,940.7	0.75	188.20	0.00	1.90	186.30	24,767,477.60
2010061 /CF GOSL	ADF - Three Towns Water Supply System Proj. - USD	USD	2010	7,962,201.9	2013	9	2020	2	80	2060	79,622.0	0.75	8,818.90	0.00	178.20	8,640.70	163,562,138.40
2010401 /CF GOSL	ADF/NTF- Supp loan_Bumbuna Hydro Power Proj - USD	USD	2010	1,099,819.6	2012	6	2017	2	40	2036	54,991.0	0.75	879.90	0.00	55.00	824.90	15,614,029.30
2012051 /CF GOSL	ADF Matotoka -Yeyi Road Proj. - USD	USD	2012	4,021,702.3	2013	10	2022	2	80	2062	40,217.0	0.75	4,574.20	0.00	45.70	4,528.40	85,719,551.60
2013287 /SL GOSL	Cote D'Ivoire, Liberia, Sierra Leone, Guinea (CLSG) Electricity Networks Interconnection Project	SDR	2013	14,500,000.0	2018	10	2023	2	80	2062	104,916.8	0.75	10,251.00	0.00	0.00	10,251.00	256,680,309.80
2013288 /SL GOSL	NTF- Cote D'Ivoire, Liberia, Sierra Leone, Guinea (CLSG) Electricity Networks Interconnection Project	SDR	2013	667,000.0	2018	6	2020	2	40	2039	24,1308.68	0.75	5428.2	0	333.5	5094.7	127567472
2013298 /CF GOSL	ADF- Rural Water Supply and Sanitation Proj. - USD	USD	2013	653,492.4	2014	10	2023	2	80	2063	13,069.9	0.75	9,503.40	0.00	0.00	9,503.40	179,892,340.00
2014106 /SL GOSL	ADF Ebola Sector Budget Support - Fight Back Programme	SDR	2014	19,800,000.0	2014	10	2024	2	60	2054	396,000.0	0.75	19,800.00	0.00	0.00	19,800.00	495,781,902.00
2014107 /SL GOSL	FSF Ebola Sector Budget Support - Fight Back Programme	SDR	2014	4,800,000.0	2014	10	2024	2	60	2054	96,000.0	0.75	4,800.00	0.00	0.00	4,800.00	120,189,552.00
2016004 /SL GOSL	Mano River Union Rehabilitation of Bo-Bandajuma	SDR	2016	3,710,000.0	2018	10	2027	2	60	2056	96,000.0	0.75	2,276.70	0.00	0.00	2,276.70	57,008,246.70
2016005 /SL GOSL	Mano River Union Rehabilitation of Bo-BandajumaRoad Project - Transition Support Facility/	SDR	2016	3,230,000.0	2018	10	2027	2	60	2056	96,000.0	0.75	2,299.20	0.00	0.00	2,299.20	57,569,801.60
2017004 /SL GOSL	Rehabilitation and Extension of Bo-KenemaDistribution Systems Project	SDR	2017	4,621,000.0	2019	10	2027	2	60	2056	165,035.7	0.75	1,986.80	0.00	0.00	1,986.80	49,750,068.04
2016005 /SL GOSL	FREETOWN WASH AND AQUATICENVIRONMENT REVAMPING PROJECT/	SDR	2016	3,230,000.0	2016	10	2027	2	60	2056	115,357.1	0.75	35.00	0.00	0.00	35.00	876,602.00
Arab Bank For Economic Dev. In Africa																	
2001060 /SL GOSL	Kent-Tokoh Road Project - BADEA	USD	2001	4,991,694.0	2022	11	2013	2	68	2047	146,814.0	1	3,670.30	0.00	146.80	3,523.50	66,697,702.20
2003060 /SL GOSL	Rehab. Njala University Cr. No.346	USD	2003	7,200,000.0	2005	12	2020	2	68	2054	211,764.7	0.75	6,882.40	0.00	211.80	6,670.60	126,268,898.80
2004030 /SL GOSL	Hillside Bypass Road Proj. Cr.No.396	USD	2004	6,000,000.0	2007	12	2016	2	40	2036	274,000.0	1	4,042.90	0.00	288.00	3,754.90	71,076,778.10
2005040 /SL GOSL	BADEA - Western Area Power Gen.Proj. Ph. 1 Cr.No.503	USD	2005	8,000,000.0	2006	16	2022	2	68	2055	235,294.1	0	8,000.00	0.00	117.60	7,882.40	149,206,635.30
2006020 /SL GOSL	Rehabilitation of Kabala Water Supply Proj. Cr.No.561	USD	2006	4,000,000.0	2010	11	2017	2	40	2037	182,000.0	0	2,985.00	0.00	190.00	2,795.00	52,907,987.40
2006080 /SL GOSL	Western Area Power Gen.Proj. Ph. 2 Cr.No.559	USD	2006	7,000,000.0	2009	15	2022	2	70	2056	200,000.0	0	6,925.90	0.00	200.00	6,725.90	127,316,692.00
2008030 /SL GOSL	Kenema - Pendembu Road project Cr.No. 592	USD	2008	10,000,000.0	2010	17	2025	2	68	2058	294,117.7	0	9,917.00	0.00	0.00	9,917.00	187,720,964.00
2011070 /SL GOSL	Primary Health Care Support Project Cr.No.	USD	2011	5,700,000.0	2018	10	2021	2	40	2041	258,000.0	1	700.70	0.00	260.00	440.70	8,341,334.90
2013291 /SL GOSL	Rehabilitation and Expansion of Fourah Bay College	USD	2013	8,000,000.0	2014	10	2023	2	40	2042	364,000.0	1	7,276.20	0.00	0.00	7,276.20	137,733,395.80
2008020 /DR GOSL	Resch. Agreement under HIPC relief - BADEA	USD	2008	7,491,287.0	2008	0	2008	2	44	2030	341,318.0	0	2,883.50	0.00	341.30	2,542.20	48,121,357.90
INTERNATIONAL MONETARY FUND																	
2010040 /SL BSL	ECF-Three Year Arrangement - IMF	SDR	2010	22,200,000.0	2010	5	2015	2	10	2019	888,000.0	0	444.00	0.00	444.00	0.00	0.00
2013020 /SL GOSL	ECF - Three Year Loan 2 - IMF	SDR	2013	162,215,000.0	2013	5	2018	2	10	2022	1,778,000.0	0	140,956.00	0.00	37,332.00	103,624.00	2,594,692,111.80
2017005 /SL GOSL	ECF-Four Year Arrangement	SDR	2017	39,166,000.0	2017	5	2022	2	10	2022	7,833,200.0	0	39,166.00	0.00	3,916.60	35,249.40	882,626,998.80
2018001 /SL GOSL	ECF-Four Year Arrangement	SDR	2018	15,500,000.0	2018	5	2024	2	10	2028	3,100,000.0	0	77,775.00	15,555.00	0.00	93,330.00	2,336,935,601.70
2020001 /SL GOSL	Rapid Credit Facility RCF/CCRT/1	SDR	2021	103,700,000.0	2021	5	2026	2	10	2030	0	0	103,700.00	0.00	0.00	103,700.00	2,596,595,113.00
2020006 /SL GOSL	Rapid Credit Facility RCF/CCRT 2/	SDR	2021	35,260,000.0	2021	5	2026	2	10	2030	0	0	35,260.00	0.00	0.00	35,260.00	882,892,417.40
European Economic Community/ Economic Investment Bank																	
1978060 /SL GOSL	Promotion of Small and Med.Scale Ent.	EURO	1978	462,811.8	1980	10	1989	2	60	2018	28,772.8	1	0.20	0.00	0.00	0.20	402.10
1983080 /SL GOSL	North-West IADP Kambia	EURO	1983	1,325,228.0	1991	10	1993	2	60	2023	77,260.0	1	153.90	0.00	101.5		

**(APPENDIX A1) REVISED DISBURSED OUTSTANDING DEBTS ON A LOAN BY LOAN BASIS TO EXTERNAL CREDITORS AS AT 1st JANUARY 2022 AND 31st DECEMBER 2022
(IN THOUSAND UNITS OF CURRENCIES EXCEPT OTHERWISE STATED)**

Loan Key	Type of Loan	Currency	Year Signed	Total Loan Approved	Year of first Disbursement	Grace Period (in Years)	First Repayment Year	Number of Payments Per Year	Total Number of Payments	Last Year of Repayment	Annual Principal Repayment	Interest Rate	Disbursed Outstanding Debt Including Principal Arrears As At 1st January, 2022	Disbursements	Principal Repayment	Disbursed Outstanding Debt Including Principal Arrears As At 31 December 2022
														In Specific Loan Currency		In SLE Equivalent
	International Development Association															
1996052 /SL GOSL	Transport Sector Project, Cr.No.2895 excl MDRI	SDR	1996	1,003,831.7	2004	10	2006	2	60	2036	20,076.6	0.75	573.30	0.00	39.50	533.80
2001201 /SL GOSL	2nd PSMS Cr.No.3462 - excl. MDRI	SDR	2001	637,752.6	2004	10	2011	2	60	2040	6,567.9	0.75	249.60	0.00	13.10	236.50
2002051 /SL GOSL	HIV/Aids Response Proj Cr.No.3627 SL excl MDRI	SDR	2002	9,859,758.5	2004	10	2012	2	60	2041	197,195.2	0.75	7,887.80	0.00	394.40	7,493.40
2003020 /SL GOSL	National Social Action Project cr.3748 excl MDRI	SDR	2003	24,543,962.7	2004	10	2013	2	60	2043	490,879.3	0.75	20,368.00	0.00	490.80	19,877.20
2003030 /SL GOSL	Econ.Rehab.& Recovery Credit III - 3765 excl MDRI	SDR	2003	11,000,000.0	2003	12	0	2	60	0	0.0	0.75	9,130.00	0.00	220.00	8,910.00
2004040 /SL GOSL	Power and Water Project Cr.No. 3945-OSL	SDR	2004	24,200,000.0	2004	10	2014	2	60	2044	484,000.0	0.75	19,265.80	0.00	453.30	18,812.50
2005030 /SL GOSL	Urban Water Supply Project Cr.No. 2702-1 SL	SDR	2005	2,035,358.1	2005	10	2015	2	60	2044	40,707.0	0.75	1,770.80	0.00	40.70	1,730.10
2008060 /SL GOSL	Second Government Reform and Growth Credit Cr.No 45200-SL	SDR	2008	6,400,000.0	2008	10	2019	2	60	2048	128,000.0	0.75	6,016.00	0.00	128.00	5,888.00
2008080 /SL GOSL	Infrastructure Development Project (Transport) Cr.No 44690-SL	SDR	2008	3,700,000.0	2010	10	2018	2	60	2048	37,000.0	0.75	2,976.20	0.00	74.00	2,902.20
2009030 /SL GOSL	Third Governance Reform and Growth -3 Cr.No 46610-SL	SDR	2009	6,400,000.0	2009	10	2020	2	60	2049	128,000.0	0.75	6,144.00	0.00	128.00	6,016.00
2009040 /SL GOSL	Decentralized Service Delivery Programme Cr. No. 4656-OSL	SDR	2009	12,900,000.0	2010	10	2020	2	60	2049	258,000.0	0.75	12,312.00	0.00	256.50	12,055.50
2009050 /SL GOSL	West Africa Regional Fisheries Pgrm SL Cr. No.46630-SL	SDR	2009	9,700,000.0	2011	10	2020	2	60	2049	194,000.0	0.75	2,294.30	0.00	47.80	2,246.50
2010100 /SL GOSL	Third Gov. Reform and Growth Cr.3 No 4775-SL Supp. Financing	SDR	2010	4,700,000.0	2010	10	2020	2	60	2049	94,000.0	0.75	4,559.00	0.00	94.00	4,465.00
2010200 /SL GOSL	Youth Employment Support Cr.No 47900-SL	SDR	2010	7,500,000.0	2010	10	2020	2	60	2050	150,000.0	0.75	7,219.80	0.00	148.90	7,070.90
2010300 /SL GOSL	Fourth Government Reform and Growth Devt. Policy Financing Cr.No 48600-SL	SDR	2010	6,400,000.0	2010	10	2021	2	60	2050	128,000.0	0.75	6,272.00	0.00	128.00	6,144.00
	West Africa Regional CommunicationsInfrastructure Prog. Cr.No 48560-SL												19,392.60	0.00	395.80	18,996.80
2014104 /SL GOSL	Public Financial Management Improvement and Consolidated Project Cr. No. P133424	SDR	2014	7,900,000.0	2014	10	2024	2	60	2053	158,000.0	0.75	7,666.60	0.00	0.00	7,666.60
2012010 /SL GOSL	Fifth Governance Reform and Growth Credit- Cr.No 50560-SL	SDR	2012	15,500,000.0	2012	10	2022	2	60	2051	310,000.0	0.75	15,500.00	0.00	310.00	15,190.00
2012030 /SL GOSL	S.L. Public Sector Payment & Performance Cr.No 51220-SL	SDR	2012	11,000,000.0	2013	10	2022	2	60	2051	220,000.0	0.75	8,262.60	0.00	273.20	7,989.40
2014110 /SL GOSL	Energy Sector Utility Reform Project	SDR	2014	26,100,000.0	2015	10	2024	2	60	2053	361,000.0	0.75	25,711.30	315.40	0.00	26,026.70
2016002 /SL GOSL	Smallholder Commercialisation and Agri-Business Development Project	USD	2016	28,900,000.0	2016	6	2022	2	60	2051	963,333.3	0.75	22,260.90	3,670.20	903.10	25,028.00
2016008 /SL GOSL	Health Service Delivery and Systems SupportProject	XDR	2016	7,100,000.0	2017	6	2022	2	60	2054	221,875.0	0.75	7,098.80	0.00	110.90	6,987.90
2016009 /SL GOSL	Regional Disease Surveillance SystemsEnhancement (REDISSE)	XDR	2016	14,200,000.0	2017	6	2022	2	60	2054	443,750.0	0.75	13,128.70	0.00	221.90	12,906.80
2017002 /SL GOSL	Productivity and Transparency Support Credit	XDR	2017	16,100,000.0	2017	6	2023	2	60	2055	503,305.0	0.75	16,100.00	0.00	0.00	16,100.00
2017007 /SL GOSL	Additional Financing for the Revitalising Education Development in Sierra Leone Project	XDR	2017	7,300,000.0	2018	5	2023	2	64	2054	228,125.0	0.75	7,299.60	0.00	0.00	7,299.60
2017006 /SL GOSL	Additional Financing for the Public Financial Management Improvement and Consolidated	XDR	2017	7,300,000.0	2018	5	2023	2	62	2054	235,483.9	0.75	7,186.60	31.50	0.00	7,218.10
2018002/SL GOSL	Sierra Leone Skills Development Project	XDR	2018	14,300,000.0	2018	5	2024	2	62	2055	461,290.3	0.75	10,279.50	3,206.10	0.00	13,485.60
2018003/SL GOSL	Sierra Leone Agro-Processing Competitiveness Project	XDR	2018	7,100,000.0	2019	5	2024	2	64	2056	221,875.0	0.75	3,546.50	2,003.30	0.00	5,549.80
2018004/SL GOSL	CLSG Add Financing	USD	2018	7,100,000.0	2019	5	2024	2	64	2056	221,875.0	0.75	59,509.90	0.00	0.00	59,509.90
2019011/SL GOSL	Financial Inclusion	USD	2018	7,100,000.0	2019	5	2024	2	64	2056	221,875.0	0.75	3,539.10	1,066.30	0.00	4,605.40
2019001/SL GOSL	Additional Financing for the Energy Sector UtilityProject	XDR	2019	36,100,000.0	2020	5	2025	2	64	2057	1,128,125.0	0.75	17,202.50	9,954.10	0.00	27,156.60
	International Fund for Agric Development															
1979060 /SL GOSL	Magbosi Int. Agric. Develop. Project 021	SDR	1979	9,600,000.0	0	10	1992	2	76	2029	140,000.0	1	1,920.00	0.00	240.00	1,680.00
1981040 /SL GOSL	Int. Agric. Develop. Project-IFAD 064	SDR	1981	4,900,000.0	0	10	1992	2	80	2031	46,984.0	1	446.40	0.00	47.00	399.40
1984040 /SL GOSL	Agric. Sector Support Project-IFAD 0152	SDR	1984	2,987,214.0	1992	10	1995	2	80	2034	109,044.5	1	1,417.60	0.00	1,308.50	32,765,291.20
1992090 /SL GOSL	North-Central Agric. Dev. Proj. IFAD 33	SDR	1992	1,128,940.8	1993	10	2003	2	80	2042	37,631.4	1	790.20	0.00	37.60	752.60
1992100 /SL GOSL	North-Central Agric. Dev.Proj. IFAD Reg 308	SDR	1992	6,600,000.0	1993	10	2003	2	57	2031	165,000.0	1	1,568.70	0.00	165.00	1,403.70
2004020 /SL GOSL	Rehab. & Community Based Povly Reductn Cr.No.619 SL	SDR	2004	5,900,000.0	2007	10	2014	2	60	2043	196,668.0	0.75	4,326.40	0.00	196.70	4,129.70
2011030 /SL GOSL	Rehab.&Comm Based Povly Reductn Cr.No.619-A-SL	SDR	2011	7,050,000.0	2011	10	2021	2	60	2050	235,000.0	0.75	6,815.00	0.00	235.00	6,580.00
2012060 /SL GOSL	Rural Finance & Community ImprovementProg. Cr.No. I-873A-SL	SDR	2012	695,000.0	2013	10	2022	2	60	2052	23,168.0	0.75	596.30	0.00	11.60	584.70
2013285 /SL GOSL	Rehabilitation and Community Based Poverty Reduction Project - 619-B-SL	SDR	2013	4,215,000.0	2014	10	2023	2	60	2052	140,500.0	0.75	4,214.80	0.00	0.00	4,214.80
2013286 /SL GOSL	Rural Finance and Community Improvement Programme - Phase II - L-I-893	SDR	2013	7,375,000.0	2014	10	2023	2	60	2052	245,833.3	0.75	7,374.70	0.00	0.00	7,374.70
2019003 /SL GOSL	Agriculture Value Chain Development Project	USD	2019	5,900,000.0	2019	10	2029	2	60	2059	196,666.7	0.75	4,578.20	716.30	0.00	5,294.50
2019010 /SL GOSL	Agriculture Value Chain - Additional Loan	USD	2019	20,800,000.0	2021	10	2029	2	60	2059	693,333.3	0.75	534.90	0.00	0.00	534.90
2018005 /SL GOSL	Rural Finance and Community ImprovementProgramme - Phase III	USD	2018	4,500,000.0	2019	10	2029	2	60	2059	150,000.0	0.75	3,378.70	1,068.90	0.00	4,447.50

APPENDIX 10: STATEMENT OF THE INVESTMENTS IN STATE OWNED ENTERPRISES (SOEs)
As at 31st December 2022

No.	NAME	LEGAL STATUS	GOVERNMENT PARTICIPATION (In %)
A.	Utilities		
A1	Electricity Distribution and Supply Authority (EDSA)	Authority	100%
A2	S/L Telecommunications Co. Ltd. (SIERRATEL)	Limited Company	100%
A3	Sierra Leone Postal Services Ltd. (SALPOST)	Limited Company	100%
A4	Guma Valley Water Company (GVWC)	Limited Company	95%
A5	Electricity Generation and Transmission Company (EGTC)	Limited Company	100%
B.	Financial Institutions		
B1	Bank of Sierra Leone	Central Bank	100%
B2	Sierra Leone Commercial Bank (SLCB)	Limited Company	88%
B3	Rokel Commercial Bank (RCB)	Limited Company	65%
B4	National Development Bank (NDB)	Limited Company	99%
B5	National Insurance Company (NIC)	Limited Company	100%
C.	Transport and Shipping		
C1	Sierra Leone Road Transport Corporation (SLRTC)	Corporation	100%
C2	Sierra Leone Airport Authority (SLAA)	Authority	100%
C3	Sierra National Airlines (SNA)	Limited Company	100%
C4	Mining and General Services Co (SL) Ltd. (MAGS)	Limited Company	51%
C5	Sierra Leone Ports Authority (SLPA)	Authority	100%
C6	Sierra Leone National Shipping Company Co. (SLNSC)	Limited Company	100%
D.	Agriculture		
D1	Sierra Leone Produce Marketing Company (SLPMC)	Corporation	100%
E.	Information Services		
E1	Sierra Leone Daily Mail	Company	100%
E2	Sierra Leone Cable Company	company	100%
F.	Manufacturing		
F1	Seaboard West Africa	Limited Company	0.01%
F2	Sierra Leone National Workshop	Company	40%
G.	Housing		
G1	Sierra Leone Housing Corporation (SALHOC)	Corporation	100%
H.	Leisure		
H1	Sierra Leone State Lottery Co Ltd (Lotto)	Limited Company	100%

PART II

CHAPTER II – DONOR-FUNDED PROJECTS, PUBLIC ENTERPRISES AND COMMISSIONS

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MAIN POINTS

What We Examined

As stipulated in Section 118 of the PFMA of 2016, it is required for Public Enterprises to prepare Financial Statements in accordance with internationally accepted accounting standards and should be audited by the Auditor-General or other auditor appointed by him.

We audited Financial Statements of various project funds such as the GAVI, the World Bank and the African Development Bank. These audits were conducted based on the terms of references submitted to the Audit Service to ensure that the audit objectives set out by the donors were met.

We also audited the Financial Statements of Public Enterprises and Commissions. Notably, these entities are set up for the delivery of various services to the citizens, and therefore have distinct enabling legislation, with which they must comply in achieving these deliveries.

The focus of conducting these Financial Statement audits was for us to obtain reasonable assurance that the Statements were free from material misstatement and to determine whether they presented a true and fair view of the financial position and operations for the accounting period under review. The audit was done in accordance with accepted professional auditing standards and ethical requirements recognised by the public sector auditing profession globally.

In doing so, we used the risk-based approach and conducted the following:

- Reviewed of internal control systems and procedures
- Physically verify assets to ascertain existence
- Substantively verified samples of transactions to support documentation
- Carry out other tests as we consider necessary in the circumstances

At the end of the examination, the auditors issue to shareholders, a short-form report called an ‘Audit Opinion’.

Why It Is Important

The Public Financial Management (PFM) principle commonly describes the elements of an annual budget cycle, which typically centres around budget formulation, budget execution, accounting and reporting, and external security and audit. The latter strongly supports that for financial reporting purposes, as well as transparency and accountability, the ASSL should include all bodies that fall within its ambit of control.

Public enterprises and commissions are within the GoSL’s ambit of control. By their legal nature, they are more at a distance from government than MDAs and as such, they are more remote from the scrutiny of Parliament. This remoteness, combined with the fact that, to varying degrees, both earn and expend public funds, makes scrutiny by an independent external auditor on an annual basis more important.

What We Found

Contrary to Section 117(4) of the Income Tax Act of 2000, taxes (withholding and PAYE) were not deducted and paid to the NRA. Similarly, taxes were deducted but not paid over to the NRA. These tax anomalies identified during the audits totalled SLE101,509,333 and US\$57,255. We recommend that the Commissioner of Income Tax should take the necessary action to recover these monies and evidence of payment should be forwarded to the ASSL for verification. The Government of Sierra Leone which heavily relies on tax revenue to finance key public services is struggling to raise these revenues. Failure to properly and fully deduct, collect and remit withholding tax reduces available government revenue and ultimately, decreases the level and quality of public service received by citizens.

Other significant matters identified in the audit of public enterprises and commissions fall into the following categories:

- Expenditure Management
- Contracts and Procurement Management
- Salary and Payroll Management
- Assets and Stores Management
- Revenue Management
- Imprest/Advances not Retired

A summary of irregularities with financial impact (Estimated Loss) identified is provided in Table 2.

Although a number of ICT issues were observed during the audit and across several institutions, due to their sensitivity and security implications, those issues have been restricted to correspondence with the clients and Parliament.

Overall, we continue to suggest a need for improved financial management across PEs and Commissions with a clear focus on basic principles of internal controls.

Table 2
Summary of Irregularities: Public Enterprises, Commissions and Donor Funded Projects

Nature of Irregularities	2019	2020	2021	2022		Total	
	SLE	SLE	SLE	SLE	US\$	SLE	US\$
Withholding and PAYE Taxes	2,435,888		2,545,588	96,527,857	57,255	101,509,333	57,255
Expenditure Management	3,243,778	3,827,013	1,589,073	62,401,905	56,252	71,061,769	56,252
Contract Management				17,494,722		17,494,722	
Revenue Management				471,600		471,600	
Salary and Payroll Management		145,935	97,243	36,929		280,107	
Assets and Stores		37,500		1,839,465		1,876,965	
Imprest not Retired				8,000		8,000	
Total	5,679,666	3,972,948	4,231,904	178,780,479	113,507	192,702,496	113,507

DETAILED FINDINGS AND RECOMMENDATIONS

2.1. GAVI/HEALTH SYSTEMS STRENGTHENING (HSS): 2021-2022

Sierra Leone has been receiving vaccines and cash-based support from GAVI since 2001. From 2015 to September 2021, all cash disbursements were made through the GAVI alliance partners, UNICEF and WHO. Following the 2017 review of the available funding mechanisms, a decision was made to start disbursing through the Integrated Health Projects Administration Unit (IHPAU). This took effect in October 2021, and since then, a total of US\$1,865,112 in cash has been disbursed for Health Systems Strengthening support. IHPAU is an integral structure of the Ministry of Health (MoH) that is designed to integrate the management of all donor-funded projects.

The following is a summary of significant issues found during the course of the audit.

2.1.1. Vaccines Management

We visited three districts each in the South, East, North, and North West Regions for an assessment of the operations and management of the Health Systems Strengthening/GAVI Project. A total of six District Health Management Teams (DHMTs) and 31 health centres were visited by the audit team for the verification exercise. The following were the key issues observed across the DHMTs and the health facilities visited:

- Most of the health centres in the districts had Cold Chain Equipment (CCEs). However, some of these CCEs were obsolete and others were faulty. In addition, the CCEs were supplied to some of the PHUs but not installed.
- Twenty-seven of 33 staff handling vaccines and the Expanded Programme on Immunisation (EPI) as focal persons and the Cold Chain Technicians (CCTs) in DHMTs had no pin codes, even though they had worked for several years.
- Maintenance plan was not prepared to ensure that the CCEs were serviced on time. We further observed that the CCTs were challenged with tools, spare parts, and fuel for effective maintenance of the CCEs at the Peripheral Health Units (PHUs).
- Vital documentation in vaccine management such as the Adverse Event Following Immunisation (AEFI) was not available in some of the health centres visited.
- Payments of stipends to EPI nurses, CCTs, and other staff of the project at the PHUs were not received timely.
- PHUs were faced with series of challenges such as lack of adequate fuel, rain gears, motorbikes, and vaccine carriers to conduct outreach services in order to administer vaccines to the targeted population. This affect effective service delivery especially during the rainy season.
- Only two refrigerator trucks were available which caused considerable delays in reaching and delivering vaccines in all 16 districts. The road networks to some of the health facilities were in a deplorable state and not motorable.
- There were series of challenges such as lack of official laptop computers, weak internet facility and poor electricity supply. These challenges hindered the ability of the district operation officers to operate the Electronic Stock Management Tool.
- Vaccines stock out was rare in the DHMTs/health facilities as most, if not all of the requested vaccines were supplied. However, inquiries revealed that there was a shortage of yellow fever, Penta and Rota vaccines.
- Some of the structures occupied by the health facilities were dilapidated and needed urgent rehabilitation.

- We visited Agape Way CHC in Bo City and observed that the landlord had asked the CHC to leave the property. It was further revealed that land was allocated for the construction of a new health facility but no work had started.

In order to achieve the Vaccine Alliance's lifesaving mission and goals, the Program Manager-EPI and the Team Lead-IHPAU should collaborate with other partners in the GAVI Health Systems Strengthening like the DHMTs, MoHS, UNICEF, WHO, etc. to ensure the following:

- (i) The healthcare facilities are immediately provided with solar installation to savage the electricity challenges in these facilities.
- (ii) Faulty CCEs are repaired and the obsolete CCEs are replaced. In addition, the uninstalled CCEs are installed with immediate effect. Going forward transportation costs of health officers should be reimbursed/paid upfront to collect vaccines away from their health centres.
- (iii) The CCTs are considered for permanent employment when the opportunity arises. Also, like-for-like transfer of focal persons should be implemented when transferring nurses.
- (iv) Maintenance plans are prepared and fully funded for its implementation. Also, the required tools, spare parts, fuel, etc. are provided for an effective maintenance of the CCEs at the PHUs.
- (v) Vital documents such as AEFI are updated and kept in the centres for reference purposes.
- (vi) Stipend/allowances are paid on time to EPI nurses, cold chain technicians, cold room officers etc.
- (vii) The required resources such as fuel, rain gears, motor bikes and vaccine carriers are provided to conduct outreach services to administer vaccines to the target population.
- (viii) Additional vehicles and motor bikes are provided to undertake distribution of vaccines.
- (ix) Laptop computers and reliable internet facility are provided to operate the Electronic Stock Management Tool.
- (x) Vaccines acquisition and distribution are properly planned to avoid stock out/shortage. The dilapidated structures are rehabilitated. Also, a new facility is constructed for the Agape Way CHP at the land provided.

2.1.2. Failure to Close Old Bank Accounts

Paragraph 11 of the Grant Management Requirements (GMR) – Updated August 2020 'Closure of old bank accounts and grants' requires that within three months from the effective date of this Annex: Fund balances in all bank accounts previously opened and maintained for GAVI funds should be reconciled, audited as appropriate and balances transferred to GAVI. These bank accounts should be closed and documentary evidence of closure provided to GAVI.

In spite of the above provision, we observed that there was an account maintained at the Sierra Leone Commercial Bank (SLCB) with a closing balance of US\$44,458 as of 31st December, 2022.

We recommended that the Team Lead-IHPAU ensures that the accounts are immediately closed and balances transferred as per provision in Point 11 of the GMR.

Official Response

The account in question was not managed by IHPAU and there was no information on its existence. However, this has been escalated to the Permanent Secretary. The MoHS has officially requested the Accountant-General to close this account and transfer proceeds to the GAVI account managed by IHPAU.

Auditor's Comment

Management's response is noted and a letter written to the Permanent Secretary, MoHS, by the IHPAU Team Lead requesting for closure of the bank account was provided during the audit verification. However, the bank account had neither been closed, nor has the balances in the accounts been transferred to the GAVI account. The issue remains unresolved.

2.2. SIERRA LEONE FINANCIAL INCLUSION PROJECT – 2022

2.2.1. Non-compliance with Statutory Obligations

Even though the issue of statutory obligations had been reported in previous audits, PAYE taxes and NASSIT contributions on staff salaries which amounted to US\$21,196.53 and US\$11,340 respectively were still not deducted and paid to the NRA and the NASSIT for the period under review.

The emolument paid to the project staff is categorised as 'Employment Income' as defined by Section 23 of the Income Tax Act. However, the Project deducted and paid to the NRA an amount of US\$1,732.5 as withholding taxes on staff salaries, instead of the PAYE taxes totalling US\$21,196.53. The difference of US\$19,464.03 was yet to be paid to the NRA.

We recommended that the Financial Management Specialist should ensure the following:

- (i) The PAYE taxes of US\$19,464.03 due the NRA should be recouped from the staff concerned, paid to the NRA, and receipt submitted to the ASSL.
- (ii) The outstanding amount of US\$11,340 should be paid to NASSIT, and evidence of payment submitted to the ASSL.

Official Response

We take note of the findings which have been addressed by a memo from the Financial Secretary on the renewal of PIU staff contracts.

Auditor's Comment

Our recommendations were not implemented. The issues remain unresolved.

2.3. SIERRA LEONE ECONOMIC DIVERSIFICATION PROJECT – 2022

2.3.1. Grant Management

Interviews and verification exercises conducted revealed that grants amounting to SLE5,300,004 were made to small and medium enterprises. We were however not provided with proper records such as receipts for items purchased and business registration certificates of suppliers to justify the utilisation of funds; and whether the goods and services were procured from qualified suppliers. We were therefore unable to confirm whether these grants were utilised in line with their work plans.

Total payment of SLE481,477 for the second tranche were not paid to grantees even though they implemented the activities as per the first tranche, which qualified them for the second tranche payment.

We recommended that the Project Coordinator and the Senior Financial Management Specialist should ensure the following:

- (i) All supporting documents for items purchased by grantees should be made available for verification.
- (ii) All unpaid grants should be investigated, and the necessary action taken for payments to be made to the concerned grantees. Evidence of payment should be forwarded to the ASSL.

Official Response

- (i) *Receipt for items listed relates to expenditure incurred by the grantee during the second phase of implementation. The external auditors were not able to verify these documents because the grant finance reports and supporting documents were not due for submission. The documents requested will be shared with the auditors.*
- (ii) *Payments were withheld from these grantees for failing to adhere to the grant requirements.*

Auditor's Comment

- (i) Supporting documents such as receipts to justify disbursed funds were submitted and verified for payments totalling SLE1,797,574, representing 66% of the queried amount, leaving a balance of SLE3,502,430. The issue is partially resolved.
- (ii) Management failed to investigate the unpaid grants and evidence of payment made to the concerned grantees was not provided for verification. The issue remains unresolved.

2.3.2. Non-compliance with Statutory Obligations

We observed that the Project did not deduct PAYE taxes and NASSIT contributions totalling SLE1,091,639.26 and SLE758,036.36 respectively from staff salaries.

We recommended that the Senior Financial Management Specialist should ensure that all statutory deductions are made from staff salaries and evidence of payment to the relevant authorities forwarded to the ASSL.

Official Response

This issue is under review by the Government of Sierra Leone.

Auditor's Comment

Evidence of payments of statutory deductions to the NRA and NASSIT was not submitted. The issue remains unresolved.

2.4. SIERRA LEONE SKILLS DEVELOPMENT PROJECT - 2022

2.4.1. Non-Compliance with Statutory Obligations

PAYE taxes and NASSIT contributions totalling SLE735,482 (US\$61,079.53) and SLE405,285 (US\$33,660) respectively were not deducted from staff salaries.

We recommended that the Senior Financial Management Specialist should ensure that all statutory deductions are made from staff salaries, and evidence of payment to the relevant authorities forwarded to the ASSL.

Official Response

The World Bank and leadership of the MoF are in discussion to resolve this issue.

Auditor's Comment

We noted management's comment. However, our recommendation was not implemented. The issue remains unresolved.

2.5. SIERRA LEONE AGRO-PROCESSING COMPETITIVE PROJECT - 2022

2.5.1. Non Compliance with Statutory Obligations

NASSIT contributions and PAYE taxes totalling SLE785,966.46 and SLE1,422,055.57 respectively were not deducted from staff salaries.

We recommended that the Financial Management Specialist, should ensure that all statutory deductions are made from staff salaries, and evidence of payment to the relevant authorities forwarded to the ASSL.

Official Response

We take note of the findings which have been addressed by a memo from the Financial Secretary on the renewal of PIU staff contracts.

Auditor's Comment

Management's explanation is noted. However, evidence of statutory deduction and payment of same to the relevant authorities was not submitted. Therefore, the issue remains unresolved.

2.6. SIERRA LEONE FREE QUALITY EDUCATION PROJECT - 2022

The audit outcomes of this project had been divided into financial and management issues, and feedback on the inspection of Free Quality Education activities in selected districts.

Financial and Management Issues

2.6.1. Unpaid NASSIT Contributions

From the review of staff records and payroll, we observed that project staff were not registered with NASSIT and that NASSIT contributions were not deducted for all the project staff and paid over to NASSIT. We further computed the 10% employer's and 5% employee's NASSIT contributions and observed that the total amount of NASSIT contributions due for the year under review amounted to SLE2,045,810 (US\$147,787.50).

We recommended that the Project Coordinator ensure that all project staff are immediately registered into the NASSIT scheme and all outstanding NASSIT contributions paid to NASSIT and evidence of payment forwarded to the ASSL.

Official Response

Staff presently hold consultancy contracts with the Project which attracts 5.5% withholding tax on a monthly basis. Management is cognisance of the issue of statutory payment compliance and takes it seriously. In this regard, the Project Coordinator is in ardent discussion with the World Bank and the Ministry of Finance on the issue of consultancy and employment contracts in consonance with the labour laws of the country. Once staff contracts are moved from consultancy to employment contracts, NASSIT contributions and PAYE taxes will be paid going forward as required by law.

Auditor's Comment

We note Management's response for the deduction and payment of the employees' 5% contributions and employers' 10% contributions. However, the employees have not been registered into the NASSIT scheme and the outstanding NASSIT contribution of SLE2,045,810 has not been paid. The issue remains unresolved.

2.6.2. Inaccurate Deductions and Payments of PAYE Taxes

We reviewed payment vouchers and supporting documents and observed that 5.5% withholding taxes were deducted from staff salaries as PAYE taxes instead of the threshold prescribed in the Income Tax Act of 2000 and the Finance Act of 2020. We computed and compared the PAYE taxes that should have been paid to NRA with the withholding taxes paid, and noted that the total sum of SLE2,947,572.29 (US\$212,727.13) was outstanding and to be paid to the NRA as PAYE taxes during the period under review.

We recommended that the Project Coordinator should ensure that PAYE taxes deducted are made in line with the threshold of the Income Tax Act, 2000 (as amended) in order to avoid penalties/fines from the NRA. Evidence of payment of the outstanding PAYE taxes should be submitted to the ASSL.

Official Response

Staff presently hold consultancy contracts with the Project which attract 5.5% withholding tax on a monthly basis. Management is cognisant of the issue of statutory payment compliance, and take it seriously. In this regard, the Project Coordinator is in ardent discussion with the World Bank and the Ministry of Finance on the issue of consultancy and employment contracts in consonance with the labour laws of the country. Once staff contracts are moved from consultancy to employment contracts, NASSIT contributions and PAYE taxes will be paid going forward as required by law.

Auditor's Comment

We note Management's response for the deduction and payment of the PAYE taxes. However, the outstanding PAYE taxes of SLE2,947,572.29 were not paid to the NRA. The issue remains unresolved.

2.6.3. Unpaid Withholding Taxes

Section 117(4) of the Income Tax Act of 2000 requires an entity which enters into a contract for the provision of goods, works, and services to deduct and withhold taxes on the gross amount of any payment to the contractor and pay them to the NRA.

Contrary to the above provision, we observed the following:

- Withholding taxes totalling US\$36,519.59 were deducted from payments for goods and works and not paid to the NRA.
- Withholding taxes totalling US\$1,897.51 were not deducted and paid to the NRA for payments made for goods and works.
- Withholding taxes totalling US\$22,807.74 from staff salaries were not paid to the NRA. Additionally, withholding taxes of US\$4,928.39 deducted from payments made to consultants were also not paid to the NRA.

We recommended that the Finance Officer, Administration, should ensure that evidence of payment of the deducted withholding taxes are submitted for audit inspection. In addition, taxes not deducted should be recovered from the individual contractors and paid into the Consolidated Fund.

Official Response

- (i) *Payment was done on a later date and supporting documents are available for inspection. This amount comprises of various transfers made to implementing partners who failed to deduct 5.5% WHT when administering payment to their vendors and service providers. This was a one-off payment to those implementing partners, hence the WHT element cannot be recouped for onward payment to the NRA. However, training will be subsequently conducted for those partners on statutory compliance issues for future engagement.*
- (ii) *There was an issue with the ITAS platform for lodgement of the 10.5% WTH deducted from an international consultant. The lodgement and payment were split between two months. Evidence of the total payment can be found in the monthly tax returns for two separate months.*

Auditor's Comment

- (i) Management's response is noted regarding the payment of withholding taxes. In addition, from the unpaid withholding taxes of US\$36,519.59, payment records totalling US\$13,323.32 representing 36% of the queried withholding tax were submitted and verified, leaving a balance of US\$23,196.27. The issue remains unresolved.
- (ii) From the withholding taxes of US\$22,807.74 deducted from staff salaries, payment records totalling US\$10,680.24 representing 47% of the queried amount were submitted and verified, leaving a balance of US\$12,127.50. The issue is partially resolved.

- (iii) Out of the underpaid withholding taxes of US\$4,928.39, payment records were provided for the sum of US\$4,358.83 representing 88% of the queried amount, leaving the balance of US\$569.56. The issue is substantially resolved.
- (iv) Payment records were not provided for the withholding taxes totalling US\$1,897.51. The issue remains unresolved.

Feedback on the Inspection of Free Quality Education Activities in Selected Districts

The audit team carried out a verification exercise in eight districts (Bombali, Karene, Kono, Kambia, Kailahun, Bo, Pujehun and Bonthe) for an assessment of the free quality education activities in the country.

The exercise covered the following thematic areas:

- a) School renovation/maintenance, and construction of additional classrooms
- b) Performance-based school financing
- c) Teaching Service Commission (TSC) resource centres in selected districts
- d) Verification of furniture, vehicles and equipment distributed

Below are the key issues identified during the verification:

A. School Renovation/Maintenance and Construction of Additional Classrooms

(i) Ineffective Monitoring

- The Clerks of Works did not have detailed supervision schedules to monitor renovation works done in schools. The absence of such documents show that schools in hard-to-reach locations could not have been effectively monitored.
- Electronic tablets provided to the Clerks of Works in Bombali, Karene, Kambia and Kono Districts were not used for their intended purposes as the data collection tool (kobo collect) did not have some required features that enhance reporting via the device. Therefore, real-time reporting of site supervision was done via a WhatsApp group.

(ii) Poor Renovation/Maintenance of Classrooms

- The school renovation manual specifies the types of renovations to be done which include: the replacement of roofs, fixing of classroom floors/walls, construction of facilities for children with disabilities, and fixing of sanitation facilities for girls. However, a review of payment records revealed that a renovation grant was used by some schools for the construction of classrooms and offices as against the provisions of the approved renovation manual. As a result, there were schools with incomplete renovation works.
- In Kono District, renovation works were still in progress in two schools, months after the completion date had elapsed.
- We reviewed the report of the Bo District Clerk of Works and noted that six of the 30 schools that benefitted from the renovation grant did not follow instructions on the utilisation of the renovation grants as specified in the renovation manual. The schools that did not adhere to the renovation manual had incomplete works. We visited one of the schools, the Sierra Leone United Islamic Mission- Njandama, and observed that the school received US\$2,000, however the work was incomplete. Based on the Clerk of Works' assessment, the implementation as at the time of verification was 10% completed.

(iii) Financial Management and Records Keeping

- Renovation training was conducted for Head Teachers and School Management Committees (SMCs) of schools that benefitted from the renovation grant. However, improvement is needed in the area of Financial Management such as recording, reporting and storing financial documents. In addition, evidence of review conducted by the SMC Chairman in respect of payment records was not seen.

(iv) Construction of Additional Classrooms

- We visited the construction site of six classroom blocks with administrative block and water, sanitation and hygiene (WASH) facilities in Gbesseh Village, Gallinness Chiefdom and Pujehun District. The classroom and administrative blocks had been constructed and the construction of the WASH facility was in progress. We however observed that this is a new construction instead of additional classrooms.

B. Performance-based School Financing

The Project provided Performance-Based Financing (PBF) to various schools as a form of operational support. During the verification exercise, we observed the following:

- PBF training was conducted for Head Teachers and SMCs that benefitted from the PBF. However, some of the Head Teachers of the schools we engaged did not submit the PBF manual for audit inspection. In addition, the Acting Head Teacher of Kailahun District Education Committee, Segbwema, stated that he had not received PBF training and that the PBF manual was not provided to him. As a result of this, we observed that schools were using the funds for construction and renovation of classrooms and other school facilities. More than 25% of the funds were used for teachers' stipends and bonuses as against the quota set by the manual.
- We identified control failures in processing transaction. The schools were not preparing payment vouchers, and reconciling the supporting documents, such as receipts with the expenditure ledgers.

C. Teaching Service Commission (TSC) Resource Centres in Selected Districts

The team visited the TSC Resource Centres in the selected districts to verify the delivery and installation of ICT equipment and the status of the resource centres. We observed that the resource centres were not operational as at the time of the verification. Consequently, teachers were not benefiting from the facilities. The following were the key issues identified:

- The computers supplied to Bonthe, Bombali, and Kambia Districts had not been installed as at the time of verification.
- Of the five desktop computers supplied to Kono District, only three were installed.
- The inverters in Karene and Kono Districts were faulty. We were also not provided with any reasonable plan of action for their repairs or replacement.

D. Verification of Furniture, Vehicles and Equipment Distributed

- We conducted physical verification in respect of the supply of furniture to Christ the King College (CKC) School in Bo on 7th August, 2023. The Junior Secondary School (JSS) Principal was interviewed on the supply of furniture to the school and she stated that the furniture were delivered without a delivery note. In addition, there were no identification codes on the chairs and desks to indicate that they were provided by the Project.
- We physically verified the MBSSE radio transmitter at Kandeh Mountain in Bo and observed that the transmitter was not functioning as at the time of the audit verification.
- The bus donated by the Project to the Kono School for the Blind was not verified as it was not on the school's premises at the time of the visit by the audit team.

We recommended that the Project Coordinator, the Component Heads and other key stakeholders in the education sector should ensure that the issues highlighted during the field visit in selected districts are addressed to ensure that the objectives of the Project are achieved.

2.7. RURAL FINANCE AND COMMUNITY IMPROVEMENT PROGRAMME II

2.7.1. Withholding Taxes not Paid to the NRA

Review of payment vouchers revealed that withholding taxes totalling SLE38,187 were deducted from payments made to various suppliers/contractors for goods, services and works. However, there were no evidence of payment of these taxes to the NRA.

The Financial Controller should with immediate effect, ensure that the amount deducted is paid to the NRA and submit evidence of payment to the ASSL.

Official Response

We are having problems getting receipts from the NRA. There is evidence that all these payments were made, to the NRA and the cheque has to be changed on several occasions because the NRA payment system in Bo was down. Evidence of payment instruments and schedules are available for verification.

Auditor's Comment

There was no evidence of payment of withholding taxes totalling SLE38,187 to the NRA. The issue remains unresolved.

2.7.2. Review of Project's Strategic Operations

Contrary to the provisions for the implementation of recommendations in the 2022 Aide Memoire, we observed that the Project was unable to implement some of the recommendations that were outlined in the Memoire.

Below are some of the recommendations that were not implemented.

(i) APEX Bank and Rural Finance Network Model

Contrary to the Aide Memoire of 2022, we were not provided with evidence that the consultancy, strategic business plan and action plan have been carried out by the Project.

We recommended that the Project Coordinator and the Managing Director of Apex Bank should submit evidence of implementation. Otherwise, the responsible officer(s) will be held liable in the event of funds being withheld by donors.

Official Response

We submitted two proposals to the IFAD for 'No Objections' (copies are available for verification) and were rejected by the donors. It was agreed with the donor representatives during the scaling-up, that the proposed review will be done when the scaling-up becomes effective and a budget was included in the Cost Tables for that.

Auditor's Comment

There was no evidence of the consultancy, strategic business plan and action plan submitted for audit verification. The issue remains unresolved.

(ii) Construction of the Apex Bank Building

Paragraph 9 of the Aide Memoire 2022 states: "The first floor, financed with project resources, was 90% completion as at the time of the mission. The Government of Sierra Leone approved a budget of US\$2 million to complement the financing of a four-storey building request for the payment of a first tranche of US\$1 million for the two first quarters of 2022 has been made by the Project. It is expected that the building will be completed in one year".

Our review revealed that during 2022 the Government of Sierra Leone provided a total of SLE6,932,412 for the construction of the additional floors. We however noted that the construction work for the first floor was yet to be completed even though the contract completion date had elapsed since July 2021.

Official Response

There was a meeting with the contractors. However, the ground-floor is now 95% completed. A termination warning letter has been sent to the contractor and no response has been received. We will however, have an engagement with the contractor for the work to be completed. With regards the amount received from government, we have awarded a contract for the top-floor, the work is ongoing and slabbing of the floor has been completed.

Auditor's Comment

Regarding the delay in the completion of the Apex Bank building, there was no evidence to suggest that the letter of termination was sent to the contractor. The first floor of the building had not been completed. The issue remains unresolved.

2.8. AGRICULTURE VALUE CHAIN DEVELOPMENT PROJECT (AVDP) – 2022

We conducted financial statements and compliance audits of the Agriculture Value Chain Development Project (AVDP) for the period between 1st January and 31st December 2022. The following is a summary of significant issues:

A. Financial Audit Issues

2.8.1. Budgets Overspent Without Authority

From the examination of the approved annual work plan and budget (AWPB) and the draft Financial Statements submitted for audit for the period under review, we identified overspending of US\$259,847 in the statement of comparison of budget and actual amounts. The authority for the overspending was not submitted for audit inspection.

We recommended that the Finance Manager submit the authority for the overspending for audit inspection.

Official Response

The major reason for overspending is the payment of backlog withholding taxes for FY2021. The amount paid for withholding taxes was more than what was budgeted for as the amount in the Tompro as backlog was more than what was indicated in the former Financial Controller's handing-over note. All payments made in 2022 were in the approved 2022 AWPB. However, during the budget revision exercise, the PMU did not take into consideration the payments already made when concluding the 2023 revised AWPB. Going forward, during the budget revision exercise, the PMU will ensure that payments made are added to the projections for the year.

Auditor's Comment

Evidence of authority for the overspending was not submitted for audit verification. The issue remains unresolved.

2.8.2. Payment of Salary to Former Employee

The audit team obtained and reviewed the project's payroll for the period under review and noted that a former Monitoring and Evaluation Officer of the Project was paid a full month's salary of SLE11,999 (US\$1,198) net for July 2022 after his contract was terminated in June (last day of Work –30th June, 2022).

We recommended for a recovery of this fund from the former staff, and evidence submitted for audit inspection. Additionally, duty of care should be exercised to avoid such loss of funds in the future.

Official Response

The PMU will engage the staff to see that he refunds the one month's salary paid to him. This was an inadvertent mistake by the PMU.

Auditor's Comment

Evidence was not submitted to indicate that Management had engaged the former staff to refund the salary received and there was no evidence of a refund of the said amount. The issue remains unresolved.

2.8.3. Assets Management

Upon review of the fixed assets register, we observed the following:

- The fixed assets register did not maintain a column for funding source of assets which contravenes Module 3, Subsection 12.3 of the AVDP's Project Implementation Manual.
- The unique registration numbers and engine numbers of 11 vehicles and 77 motorbikes were not captured in the assets register.
- The fixed assets register was not updated because 44 various categories of assets such as vehicles, motorbikes and computers worth US\$388,982.66 were still indicated in the register as being assigned to 11 former employees of the Project.
- There were 24 various categories of assets such as vehicles, computers, UPS, and water dispensers valued at US\$222,470.91 in the fixed assets register that were not assigned to staff of the Project.

The audit team also conducted physical assets verification for a sample of assets from the assets register in order to confirm their existence and condition and noted thus:

- A total of 74 various categories of fixed assets of the Project including vehicles and motorbikes, were not made available for physical verification.
- Assets movement between locations were never documented nor were they approved. We verified eight different assets in locations different from those stated in the fixed assets register.
- Several assets were physically verified during the verification process but these were never part of the assets register of the Project.
- We verified 17 assets that were not coded with the unique coding numbers of the Project.
- The fixed assets register module in the Tompro was not utilised to record assets owned and controlled by the Project.

We recommended that the Financial Accountant should immediately address these anomalies and update the assets register.

Official Response

The PMU intends to undertake a comprehensive fixed assets verification exercise in July 2023. During the exercise, assets not coded will be coded, the register will be updated with the funding source, assets in the name of former staff will be reassigned to present users. All deficiencies in the present register will be addressed after the verification exercise.

Auditor's Comment

The anomalies identified in the management of the Project's assets were not addressed. There was no evidence that the fixed assets module in Tompro had been used to record assets owned and controlled by the Project. Additionally, evidence of actions taken to conduct the fixed assets verification and update of the fixed assets register was also not submitted for audit verification. The issues remain unresolved.

B. Verification of Project's Field Activities

2.8.4. Delays in Completing the Inland Valley Swamp Works

The Project signed a two-year agreement for the rehabilitation and development of 1200ha inland valley swamps (IVS) in eight districts in Sierra Leone.

During the physical verification of IVS in eight districts from 2nd to 9th June 2023, after the expiration of the IVS agreements, we observed that the IVS were far from being completed. At some sites, the youth contractors and members of their association informed the team that the service providers abandoned the IVS works and owed them unpaid wages for work done; and that the tools supplied were of low quality.

Even though a different model for development and rehabilitation of IVS had been decided, to use the community driven approach, we recommended that the Technical Director and team, conduct a holistic approach by conducting training of trainers of farmers on the design of IVS, share the designed plan in time (actual pictures for easy understanding), distribute IVS tools well in time and provide close supervision.

Official Response

The PMU in collaboration with the MAF have agreed to use the community driven approach for rehabilitation and development of IVS which has proved successful in the tree crops sub-component.

Auditor's Comment

Evidence of collaboration agreed with the MAF to use the community-driven approach for rehabilitation and development of IVS was not submitted for audit inspection. The issue remains unresolved.

2.8.5. Purchase of Fertilisers and Late Delivery of Seed Rice

- We observed that 3,600 bags of 50kg fertilisers, valued at SLE4,068,000, were purchased for rice cultivation in developed IVS during 2022. These fertilisers were supplied to the Ministry of Agriculture and Forestry (MAF) stores in 14 districts in July 2022. During our verification of the sampled project sites in eight districts, we also visited the MAF stores to examine records in place showing the distribution of the fertilisers and observed the following:
- Over 80% of the fertilisers delivered by the supplier were still kept in stores in the districts; almost one year after they were supplied. This indicated that the project purchased huge quantity of fertilisers that were not needed at the time. The long term storage of these fertilisers could also reduce their potency which could also affect product yield when used.
- We examined the MAF store's records such as the store's allocation ledger and store issue vouchers and conducted a physical count of fertilisers in the MAF store in six of the eight sampled districts. Based on records and physical count, we verified that 117 bags of 50kg fertilisers valued at SLE132,210 were not accounted for. These fertilisers could have been issued out of the store without authority resulting in loss of public funds. Below is a breakdown of the missing fertiliser by district:

District	Qty.	Value(SLE)
Bo	23	25,990
Kenema	82	92,660
Kailahun	6	6,780
Kono	4	4,520
Bombali	2	2,260
Total	117	132,210

- Information from the youth contractors and members of their associations (i.e. beneficiaries of the IVS) verified receipt of the seed rice distributed by the project. They however informed the team that they received the seed rice late and this affected the productivity of rice and difficulty to recover the seed rice distributed to them.

We recommended the following:

- (i) The Technical Director should hasten the new model for the development and rehabilitation of the IVS so that the fertilisers are distributed to the beneficiaries.
- (ii) The Finance Manager should engage the MAF storekeepers at the concerned districts to fully account for the 117 bags of 50kg fertilisers.
- (iii) The Technical Director should ensure that the distribution of seed rice to the beneficiaries should in future be than timely in order to help them cultivate on time, with the objective of improving the yields.

Official Response

- (i) *The reason for keeping the fertilisers was that, in the 2022 cropping season, only small area of IVS were developed/rehabilitated which required the use of fertiliser. Therefore, the PMU and MAF decided to keep the fertilisers in the MAF district stores, to be used this cropping season as large areas of IVS are expected to be developed/rehabilitated. Regarding the fertilisers unaccounted for, some quantity of fertilisers was used for establishment of farmer field school (FFS) demonstration plots which are part of the 117 bags.*
- (ii) *Youth contractors engaged in IVS implementation have been fully paid since after the last audit.*
- (iii) *The distribution of the next seed rice to beneficiaries for cultivation of IVS will be done on time.*

Auditor's Comment

Evidence of action taken to apply the new modern firm practices the development and rehabilitation of IVS was not submitted for audit verification. Evidence of engagement of the MAF storekeepers to account for the 117 bags of fertilisers was also not submitted for audit verification. On the distribution of seed rice and fertilisers, management's comment is noted.

The issues remain unresolved.

C. Compliance Audit Issues

2.8.6. Evaluation and Award of Contracts

The Project procured farm tools using the national competitive bidding (NCB) procurement method. In the bid document, these farm tools were packaged into lots with a caveat that the 'AVDP reserves the right to award discrete line items within a lot to several suppliers'. During the evaluation of bids, the evaluation committee recommended the award of discrete line items within the lots to different suppliers that bid the least for the line items. The legal basis that supports this type of evaluation and contract award could not be sighted. This is contrary to Section 49(3h) of the Public Procurement Act (PPA), 2016. Even though it may seem that the Project saved funds by using this method, substandard goods could be supplied by bidders that did not find this type of arrangement profitable.

We recommended that in future, procurement of goods, works and services are done as per the PPA 2016.

Official Response

The discrete line-item award rather than lots was approved by the IFAD on the grounds that the former will ensure better value-for-money than the latter. Supporting documents including 'No Objections' are available for audit inspection.

Auditor's Comment

Even though the IFAD 'No Objection' was submitted, there was no legal basis supporting this type of procurement process. Therefore, the issue remains unresolved.

2.8.7. Expired Performance Bond

The Project signed agreements with service providers for the rehabilitation and development of 1200ha IVS in 14 districts. A two-year contract was awarded and it was required as per Clause 37.1 of the

contract, for the service providers to provide to the Project, a performance security that should remain valid for 28 days after the defects liability period. Based on this requirement, the performance security of these service providers should remain valid until 29th September, 2023.

We observed that performance securities for 20 agreements expired before the completion date of the IVS works. Of the 20 performance securities, three expired on 6th June, 2023.

We recommended that for service providers whose performance securities were still valid, the Project Manager should contact their banks for liquidation (forfeiture by the service providers). In future, the Procurement Manager should ensure performance securities remain valid until after the contract completion dates.

Official Response

The PMU ensured that the expiration of bank instruments due, were sent to the bank for renewal, failing which, they would be culled. Letters to the bank with copies extended to the bidder have this caveat. The performance security of defaulting contractors will be culled after the final assessment.

The PMU does not retain any expired performance security, which totally eliminates the risk.

Auditor's Comment

Correspondence to banks of service providers notifying them of renewing the expired performing securities were submitted and verified, but responses from these banks or valid performance securities were not submitted for audit verification. The issue remains unresolved.

2.8.8. Cocoa Clonal Garden

Clause 1 of the addendum to the memorandum of agreement (MoA) states: "The implementing partner shall complete the implementation of the activities by 31st December, 2022".

The development of 15 hectares (ha) of the cocoa clonal garden in Pendembu, Kailahun District (10ha) and Kpuwabu, Kenema District (5ha) had not gone according to the MoA including the addendum to the MoA. The implementing institution, Sierra Leone Agricultural Research Institute, (SLARI) Kenema Forestry and Tree Crops Research Centre (KFTCRC) had not completed the establishment of the 15ha cocoa clonal garden by 31st December, 2022; which was the revised completion timeline. From a review of the monitoring and evaluation report, we observed high mortality rate of the clones received from the Reading University Quarantine (RUQ). The high mortality rate could have been attributed to the following: date of out-planting at the permanent site in Pendembu and Kpuwabu, and the hybrid cocoa seedlings which were not shaded by tree canopies.

The addendum to the MoA ended on 31st December, 2022 and there was no evidence that SLARI-KFTCRC had fulfilled the term of the agreement.

The Technical Director should engage the SLARI-KFTCRC to have a revised timeline for the completion of the establishment of the 15ha cocoa clonal garden as contracted.

Official Response

All die-back seedlings have been replanted on a total surface area of 12ha. The remaining 3ha (1ha at Pendembu and 2ha at Kpuwabu) will be out-planted in July 2023. The seedlings are in the nursery at Pendembu and will be transplanted in July 2023.

Auditor's Comment

Evidence of Management's engagement with the SLARI-KFTCRC to revise the completion timeline for the development of the 15ha of cocoa clonal garden was not submitted for audit inspection.

Additionally, Management's comment on the die-back seedlings replanted on a total surface area of 12ha is noted. The issues remain unresolved.

2.9. SIERRA LEONE MARITIME ADMINISTRATION – 2022

2.9.1. Payments without Supporting Documents

Bank withdrawals totalling SLE5,584,602.15 were without payment vouchers and the related supporting documents such as requests, invoices, delivery notes and reports to substantiate the use of funds. As these transactions were without payment vouchers and related supporting documents, we were unable to ascertain whether proper public financial management procedures were followed.

We recommended that the Director of Finance should ensure that the payment vouchers and the related supporting documents are submitted for audit inspection.

Official Response

The relevant supporting documentation will be made available for verification

Auditor's Comment

Payment vouchers and supporting documents in respect of payment totalling SLE3,422,299.07 representing 61% of the total expenditures were submitted and verified, leaving a balance of SLE2,162,303.08. The issue is partially resolved.

2.9.2. Payment without Adequate Supporting Documents

We observed that payments totalling SLE10,292,006 were without adequate supporting documents such as invoices, delivery notes, end-user requests, receipts and back-to-office reports. Furthermore, payments totalling SLE1,127,044.19 were without evidence of approval from the former Acting Executive Director.

We recommended that the Director of Finance should submit the missing supporting documents to the ASSL. Otherwise, the amount should be paid back into the Administration's account. Additionally, evidence of approval from the former Acting Executive Director should be submitted for audit inspection. Otherwise, the amount should be disallowed and refunded into the Administration's account and evidence of refunds submitted to the ASSL.

Official Response

The relevant supporting documentation will be made available for verification.

Auditor's Comment

- From the total payments of SLE10,292,006, adequate supporting documents totalling SLE3,711,209.34 representing 36% of the queried amount were submitted and verified, leaving a balance of SLE6,580,796.99. The issue remains unresolved.
- There was no evidence of approval for payments totalling SLE1,127,044.19. The issue remains unresolved.

2.9.3. Payment of Corporate Social Responsibility

A total of SLE1,611,801 was disbursed as Corporate Social Responsibility (CSR) payments in FY2022. In spite of requests from the audit team, Management failed to submit the locations, proposals and evidence of actual activities carried out from the use of this amount. As such, we cannot confirm whether the amount was used for the intended purposes.

We recommended that the former Acting Executive Director should submit information on location, proposal and evidence of actual activities in respect of the CRS payment.

Official Response

The expenditure returns are available for verification

Auditor's Comment

From the total CSR payments of SLE1,611,801, adequate supporting documents totalling SLE1,098,091.00 representing 68% of the queried amount were submitted and verified, leaving a balance of SLE513,710. The issue is partially resolved.

2.9.4. Unpaid Withholding Taxes

We observed the following:

- Withholding taxes totalling SLE50,576 were not deducted from payments to suppliers and service providers.
- Unpaid withholding taxes at the start of the year was SLE1,037,814 and an additional withholding taxes deducted during the period under review totalled SLE790,759, making a total of SLE1,828,573. However, evidence of payment of these amounts was not submitted to the ASSL.
- The unpaid withholding tax amount in the draft Financial Statements totalled SLE1,340,000 contrary to the recalculated amount of SLE1,828,573.

The Director of Finance and the former Acting Executive Director should make payment of the outstanding withholding taxes with immediate effect and evidence submitted to the ASSL.

Additionally, the difference between the total recalculated withholding tax amount and that in the Financial Statements should be corrected and evidence of the journals submitted to the ASSL.

Official Response

- (i) Four hundred thousand Leones (SLE400,000) has been paid on account and a firm commitment has been made to pay the remaining by instalments.*
- (ii) Moving forward, we will not allow withholding tax obligations to accrue. Evidence of payment will be made available for verification*

Auditor's Comment

- There was no evidence that the SLE50,576 in respect of withholding taxes has been retrieved from the suppliers and paid to the NRA. The issue remains unresolved.
- There was no evidence that the outstanding withholding tax totalling SLE1,828,573 were paid to the NRA. The issue remains unresolved.

2.9.5. Goods and Service Taxes not Paid

A total of SLE840,039.55 was included into several contracts as GST and paid by the Administration. There was no evidence of payment of these GST amounts to the NRA to justify its inclusion into the contracts.

The Director of Finance should ensure that evidence of payment of GST to the NRA is submitted to the ASSL.

Official Response

Goods and Services Tax are supposed to be paid by third parties that have transacted with the Administration. The onus is on them to make the said payments and to make available to us the said evidence. We have GST evidence of the said payments and will be made available to you for verification.

Auditor's Comment

Evidence of payment of GST to the NRA totalling SLE9,000 (representing 1% of the total amount) was submitted and verified, leaving a balance of SLE831,039.55. The issue remains unresolved.

2.9.6. Overpayment of Daily Subsistence Allowances

The Government of Sierra Leone in 2021 issued a Daily Subsistence Allowances (DSA) Policy for ministries, departments and agencies which repeals any existing policies. There was no evidence that the Administration implemented the new DSA Policy used by all government institutions or MDAs. We observed that the rates used to calculate the DSAs paid were different from those in the new policy. In FY 2022, the institution paid SLE176,400 as DSA using the old instead of the new rates which should have amounted to SLE120,147.75. This resulted in overpayment of DSA by US\$56,252.25. We recommended that the Director of Finance should recover from the beneficiaries the overpaid amount, and refund same into the Administration's account. Evidence of refund should be submitted to the ASSL.

Official Response

We have started implementing government's DSA policy with immediate effect.

Auditor's Comment

There was no evidence that the overpaid amount of US\$56,252.25 has been refunded into the Administration's account. The issue remains unresolved.

2.9.7. Payment in Respect of Public Relations Activities

Payments totalling SLE2,856,493 was made to a Civil Society Organisation (CSO) in respect of several sponsorships and public relation activities. The following irregularities were observed in respect of this transaction:

- Expenditure returns were not submitted for audit inspection.
- There was no evidence of procurement process being followed in the selection of the CSO to provide the PR activities.
- There was no approved budget or evidence of Board's approval of this activity.
- Although the activities indicated in the concept note were safety related, evidence of the Director of Safety's involvement in the entire arrangement was not seen. Activity report from the CSO to the Administration was not submitted for inspection.
- Included in the concept note was SLE251,150 and SLE50,000 for voter registration sensitisation and online revision classes for pupils taking the 2022 public examinations respectively.

These activities were unrelated to the nature of the Administration's business, and were therefore considered ineligible expenses.

- Even though the Administration had maritime traffic regulators who conduct monitoring of river/sea transportation including during rains, SLE245,909 was included in the concept note for this same monitoring activity; thereby duplicating the role, and payments resulting in loss of public funds.

We recommended that the Director of Finance should ensure the following:

- (i) Obtain expenditure returns from the head of the CSO and submit same for audit inspection.
- (ii) Submit evidence of procurement process followed in choosing the CSO, approved budgets and Board's approval for this activity.
- (iii) Adequate justification in support of questionable activities in the concept note should be submitted. Otherwise, the amounts should be disallowed and refunded into the Administration's account.

Official Response

Retirements and concept notes will be made available for verification. Additionally, all the activities undertaken were CSR for maritime communities and locations.

Auditor's Comment

- There was no evidence of expenditure returns submitted for audit verification. The issue remains unresolved.
- There was no evidence of the procurement process followed in choosing the CSO, approved budget and Board's approval for this activity. The issue remains unresolved.

2.9.8. Revenue Assessment Records not Submitted

Export freight levy charges totalling US\$337,294 in respect of two shipping companies were without assessment revenue records such as completion certificates and maritime ship monitoring and cargo assessment form. Interviews with SLMA staff at the Queen Elizabeth II Quay, responsible to witness the assessment of the freight levy charges revealed that they were not involved in the assessment process.

The Director of Finance should ensure that the relevant assessment records and relevant supporting documents are submitted to the ASSL. The Director of Finance should also ensure that assigned SLMA staff at the Queen Elizabeth II Quay are involved in the freight import and export levy charges assessment.

Official Response

- Tonnage assessment:** The tonnage taxes paid are upon receipt of inspection report submitted to the Safety and Security Department of the Administration. The report entails the full assessment of vessel on which invoices are raised. The evidence of the assessments report will be made available for verification.*
- Export Freight Levy:** The assessment forms most times are obtained from the ship mate in the ship after the discharge of cargo / container with the exception of Maersk Line. We receive monthly tonnage outturns from the headquarters in South Africa. We do compare the outturns we receive from the Quay with the ones we get from abroad. Most times, we use the outturn figures from Sierra Leone for import and uses the one from abroad because the two are favourable to SLMA. But going forward, the Administration will engage the Maersk Line administration to find ways and means of harmonising the said data so that only the duly authorized and approved form will be used by the two entities. The Maersk Line export form that where not found during the audit will be made available during the verification.*

Auditor's Comment

There was no evidence of assessment in respect of export levy charge totalling US\$337,294. The issue remains unresolved.

2.9.9. Non-compliance with Terms of Contracts

We reviewed the agreement between the Government of Sierra Leone and the Ship Registration Bureau (SRB) Sierra Leone Limited and observed the following:

- Independent auditors were not appointed to audit the revenue activities of SRB/SLMARAD as required by the contract.
- There was no evidence of reconciliation of revenue collected by the SRB/SLMARAD in FY2022 including the non-submission of its bank statements to enable the Administration independently compute its share of the revenue generated.
- SRB did not submit the register of ships flying the flag of Sierra Leone for audit inspection.
- The contract further stipulated that there should be a bi-annual (January and June) review and oversight of the ship registration process at the Ship Registry in Cyprus with three representatives from the Sierra Leone Government as follows: The Minister of Transport and Aviation, the Executive Director, Sierra Leone Maritime Administration, and the Minister of

Finance or his/her representative. We however observed that a team of nine personnel from both the Administration, the Board and the Ministry of Transport and Aviation went for a visit to Cyprus instead of the three stated in the agreement. This resulted in an excess expenditure of SLE800,208 on trips made by these officers. Of grave concern was the fact that even with the six extra personnel that went to Cyprus, there was no representative from the Ministry of Finance.

We recommended that the Executive Director should ensure the following:

- (i) The appointment of an independent auditor to audit the revenue activities SRB/SLMARAD.
- (ii) Reconciliation of revenue collected by SRB/SLMARAD with its bank statement and the Administration's share of the calculated revenue is submitted to the ASSL.
- (iii) The register of ships flying the flag of Sierra Leone is submitted to the ASSL.
- (iv) Justification is submitted for the extra six personnel that went to Cyprus and the reasons for not including the Minister of Finance as part of the delegation. Otherwise, the extra expenses should be recovered and paid back into the Administration account.

Official Response

- (i) *The Administration will ensure full compliance with the terms of the contract*
- (ii) *Evidence of reconciliations and names of vessels will be made available for verification*
- (iii) *The additional information to the reconciliation from SLMARAD will be requested and will be made available moving forward*
- (iv) *The justification for the Cyprus trip was to have a first-hand information on the operations of SLMARAD especially when it is a requirement of the contract.*
- (v) *The administration can defend the composition.*
- (vi) *The Ministry, Board and Parliament have oversight responsibility over the SLMA, (this was the first performance assessment trip by the Government of Sierra Leone since 2018).*
- (vii) *The Director of Finance has the sole Financial responsibility of the SLMA. Since SLMARAD is an agent of the SLMA, there was need to review all the statement of Account and other relevant information sent to SLMA on monthly basis*
- (viii) *Shipping Manager has the responsibility to harmonize the international and national marine vessel fleet*
- (ix) *Audit Manager has the responsibility to vet the accuracy of Financial and other records*
- (x) *Director of Safety and Security has the responsibility of assessing the performance of the recognised organisations, class societies and surveyors viz-a-viz III Code*
- (xi) *The Ministry of Finance will be represented in future trips*

Auditor's Comment

- There was no evidence that an independent auditor has been appointed to audit the revenue activities of SBR/SLMARAD. The issue remains unresolved.
- There was no evidence of reconciliation of revenue collected by SBR/SLMARAD with its bank and the Administration's share of the calculated revenue submitted for audit verification. The issue remains unresolved. There was no evidence of register of ships carrying the flag of Sierra Leone submitted for audit verification. The issue remains unresolved.
- Management justification in relation to the extra six personnel that went to Cyprus is noted. However, the agreement between the Government of Sierra Leone and Ship Registration Bureau (SRB) Sierra Leone Limited stated that only three personnel should travel to Cyprus. The issue remains unresolved.

2.9.10. SLMA's Recommendations and Action Points not Implemented

A review of the back-to-office report on the visit to Cyprus revealed that some recommendations and action points were not implemented by Management. Below are key outstanding recommendations that were made:

- The SRB/SLMARAD was to submit a list of Flag States Inspectors and Port States Control personnel it had recruited over the years on behalf of the SLMA. The submission was to be accompanied by a checklist of criteria that the SRB/SLMARAD follows in the recruitment process.
- Regarding the engagement and annual audit of the Recognised Organisations, it was mutually agreed that the Administration and the SRB/SLMARAD should undertake joint audit of these organisations.
- Regarding the status update of the IMSAS audit, it was collectively agreed that a working committee be set up to address the findings and the audit queries highlighted in that report in terms of domestications of conventions and other critical issues.
A time sheet indicating issues and relevant action plan was to be prepared for the consideration of the said committee.
- On the issue of financial probity, the SLMA and the SRB/SLMARAD were to agree on a format of financial reporting of the SRB/SLMARAD to the Administration.
- The Administration was to appoint external auditors to annually audit the SRB/SLMARAD.

However, there was no evidence that action had been taken by the Board for the implementation of these recommendations.

We also observed that the SRB/SLMARAD, on a quarterly basis, sent reports to the Administration on revenue generated. However, there was no evidence of the source documents such as contracts with the shipping companies, bank statements and invoices to confirm the figures in the quarterly report.

The Executive Director and the SLMA Board should ensure that these recommendations and action points are implemented and evidence submitted to the ASSL.

The Executive Director should also inform the SRB/SLMARAD to quarterly send its reports with the revenue source documents such contracts with ship operators, invoices and bank statements.

Official Response

- (i) *The implementation of the recommendations are ongoing.*
- (ii) *The administration is provided with monthly reports on the performance of the Ship Registry by SLMARAD*

Auditor's Comment

There was no evidence that the recommendations and action points from the Cyprus visit have been implemented. The issue remains unresolved.

2.9.11. Irregularities in the Award of Contract

The Administration awarded contract for the construction of jetty and passenger terminal totalling SLE32,860,983.12 in Yagoi.

From the review of procurement records, the following were observed:

- The Chairman of the Bid Opening Committee and two other members did not sign all the pages in the bidders' documents that had financial implications as required by Section 52(2) of the Public Procurement Act of 2016.
- In the bid of the successful bidder, correction of alleged arithmetical error was done and its bid price increased by SLE3,541,000 (from SLE29,319,983.15 to SLE32,860,983). A recomputation

by the audit team could not find the source of the error to warrant the bid price increase and there was also no evidence to justify the alleged arithmetical error.

- The evaluation report was not signed by members of the Evaluation Committee.
- The successful bidder, Assil Trading and Construction included a GST amount of SLE3,518,983.98 in its contract without evidence of it being a GST registered business.
- There was no evidence that regret letters were sent to unsuccessful bidders as stated in Section 27 of the Public Procurement Act of 2016.

Official Response

- (i) **Bid Opening Committee Signatures:** *The chairman of the bid opening committee and two other members signed pages with financial implications, in accordance with Section 52(2) of the Public Procurement Act 2016. Any unsigned page might have been an oversight. See attached*
- (ii) **Approved Bid Price from NPPA:** *The revised approved bid price of 32.86M from the NPPA will be made available for verification.*
- (iii) **Signed Evaluation Report:** *The Signed evaluation Report will be made available for verification*
- (iv) **GST Registration and Payment:** *Assil Trading and Construction is duly registered for GST which will be made available for verification.*
- (v) **Regret Letters to Unsuccessful Bidders:** In strict compliance with Section 27 of the Public Procurement Act 2016, regret letters were duly dispatched to all unsuccessful bidders. For your verification, copies of the letters as proof of communication will be made available

Auditor's Comment

- (i) The audit evidence obtained during the audit revealed that there was no evidence that these pages were signed during the bid opening process. The issue remains unresolved.
- (ii) There was no evidence of the approval by the National Public Procurement Authority to justify the increase in the bid price from SLE29,319,983 to SLE32,860,983. We also observed from review of the evaluation report that the change in the bid price was due to arithmetical error in the suppliers bid document, however, there was no evidence submitted to justify such claim. The issue remains unresolved.
- (iii) There was no evidence of regret letters submitted for audit verification. The issue remains unresolved.

2.9.12. Procurement of Vehicles

Contrary to Sections 27 & 52(2) of the PPA of 2016, we observed that on 3rd March 2022, the Administration signed a contract with AA Enterprise for the supply of four Sport Utility Vehicles (SUVs) for an amount totalling SLE2,284,360. From our review of this contract the following were observed:

- On 30th September 2021, the Administration requested concurrence from the NPPA on the evaluation report. On 11th October 2021, the NPPA responded by declining and requesting for a re-evaluation of the bids because the unit price quoted by the most responsive bidder was 29% above the acceptable limit of the 4th quarter of 2021 price norm and the announcement of discount price during the bid opening. The re-evaluation was done as recommended by the NPPA.
A further audit review of the re-evaluated bid price revealed that the re-evaluated unit quoted price of the successful and most responsive bidder of SLE2,284,360 was also 29% above the acceptable limit of the 4th quarter of 2021 price norm.
- Based on information submitted by the Procurement Unit, we observed that since the Director of Procurement and the representative from the NPPA were present during the bid opening,

it would have been prudent for the process to have been guided by announcing the discounted prices as stated in Section 52(2) of PPA, 2016.

- On 5th October 2021, before the receipt of the NPPA's response to the evaluation report sent by the Administration on 30th September 2021, regret letters were sent to all the bidders including the bidder that was recommended as the most responsive.
- Some pages in the bidders' documents and contract such as discount offered and price variation that had financial implications were not signed by the Chairman and two other members of the Committee. This therefore casts doubt on fairness and transparency of the entire procurement process.
- On 11th March 2022, which was after the signing of the contract, the Administration sent a contract award notification to the winning bidder which indicated an amount of SLE2,748,500 as against SLE2,284,360 which was in the signed contract dated 3rd March, 2022.
- In August 2022, the Administration sent another correspondence to the NPPA for contract price adjustment. In their response, the NPPA advised the Administration to use an exchange rate of SLE13.99 to the United States (US) Dollar even though the contract price was not in US Dollars. The audit team calculated the new contract price based on the exchange rate given by the NPPA which resulted in SLE947,183 additional costs. It was strange to note that despite the additional costs introduced by the Administration in collaboration with the NPPA, an overpayment of SLE380,762 was made to the supplier.

We recommended that the Executive Director (ED) should investigate the cause of the procurement infractions, and any officer found culpable should be appropriately sanctioned. Failing which, the ED should be sanctioned by the Ministry of Transport and Aviation.

Official Response

Section 52(2) states that bidders or their representatives may attend the bid opening, where the name of the bidder, the total amount of each bid, any discounts or alternatives offered, and the presence or absence of any bid security, if required, and essential supporting documents shall be read out loud and recorded, and a copy of the record shall be made available to any bidder on request; and any documents with financial implications must be signed by the Chairman and two other members of the bid opening committee.

Regulation 74(3): Non-conditional discounts shall be taken into account in the financial evaluation and comparison of bids, in accordance with paragraph (d) of sub-regulation (2) of Regulation 73.

- (i) *In essence, this statement is highlighting that when evaluating bids, any discounts offered by bidders that do not have specific conditions attached should be factored into the financial assessment. It is important to follow the guidelines outlined in Regulation 73, particularly paragraph (d) of sub-regulation (2), when considering these discounts as part of the bid comparison process.*
- (ii) *The evaluation committee examined the bid documents submitted by the bidders. If the discount was included in the bid documents but not explicitly read out during the bid opening process, it may still be considered valid if it complies with the bidding requirements. Therefore, the discounts were considered during the bid evaluation period and reflected in the final presentation to the NPPA for review and concurrence was granted.*
- (iii) *We acknowledge that the regret letters sent to the unsuccessful bidders, including Glotech Services, did not include reasons for their unsuccessfulness, as required by Section 27 of the NPPA Act, 2016. We recognise that providing reasons for bid rejections is an essential element of transparency and fairness in the procurement process.*
- (iv) *We take this omission seriously and determined to strengthen this course in the future events. We are sorry for any inconvenience it may have caused. We will rectify in line with the NPPA Act and best practices in procurement.*

- (v) *We acknowledge that the amount stated in the signed contract agreement (SLE2,284,360).*

Justification for the Formula Used to Calculate Vehicle Purchase Amount

- (i) *On August 22, 2022, we were faced with the supplier notification of a significant price increase for the vehicles we intended to purchase. This price hike was primarily attributed to the rapid and unforeseen increment in the exchange rate, which directly impacted the cost of importing these vehicles. In light of these circumstances, it was imperative to employ a formula that could fairly and transparently determine the revised purchase amount. The following justification outlines the rationale behind this formula.*
- (ii) **AA Enterprise Notification:** *The supplier official notification of a price increase was a crucial factor. It provided concrete evidence that the price adjustment was a direct result of the fluctuating exchange rate. This formal communication initiated our calculation of the situation. The details of the justification will be made available for verification.*
- (iii) **Procurement Committee Review:** *The procurement committee promptly convened a meeting to assess the Supplier notifications and considered the concerns raised. The committee considered the prevailing exchange rate and fluctuations and its implications and then gave their consent subject to NPPA approval.*
- (iv) **Consent Based on NPPA Approval:** *on the 31st August 2022 the National Public Procurement Authority gave an approval to the increment in exchange rate base on the request from the institution and in consideration of the supplier's concern.*

Formula Rationale

- (i) *The selected formula for calculating the adjusted purchase amount was used to transparently account for the increased vehicle prices resulting from exchange rate fluctuations while addressing the contractor's concerns. This formula was crafted with a focus on fairness, cost control, and adherence to regulatory requirements. It incorporates the rate advice, enabling us to arrive at a reasonable and justifiable purchase price at the given period.*
- (ii) *In conclusion, the decision to use the formula for calculating the purchase amount was made with careful consideration of all relevant factors, including supplier notifications, the expertise of the procurement committee, the Internal Audit approval, the NPPA approval, prevailing market rate advice from the BSL, and contractor concerns in writing. This approach ensures that the revised purchase price is equitable, transparent, and aligned with the prevailing market conditions. Evidence will be made available for verification*

Notification

We acknowledge the oversight regarding the notification after the signing of the contract. This occurred due to a standard document being used without editing the date before printing. We regret this error and assure you that corrective measures have been implemented to prevent such occurrences in future.

Pages with Financial Implication

Some pages containing financial implications were unintentionally left unsigned due to an oversight during the document signing process.

Discount

- (i) *Non-conditional discounts shall be taken into account in the financial evaluation and comparison of bids, in accordance with paragraph (d) of sub-regulation (2) of Regulation 73.'*
- (ii) *In essence, this statement is highlighting that when evaluating bids, any discounts offered by bidders that do not have specific conditions attached should be factored into the financial assessment. It is important to follow the guidelines outlined in Regulation 73, particularly paragraph (d) of sub-regulation (2), when considering these discounts as part of the bid comparison process.*

- (iii) *Check for Documentation - Examine the bid documents submitted by the bidders. If the discount was included in the bid documents but not explicitly read out during the bid opening process, it may still be considered valid if it complies with the bidding requirements.*
- (vi) *The Administration sent a notification of award for an amount of SLE2,748,500, due to an exchange rate concern raised by the supplier and approved by the National Public Procurement Authority (NPPA). Currency exchange rate fluctuations can be a significant factor in procurement. The adjustment of the contract amount to 2,748,500 based on an exchange rate concern raised by the supplier aligns with the need to ensure that the supplier is not unfairly disadvantaged due to currency fluctuations. The Approval demonstrates adherence to regulatory processes and transparency in addressing issues related to currency exchange rates.*

Auditor's Comment

Management's comments are noted. The announcement and treatment of the discount, acceptance of the price increase due to frequent fluctuations in the exchange rates, and Management's acknowledgment to include reasons in regret letters. Our recommendations were for the Executive Director to investigate the cause of the procurement infractions but evidence was not submitted to show that our recommendation was implemented. The issue remains unresolved.

2.9.13. RFQ Procurement Documents Not Submitted

Contrary to Section 111(2) of the PPRs of 2020, total RFQ procurement activities worth SLE1,192,878 were without relevant documents such as valid business license and NRA tax clearance.

Official Response

The supporting documents will be made available for verification.

Auditor's Comment

There was no evidence of the relevant documents in relation to procurement worth SLE1,192,878 submitted for audit verification. The issue remains unresolved.

2.9.14. Procurement Splitting

Section 37(2) of the PPA of 2016 stipulates that procurement shall not be divided artificially with the intention of avoiding the monetary thresholds established under this Act or Regulations made under it.

Contrary to the above provision, we observed that the procurement of four 40 horse power outboard engines worth SLE388,300 was divided into four separate procurements of SLE95,000, SLE96,500, SLE97,800 and SLE99,000 in January, April, July and October, 2022 respectively; thus evading the National Competitive Bidding (NCB) procedures.

Two of the procurements were awarded to the same supplier. The procurement documents such as RFQs, evaluation reports and local purchase orders were not submitted for audit inspection. This also created doubt on the fairness of the procurement process.

We recommended that the ED should investigate the cause of the procurement infractions and any officer found culpable should be appropriately penalised.

Official Response

The procurement of the four 40-horsepower engines occurred separately due to distinct and unforeseen operational requirements that arose in the Maritime Safety Department. These needs were genuine and unanticipated, compelling us to procure the engines as the requests came in differently. It was not an attempt to split contracts but a response to the immediate needs of our organisation.

Auditor's Comment

We noted Management's comments in relation to the splitting of the procurement of four 40 horse power outboard engines. The Administration should have ensured that proper procurement planning is done, in order to avoid the splitting of the procurement process. The issue remains unresolved.

2.9.15. Incomplete Maintenance of Two Regional Offices

Section 143(2) of the PPR of 2020 states: "A contract document required shall relate to the delivery, progress or performance of a contract for which the payment is due or provide evidence of fulfilment of contract terms and conditions."

The Administration awarded contract to Umumoran General Supply in 2021 for the face-lifting and minor maintenance of regional offices in Matru Jong and Gbanbatoke for a contract price of SLE198,500.

The terms of the local purchase order states that full payment will be made within 20 days on the satisfactory completion of the contract. The full contract amount totalling SLE198,500 was paid to the contractor on 16th December, 2021 without evidence that the contractor had completed the maintenance, even though the completion time had elapsed. In addition, the audit team was not provided with a completion certificate for audit inspection.

We recommended that the ED should investigate the cause of the procurement infractions and any officer found culpable should be appropriately penalised.

Official Response

Umumoran General Supply faced a severe health issue that rendered her unable to work for an extended period over a year, which began shortly after the payment was made to her account in response to her reply to a letter sent to her by the Procurement Director on concerns of delay. During this time, she reported she was under medical care and was unable to fulfill her contractual obligations in time. She has promised and made commitment to the Administration to complete the work if permitted.

Auditor's Comment

There was no evidence that the contractor has executed the maintenance of the two regional offices. The issue remains unresolved.

2.9.16. Contract Abandoned after Payment to Contractor

In 2020, the Administration awarded contract for the construction of search and rescue coordination centre regional headquarters building at Bonthe Island totalling SLE15,672,000. An advance payment of SLE3,000,000 was paid to the contractor. However, we observed during inspection of the contract site that the contractor had abandoned the Project, and there was no evidence of action taken by the Administration against the contractor. The contract was due completion in July, 2021.

As the contract is no longer valid, we recommended that the ED terminate and recover the advance payment of SLE3,000,000 from the contractor and refund same into the Administration's bank account and evidence submitted to the ASSL.

Official Response

- (i) *Advance payment of SLE3,000,000 was made to the contractor in January 2021.*
- (ii) *According to the contract terms, the contractor was supposed to have mobilised to the site by March 2021, however, this was not done. Several meetings were held with the contractor regarding the necessity for the contractor to fulfil its contractual obligations, mindful that the contract duration was to expire in July 2021. Further meetings were held to press the contractor to effect the contract as the deadline for the expiration of the contract was fast approaching. The contract finally expired in July 2021 and so the Board instructed the contract consultant – Messers Clan A Engineering to do an assessment of the status of the contract for its consideration.*

A report was submitted on the matter. The matter was further referred to the NPPA for professional opinion on the contract to guide the SLMA Board on the way forward. Both of these reports are available for verification.

Auditor's Comment

There was no evidence that the contract for the construction of search and rescue coordination centre regional headquarters building at Bonthe Island valued at SLE15,672,000 has been terminated, and advance payment of SLE3,000,000 recovered from the contractor. The issue remains unresolved.

2.9.17. Expiration of the Tenure of Non-Statutory Board Members

Section 5(2) of the SLMA Act of 2000 stipulates that the Chairman and the members appointed under Paragraph (c) of Section 4(4) shall hold office for a term not exceeding three years as may be stipulated in their letters of appointment and any such appointment may be renewed as and when necessary.

The Sierra Leone Maritime Administration Board comprises eight Board members (four statutory and four non-statutory Board members). Contrary to the above provision, the term of three non-statutory Board members ended since 2021 and as at the time of writing this report, their term had not been renewed.

We recommended that with immediate effect, the ED should inform the Chairman of the Board about this issue and the Chairman should inform the Secretary to the President about the expiration of the terms of the non-statutory Board members with immediate effect.

Official Response

This has been communicated to the Ministry of Transport and Aviation and there is evidence to that effect.

Auditor's Comment

There was no evidence of the communication to the Ministry of Transport and Aviation submitted for audit verification. The issue remains unresolved.

2.9.18. Ineffectiveness of the Internal Audit Department

The audit team requested the internal audit records such as audit plans, reports and working papers to assess the internal audit function in the Administration. In spite of repeated requests, the internal audit reports, working papers and other evidence of work done were not submitted for audit inspection, even though the Internal Audit Department was manned by seven staff and they received total salaries of SLE800,208 during the period under review.

We recommended that the Director of Internal Audit should submit evidence of internal audit work during 2022 such as the internal audit report and working papers.

Official Response

The reports are available for verification.

Auditor's Comment

There was no evidence of audit reports, working papers and other evidence of work done submitted for audit verification. The issue remains unresolved.

2.9.19. Board Sitting Fees not in Line with other Public Enterprises

Section 6 of the SLMA Act of 2000 requires that the Chairman and the other members shall be paid such remuneration or allowances as Parliament may determine and shall be reimbursed by the administration, with the approval of the Minister for expenses incurred in connection with the discharge of their functions.

In FY 2022, we noted that SLE10,000 was paid as sitting fees to statutory Board members. This amount was not in line with average sitting fees (ranging between SLE750 to SLE2,500) paid by Public

Enterprises; thus indicating that the sitting fees paid by the Administration was unrealistic. A total of SLE723,685 was paid as sitting fees to four statutory Board members for the year under review.

We recommended that the former Acting Executive Director and the Director of Finance should submit justification for payment of unrealistic sitting fees to statutory members. In addition, the Chairman of the Board, in consultation with the Ministry of Transport and Aviation and the Ministry of Finance, should determine the sitting fees for statutory Board members in line with other Public Enterprises.

Official Response

The Board Chairman and the Ministries of Transport and Finance will advise the SLMA accordingly.

Auditor's Comment

- There was no evidence of justification for the sitting fees to Board members submitted for audit verification. The issue remains unresolved.
- There was no evidence that Board members sitting fees were revised in line with other public enterprises. The issue remains unresolved.

2.9.20. Staff Employed without Evidence of Recruitment Procedures

The Administration employed 12 staff during the period under review. 11 of these staff were on contract. Management absorbed six out of the 11 contract staff into permanent and pensionable category without evidence of relevant recruitment process being followed.

The Director of Human Resources should ensure that relevant recruitment records are submitted to the ASSL.

Official Response

Management will review the process and ensure full compliance moving forward as entails in Terms and Conditions (T and C).

Auditor's Comment

There was no evidence of recruitment records submitted for audit inspection. The issue remains unresolved.

2.9.21. Tax on Medical Allowance not Paid to the NRA

A review of payroll documents revealed that the Administration paid medical allowances bi-annually to permanent members of staff totalling SLE904,849.23 without evidence of deduction of PAYE taxes totalling SLE271,454.77 for the year under review.

We recommended that the Director of Finance should ensure immediate deduction and payment of PAYE taxes.

The outstanding tax should be recovered and paid to the NRA, and evidence of payment submitted to the ASSL.

Official Response

We have noted your recommendation and Management is committed to paying the deducted amount to the NRA.

Auditor's Comment

There was no evidence that the un-deducted medical allowances totalling SLE271,454.77 were paid to the NRA. The issue remains unresolved.

2.9.22. Furnished Accommodation for Executive Directors

Section 6.5 of the SLMA Human Resource Policy and Procedures (Executive Benefits) stipulates that the Administration shall provide the following entitlement to the Executive Director (ED) and Deputy Executive Director (DED) excluded from payroll:

- i. Official vehicle, 4x4-wheel drive with driver and fuel.
- ii. One Generator set, up to 30KVA with fuel.
- iii. Furnished house with set of lounge chairs and three Air-conditioners to be replaced after every five years.

Contrary to the above, the following issues were identified:

- The Human Resource Policy (HRP) did not indicate the total amount to be spent on the purchase of furniture for both the ED and the DED even though they are being provided with annual rent allowances.
- Review of supporting documents revealed that contrary to the HRP, the Board approved SLE564,371.01 for the purchase of household furniture for the DED such as kitchen utensils, window curtains, televisions, executive beds, executive wardrobes, executive swivel chairs, executive dining tables, dressing mirror and student chair and table.
- We also observed the procurement of two generators, 30KVA @ SLE147,488 & 45KVA @ SLE158,413 for the ED and the DED respectively, contrary to Section 6.5(v) of the HRP which states that they should be provided with one generator set, up to 30KVA with fuel.
- There is also no evidence in the HRP in respect of ownership of these assets after the five-year period elapsed, or in an event that the staff ends his or her employment with the Administration. Additionally, these assets were not included in the assets register of the Administration.

We recommended the following:

- (i) The ED, through the Board, should revise the HRP on the maximum amount to be spent on the procurement of household furniture for the ED and the DED. Additionally, the HRP should clearly address the ownership of the furniture and generator bought for the ED and DED.
- (ii) The Director of Administration should submit justification for the procurement of 45KVA generator which was purchased for the ED instead of 30KVA as stated in the HRP.
- (iii) The cost of household items and 45KVA generator bought which were at variance with the HRP should be refunded by the DED and ED respectively into the account of the Administration and evidence submitted to the ASSL.

Official Response

The Board will look into this and advice accordingly. The anomaly will not be repeated.

Auditor's Comment

- There was no evidence that the Human Resources Policy has been revised on the maximum amount to be spent of the procurement of household furniture for the ED and the DED and on the ownership of the furniture and generator bought for the ED and DED. The issue remains unresolved.
- There is no evidence of justification for the procurement of a 45KVA generator for the Executive Director submitted for audit verification. The issue remains unresolved.
- There was no evidence of refund by the ED and DED in respect of household items and the 45KVA generator bought, that are in variance with the HRP. The issue remains unresolved.

2.9.23. Unverified Staff

In FY2022, two Maritime Traffic Regulators were not in post for over four months without evidence of action taken on them. A total salary of SLE19,086 was paid to them.

The Director of Human Resources should inform the Director of Finance to remove the names of these staff from the payroll of the Administration. These names should also be removed from the staff

list. Additionally, the Director of Human Resources should initiate efforts to recover from these staff salaries paid for no work done.

Official Response

Management has started taken administrative action and evidence will be made available.

Auditor's Comment

There was no evidence of action taken by Management in respect of the unverified staff, by removing their names from the payroll. The issue remains unresolved.

2.9.24. Life Jackets not Effectively Used

The audit team engaged in a physical inspection of selected operational sites of the Administration and noted the following:

- At the Kissy Ferry Terminal, life jackets were not placed at locations where passengers in the General Section (where majority of passengers occupy) would easily retrieve them in the event of accident. The life jackets were only placed in the VIP Section of the ferries.
- At Mambolo Wharf, Rokupr Wharf and Mattru Senehun Crossing Point, we observed that most of the passengers in wooden boats were not using life jackets, and from a sample of passenger manifests reviewed, we also observed that the actual number of passengers onboard differed from what was in the manifests. Furthermore, there was no evidence of actions taken by the Maritime Traffic Regulators against defaulters for non-use of life jackets during travel times, and incomplete passenger manifest maintained by the boat operators.

We recommended that the Director of Safety should ensure that the Maritime Traffic Regulators enforce the wearing of life jackets by all passengers or penalty levied for non-use. Additionally, the Administration should engage the ferry operators to store life jackets at locations where passengers in the General Section would be able to access them in the event of accident.

The Marine Traffic Regulators should ensure that the number of passengers recorded in the manifest matches the actual number onboard.

Official Response

- i. *That life jackets onboard ferries are regularly inspected and assessed both for sufficiency and condition of which the latter seems to be of concern in this circumstance. Fumigation of the lifesaving appliances is periodically allowed for and that exposure to sunlight to stave off humidity is a requirement from the Maritime Safety Department. We hereby confirm, that our team of safety inspectors have done the needful during a just concluded impromptu inspection;*
- ii. *The VIP section is the main storage area for lifejackets as this section of the vessel has seats designed with storage space for lifejackets, whilst others are stored elsewhere but definitely not on the deck where passengers are prohibited. Should there be an emergency, lifesaving appliances from easily accessible areas within the vessel, will be distributed to the number of passengers and crew onboard;*

Auditor's Comment

Management's comments are noted. The Administration should ensure that passengers using small boats should wear life jackets and defaulters are penalised. The issue will be kept in view.

2.9.25. Overloading of Small Boats

During the physical inspection we observed that small boats were overloaded. This was evidenced as boats that were supposed to carry 30 passengers were carrying more than 60 passengers. Below is a picture of a boat being overloaded at one of the points visited, and passengers without life jackets.



The Director of Safety and Maritime Traffic Regulators should ensure that proper safety measures are implemented onboard the small boats with immediate effect.

Official Response

Routine checks and rigid safety measures are already in place to forestall such a re-occurrence.

Auditor's Comment

Management's comment is noted. There was however no evidence of measures that have been put in place to ensure that small boats are not overloaded. The issue remains unresolved.

2.9.26. Non-deployment of Search and Rescue Boats

In FY2021, the Administration procured five rescue boats valued at US\$62,479 for distribution to coastal areas in Sierra Leone. However, these boats were not distributed, more than two years since they were procured.

We further observed that most of the wharfs visited did not have search and rescue boats in the event of an emergency at sea, whilst these rescue boats were still parked at the headquarters of the Administration where they continue to wear and tear.

We recommended that the Executive Director and Director of Safety should ensure immediate distribution of the boats.

Official Response

It is true that Rigid Inflatable Boats (RIBS) were procured for the purpose of Search and Rescue operations and stowed under a boat shed at the SLMA headquarters. It is worth noting that the SLMA is relying on the "Pooling of Assets" arrangement with the constituent members of the Joint Maritime Committee (JMC) within the framework of an MoU for use of assets in areas of need as and when circumstances arise. Meanwhile, the aforementioned vessels can be utilised as and when the need arises; subject to Executive approval.

Auditor's Comment

The audit team noted Management's response in relation to the non-deployment of search and rescue boats. The boats were procured for distribution to other coastal areas in the country as most of these wharfs do not have search and rescue boats in the event of an emergency. The Sierra Leone Maritime Administration should ensure with immediate effect that the rescue boats are distributed for use. The issue remains unresolved.

2.9.27. Mandatory Signatories to Operational Bank Accounts

Section 8.3.1 of the Finance and Accounting Procedure Manual requires that two panels of bank signatories should be established an "A" and "B" panels. All cheques should have two signatories, one from the A and another from B panels respectively. While two "A" signatories can sign the same

cheque, on no account should two "B" signatories sign the same cheque. As a general rule, all Administration's cheques must bear two signatories.

Contrary to the above provision, we observed that the Administration had only one A and one B signatories, instead of two A and two B signatories.

We recommended that the Chairman of the Board should ensure the establishment of the panels of bank signatories which should include two As and Bs signatories.

Official Response

Steps have been taken to ensure the necessary signatories of two As and two Bs are available.

Auditor's Comment

There was evidence of letter sent to the Accountant General's Department dated 17th October 2023 in respect of change of signatories that included two As and two Bs. We however observed that one of the B signatories was a contract staff. This is contrary to the Sierra Leone Maritime Administration's Financial and Administration Manual. The issue remains unresolved.

2.9.28. Difference in Depreciation Computation

The audit team reperformed depreciation charge computation and observed differences between the re-computed depreciation charge and the depreciation expense recognised in the draft Financial Statements submitted for audit inspection. We noted that SLE3,575,431 was the depreciation charge recognised in the Financial Statement whilst SLE6,170,703 was the recomputed amount. The re-computed amount was more than the annual depreciation charge by SLE2,595,272.

The Director of Finance should make the necessary journal entries to correct the depreciation expense, revise the Financial Statements and submit this information to the ASSL.

Official Response

The figures and schedule have been reviewed and corrected for the FS to be resubmitted.

Auditor's Comment

There was no evidence that the necessary journal entries to correct the depreciation expense, and a revised Financial Statement were submitted for audit verification. The issue remains unresolved.

2.9.29. Assets not Fully Recognised in Financial Records

We observed that the Administration procured equipment and boats worth SLE8,170,153. However, a total of SLE4,887,421 was recognised in the Financial Statements, leaving a balance of SLE3,282,731. We also observed that assets valued SLE870,272 that were bought for the residences of the ED and the DED were not included the fixed assets register submitted for audit inspection.

We recommended that the Director of Finance should correct the Financial Statements by including the remaining amount of SLE3,282,731 in respect of the procured equipment and boats. Additionally, assets bought for the ED and the DED should also be recorded in the fixed assets register.

Official Response

This is being reviewed and included in the Financial Statements accordingly.

Auditor's Comment

There was no evidence of a revised Financial Statement submitted which should include the total amount of SLE8,170,153 in respect of the equipment and boats procured. The issue remains unresolved.

2.9.30. Differences of Receivable Balances in Financial Records

Comparing the amount recognised in the Financial Statements and that in the receivables schedule submitted, we observed the amount for receivables in the draft Financial Statements was SLE46,805,869 whilst that in the receivables schedule was SLE40,181,760 resulting in a difference of SLE6,624,109.

We recommended that the Director of Finance should ensure that the difference relating to receivables is investigated, accounting records adjusted, and the Financial Statements revised. The revised Financial Statements should then be submitted to the ASSL.

Official Response

A review of the receivable balance has been done and the new balance which agrees with the schedule will be available for verification.

Auditor's Comment

There was no evidence of a revised Financial Statement submitted for audit verification. There was also no evidence of journal entries to correct the differences in the receivables balance. The issue remains unresolved.

2.9.31. Omission of Payables from the Financial Statements

During the review of general ledger and trial balance of the SLMA, we observed payables totalling SLE2,038,935 that was not recognised in the Financial Statements for the period under review. This omission directly rendered the Financial Statements incomplete by the above figures. The Director of Finance should ensure that the necessary journals are passed to reflect the SLE2,038,935 in the general ledger.

Official Response

The amount will be reviewed for accuracy and completeness. When the accurate figures are established, the necessary journals will be passed.

Auditor's Comment

There was no evidence that the necessary journals have been passed to reflect the SLE2,038,935 in the general ledger. The issue remains unresolved.

2.9.32. Financial Statements Inconsistent with Underlying Financial Records

The audit team compared the revenue and expenses amounts in the QuickBooks Accounting System and the same recognised in the Financial Statements submitted for audit. We observed the following inconsistencies:

- Revenue differences of SLE6,543,901 were noted between figures in the QuickBooks general ledger and the Financial Statements.
- Expenditure differences of SLE97,480,420 were also noted between amounts recorded in the QuickBooks general ledger and the Financial Statements.

These differences also include amounts posted in the general ledger but not posted in the Financial Statements and amounts posted in the Financial Statements but not posted in the general ledger.

We recommended that the Finance Director should ensure that the differences noted are investigated, changes effected in the Administration's general ledger and accounting records are revised. Ledgers and Financial Statements should be submitted to the ASSL.

Official Response

All the differences will be reconciled and the necessary journals effected. They will be made available to you for verification.

Auditor's Comment

There was no evidence submitted to reflect the changes made between the general ledger and the other accounting records. The issue remains unresolved.

2.10. NATIONAL COMMISSION FOR SOCIAL ACTION (NACSA) – 2022

2.10.1 Contract Terms not Met for the Reconstruction of RC Primary School, Tihun

The Commission awarded contract for the reconstruction of RC Primary School in Tihun Village, Bonthe District, on 3rd December, 2021 at a cost of SLE1,956,083, and with a completion date of June 2022. From examination of records, we observed that payments totalling SLE890,505 (representing 46% of the contract value) had been made to the contractor.

During physical verification at the project site on 25th September 2023, (15 months after the contract completion date), we observed the following:

- Construction works of the new school structures had not been completed. From interviews with community people, we observed that since December 2022, the contractor had abandoned the site due to alleged lack of funding to continue the construction works.
- Pupils in classes four, five and six were using make-shift zinc structures to take classes because the permanent school building was demolished to make way for the new structures, which had not been completed. The community people informed the audit team that during heavy downpour of rains, classes were halted due to the rains and heavy winds. Below is evidence of status of work at site.



Photo 1: Building under construction



Photo 2: Make-shift structure used by classes five and six pupils

Additionally, of the SLE890,505 paid to the contractor, SLE47,766 was related to the supply of school furniture. We observed that school furniture had not been supplied to the school as at the time of our physical verification.

The pupils in classes four, five and six were exposed to adverse learning environment thereby affecting the quality of education they were receiving. Payments were made for works not performed and for furniture not delivered; this resulted in the loss of public funds.

We recommended that the Commissioner should ensure that the contractor fully delivers on the terms of the contract.

Official Response

- The Project has not stalled as reported by the beneficiaries, the contractor requested a 25% increase in project cost as a result of rapid increase in the cost of construction materials and transportation. The project team has written to the NPPA seeking approval to request for funds from the Ministry of Finance to cover the 25% variance requested. Furthermore, the Commission has met with the contractor and it was agreed that, the contractor should resume work whilst we await approval from the NPPA.*

- ii. *In addition, the Project established Community Management Committee (CMC) that was responsible to work with the stakeholders including the teachers to provide temporary structures to house the pupils whilst the project is being implemented.*

Auditor's Comment

We noted the information provided by Management. A letter dated 22nd August 2022, addressed to the NPPA requesting for an approval for a review of contracts affected by the rise in cost of materials was submitted and reviewed. We noted that this correspondence was signed by the current Commissioner, indicating it was recently done, more than 12 months after the expiration of the contract. Similarly, the audit recommendations to provide documentary evidence why part delivery of the furniture was not done; evidence on action taken for the completion of the reconstruction of the school was also not submitted. The issues remain unresolved.

2.10.2 Payment of Sitting Fees and Other Related Expenses to Board Members

Section 5(1) of the National Commission for Social Action Act of 2019 requires the Board of the Commission to at least meet once quarterly.

We verified payments totalling SLE237,780 to Board members as sitting fees and related Board expenses, but Board minutes and evidence of Board members' attendance for meetings held in FY2022 were not made available for audit inspection despite several requests.

Board resolutions reached to strategically control the Commission could not be ascertained including approval of major activities such as the cash transfers to 5,385 beneficiaries in border communities and the overseas travel regarding international resource mobilisation efforts.

We recommended that the SDSS submit the Board minutes, extracts, including attendance register to the ASSL.

Official Response

Minutes of Board meetings and copies of board attendance register are available for inspection.

Auditor's Comments

We noted Management's response regarding the availability of minutes of Board meetings and attendance register for inspection. Of the several meetings held during the period under review, Management only submitted minutes for Board meeting held in October 2022, accounting for SLE53,400, leaving a balance of SLE184,380. Additionally, attendance registers for April and December 2022 were submitted without any minutes attached for audit inspection. The issue remains unresolved.

2.10.3 Ineffectiveness of the Internal Audit Unit

Upon review of the Internal Audit functions within the Commission, the following were observed:

- There was no Internal Audit Committee of the Board to enforce the independence of the Internal Audit Unit and to follow through with Management on the implementation of audit recommendations.
- There is no audit charter that defines the purpose, authority, reporting lines and responsibilities of the Internal Auditor. The Charter strengthens the powers and independence of the Internal Audit Unit.
- The Internal Auditor did not submit report(s) on the audit of the Government of Sierra Leone funds received and utilised in third and fourth quarters of FY2022. Reports on the audit of projects implemented by the Commission were also not submitted for audit inspection because senior management team did not cooperate and grant access to documents and other information to staff of the Internal Audit Unit.

We recommended that Internal Audit Committee is set up by the Board, an audit charter developed and approved by the Board.

Official Response

- i. An Internal Audit Committee was formed in 2022 comprising of five Board members. Please receive Terms of Reference for the Committee.*
- ii. There is currently no Audit Charter. Management will work on this.*
- iii. This is noted and the Commission will ensure that audit reports on the audit of projects completed for Q3 & Q4 are made available for inspection.*

Auditor's Comment

Management response on the formation of an Audit Committee in 2022 is noted, but there was no evidence this committee was functional. Evidence was not submitted indicating action taken by management to implement the audit recommendations in ensuring an effective internal audit unit. The issues remain unresolved.

2.10.4 Poor Management of Regional and District Offices

The Commission has offices in the districts and regions to help decentralise its functions countrywide. During our audit, we visited eight districts and observed the following:

- Despite a budget of SLE280,000 in FY2022 to finance their operations, the regional offices were not provided with funds (petty cash or otherwise) to cater for their administrative needs such as payment of electricity bills, procurement of stationery, movement of staff for monitoring visits, and purchase of fuel for generators, vehicles and motorbikes. From interviews conducted, it was revealed that staff used their personal funds to pay for electricity bills including purchasing of fuel for generator and motor vehicle and purchase of stationery for official duties.
- As a result of the non-cash supports to these offices, vehicles and motorbikes have remained unserviceable or unroadworthy due to lack of maintenance and unavailability of fuel. For instance, in two districts (Kailahun and Kenema), we verified 12 motorbikes that had remained unserviceable for several months.



Grounded motorbikes at Kenema District Office

Consequently, staff had not been able to conduct effective monitoring visits to several sites where the Commission had ongoing civil works projects, to ensure contractors comply with technical drawings, bills of quantities and terms of the contracts.

- The conditions of most furniture we verified at the district offices were deplorable and did not reflect the status of the Commission.

- In four of the eight districts visited, we further observed that the assigned vehicles had not been functional for at least four months due to mechanical problems. Despite several requests for maintenance, these have not been honoured.
- Offices in four of the eight districts (Pujehun, Kabala, Kambia and Kailahun) were provided with office equipment such as printers, desktop computers and standing fans but these offices did not have electricity supply; neither from the national grid, nor a functional generator. The hub office also in Panguma had no power supply. Staff in these offices had to use commercial places to prepare, print and submit official reports raising the risk of inadvertent disclosure of confidential information.
- There was no water supply at the NaCSA's office in Kailahun.

We recommended that timely funding is provided to these offices to cater for administrative and other expenses. Additionally, assigned vehicles and motorbikes should be maintained and/or replaced in order to facilitate the free movement of staff of the Commission to undertake monitoring visits to project sites and for other administrative assignments.

Official Response

- i. There has been challenges in providing imprest because of the delays in the release of subvented funds by the Ministry of Finance.*
- ii. This is noted and Senior Management Team (SMT) will work on timely provision of imprest to the regional and district offices to ensure there are adequate supply of electricity, water and fuel for the vehicles.*

Auditor's Comments

We noted Management's comment in ensuring that timely imprest is provided to the regional offices to aid their operation. Management did not however respond to the other challenges such as poor conditions of the furniture, unserviceable motorbikes and vehicles and the offices without electricity. The issues remain unresolved.

2.10.5 Physical Verification of Civil Works

2.10.5.1. Construction of Grain Stores

The Commission constructed a grain store with ancillary facilities (VIP toilet, washroom, solar panel and rice milling machine) in Gandorhun Village, Niawa Chiefdom, Kenema District with CDDP funds at a cost of SLE464,567.

The audit team verified the grain store, VIP toilet, washroom, installed solar system, dry floor, rice milling machine and hand pump water well on 29th September, 2023.

Below are observations during the verification:

- The ceiling of the grain store and an office was not covered with hardboard as provided for in the contract. The cost for work not done, as provided in the contract was SLE3,900 (60m²@SLE65).
- The contract also provided for tiling of a 20m² floor using fully vitrified unglazed ceramic tiles including skirting at a cost of SLE4,000, this was however not done. See photo 5 below.
- The contract also provided for five days training (male and female) on operating the milling machine at a total cost of SLE5,000. From interviews with the town chief and other key stakeholders, we were informed that this training was not conducted. The contractor was also required to provide 50 litres fuel but this was not done.
- The following defects were also noticed - cracks on the dry floor, broken window glasses as they were not cut to the right specifications of the window frames. These rendered the windows defected by not closing/locking properly. Concern was also raised about electricity not provided in the toilet.



Cracks in constructed dry floor at Gandorbun village, Niawa Chiefdom, Kenema District

- Despite the completion of the construction and its commissioning, the facility was not put into use due to the above-mentioned defects.

We recommended that the Engineer HQ and the Regional Coordinator should engage the contractor to make good the following as provided in the contract:

- (i) Cover the ceiling of the grain store with hardboard.
- (ii) Tiling of the 20m² floor space with vitrified unglazed ceramic tile.
- (iii) Provide the five days training (male and female) on the use of the rice milling machine and provision of 50 litres fuel.
- (iv) The identified defects are rectified.

Evidence of action taken by the Engineer HQ and the Regional Coordinator, Eastern Region, should be submitted for audit inspection

Official Response

- (i) *No payment has been made to that effect; payment for the supply of furniture is always done after practical completion of the building.*
- (ii) *Tiling and correction of some defects are the activities deferred for the defect liability period. No payment has been made for them as the project is yet to attain final completion.*
- (iii) *Training of selected beneficiaries is also part of those activities that were deferred to the defect liability period, it will be done before the final payment is made to the contractor.*
- (iv) *These concerns will be corrected during the defect liability period. toilet was not provided for in the BoQ. For the defects identified (cracks and broken window glasses), they will be taken care of during the defect liability period. We are yet to release the retention fees.*

Auditor's Comment

Management's comments are noted about correcting these during the defect liability period. Therefore, until these are done, the issues are unresolved.

2.10.5.2. Defective 2,000 Litre Water Tank Provided

As part of the construction contract of the JSS School in Gbinka, Jahn Chiefdom, Kailahun District, there was plumbing installation works including the installation of 2,000 litre water tank with piping connections and fittings on top of raised concrete platform. The cost of the 2,000 litre water tank was SLE4,000.

During our verification of the school structure including the plumbing installation on 28th September, 2023, we observed that the water tank was leaking from the side and it had to be stuffed to minimise the leaks. From interviews conducted, the team was informed that the contractor supplied the tank in that condition to the school which was noticed at a later time when it was filled with water.

We recommended that the Engineer, NaCSA HQ, should engage the contractor to replace the defective water tank with immediate effective including the fitting the new/non-defective one with piping connection to serve pupils of the school. Evidence of the engagement including replacement should be submitted for audit inspection.

Auditor's Comments

There was no Management's response or evidence that the recommendation was implemented. The issues remain unresolved.

2.10.5.3. Construction of Cocoa & Coffee Processing Centre

The audit team on 28th September, 2023 physically verified the construction of the cocoa & coffee processing centre in Gbeika, Kailahun with funds from the German Pro-Poor Growth for Peace Consolidation (GPC) and observed the following:

- Defective (leaking) 5,000 litre water tank was delivered and installed.
- The hand-dug water well was not done properly (i.e., to the required depth) that was why when water was pumped continuously using the hand-dug pump, muddy water always came out.
- The floor of the fermentation room did not have a slop to allow the cocoa slime flow out of the room, as such, the slime settled on the floor.
- The concrete suspended slab that was supposed to support the fermentation boxes costing SLE3,000 in the bills of quantities was not constructed.



- Visible cracks had started appearing in the concrete pavement of the front area of the processing centre and on the floor of the store.



Additionally, from interviews conducted with the key officers at the centre, the following concerns were raised:

- A generator was provided and the centre electrified, but the constant hike of fuel price makes it uneconomical to continue using the generator.
- The wooden dry floors provided were not done to the required standard.
- Machine dryer was not provided to properly dry the cocoa.

We recommended that the Programme Engineer contact the contractor to do the following;

- (i) replace the defective water tank with immediate effect.
- (ii) dig the water well to the required depth to make it useful for the users.
- (iii) Construct the suspended slab to support the fermented boxes.
- (iv) the fermentation room should be sloped to allow slime from the cocoa to flow out.
- (v) the concrete pavement should be resurfaced with a good mix concrete to cover the cracks.

Evidence of actions taken should be submitted for audit inspection

Official Response

- i. Upon final payment the water tank was not defective. And this was tested by our technical team before payment was made to the contractor.*
- ii. The required depth for hand dug varies depending on the soil strata and water table. The maximum water table was reached at 6m depth in Gbeika and therefore payment was made at 6m. As is seen in the final BoQ of payment attached.*
- iii. The floor of the fermentation room was already constructed and slabbed before the request from GIZ was received for a sloped floor. The approved architectural drawing from GIZ does not show any slope requirements.*
- iv. Agree. Concrete Suspended Slab was not paid for by NaCSA. Please see final BoQ of payment to contractor.*
- v. Concrete cracks is an inherent expectation when concreting. However, this is an aesthetic issue and it does not affect the structure integrity of the slabs.*
- vi. The accepted BoQ made provision for a generator as this was a requirement from GIZ for this facility.*
- vii. The wooden dry floors were not constructed by NaCSA.*
- viii. Machine dryer not part of our scope of works provided to NaCSA by GIZ*

Auditor's Comments

We noted Management's comments regarding the payments made when terms of the contract were met by the contractor. Information from the physical inspection conducted indicated otherwise and because of these, the beneficiaries are not pleased. Based on the comments received, there is no hope Management is going to act on the recommendations made to address the issues raised. The issues remain unresolved.

2.10.6 Omissions of Transactions from the Financial Statements

We selected sample transactions from the bank statements of the Commission and traced these to the revenue and expense ledgers in order to ascertain completeness of revenue and expenses. We observed that grant revenue totalling SLE42,349,346 and expenses totalling SLE31,929,663.50 were not recognised in the Financial Statements submitted for audit inspection. Revenue, expenses and cash and cash equivalents were understated in the Financial Statements.

We recommended that the SDSS should engage the Director of Finance to make the necessary journal entries to record the grant revenue and expenses omitted and the Financial Statements revised. The journal entries should be submitted to the ASSL.

Official Response

The Financial Statement has been revised and is submitted for review taking its consideration the omissions and misstatements.

Auditor's Comment

The revised Financial Statements (FS) was submitted and the grant revenue and expenses have been recognised in the Financial Statements. Journals and corrections made regarding the overstatements, inconsistencies in the Financial Statements and the QuickBooks were however not submitted for audit examination and checks. The issues remain unresolved.

2.10.7 Inconsistencies in the Financial Statements

We observed the following inconsistencies:

- From the re-computation of total expenditure in Note 4 of the Financial Statements, we observed understatement of expenditure by SLE74,195. Our re-computation showed a total of SLE3,727,153, whilst the total expenses recognised was SLE3,652,958.
- When comparing figures recognised in the draft FS to the QuickBooks general ledgers (GL), we observed that expenses were overstated by SLE211,607, receivables overstated by SLE12,084 and revenue overstated by SLE830,416.
- We verified office and operating costs of SLE213,403 in the Financial Statements but the breakdown and the expenses from the QuickBooks were not submitted.
- Expense and cash advance schedules from the QuickBooks totalling SLE30,800 and SLE32,574.40 were submitted; however these could not be traced to the FS.
- In Note 2a to the Financial Statements, a specific reference to the financial reporting used to prepare the Financial Statements for the year ended 31st December, 2022 was not stated.
- Assets schedule clearly showing the opening balances, accumulated depreciation and additions made during the year was not included in the Financial Statements.

Revenue, expenses and cash and cash equivalents were understated and/or overstated in the Financial Statements.

We recommended that the SDSS should engage the Director of Finance to make the necessary journal entries and then revise and resubmit the Financial Statements. The journal entries should be submitted to the ASSL.

Official Response

The Financial Statement has been revised and is submitted for review taking its consideration the omissions and misstatements.

Auditor's Comment

The revised FS were submitted and the grant revenue and expenses have been recognised in the FS. Journals and corrections made regarding the overstatements, inconsistencies in the FS and the Quickbooks were however not submitted for audit examination and checks. The issues remain unresolved.

2.10.8 Comprehensive Fixed Assets Register not Submitted

We reviewed the fixed assets register and conducted physical verification of assets owned and controlled by the Commission. We observed that several assets were not included in the fixed assets register, and most of the assets were not coded. These assets included furniture, office equipment, fittings, motorbikes, motor vehicles, etc.

Additionally, except for assets bought within the last two years, the costs of assets were also not included in the Financial Statements.

Furthermore, some of the assets were claimed to be owned by some staff of the Commission; but these were not distinguished from those owned and controlled by the Commission.

We recommended that the fixed assets register is updated with details of all assets owned and controlled by the Commission. Additionally, journals should be effected to record the omitted assets value in the Financial Statements. These journals should be submitted for audit inspection.

Official Response

- (i) Fixed asset registers are maintained by the various programmes/projects
- (ii) At NaCSA, the Financial Statements are prepared using the two accounting basis of accruals and cash.

- (iii) Accrual basis is used for GoSL Recurrent thereby depreciating fixed assets and cash basis for the projects and do not depreciate assets but maintain them based on the life of the project

Auditor's Comment

Management's response clarification on the financial reporting frameworks is noted. The fixed asset schedule was submitted that represent the value of assets in the revised FS. The listing of these assets that make up the total for furniture and equipment in the revised FS was also submitted for audit inspection. We recommended a comprehensive update of the asset registers for assets controlled by the Commission, and journal entries effected for all these assets. This was however not done. The issues remain unresolved.

2.10.9 Statutory Deductions not Paid

We examined the payroll vouchers of the Commission and one of three projects, the Sierra Leone Community Driven Development Project (SLCDDP) and observed the following:

- PAYE taxes totalling SLE3,043,364 were not deducted from salaries of staff of the Project.
- A 5% NASSIT deduction as employees' contribution to the scheme was made. There was however no evidence that the 10% government's contribution was paid. The total NASSIT contribution for the year without evidence of payment amounted to US\$116,797.

Payroll vouchers for GPC and Social Safety Net Project were not submitted for audit inspection, despite several requests.

We recommended that the Programme Managers and the Director of Finance should submit evidence of payment of 15% NASSIT contribution for staff of the Projects, and evidence submitted to the ASSL.

Official Response

This is noted. The donors are against the payment of statutory deductions and this is stated in the Financial Agreement signed by the Ministry of Finance.

The Ministry has been informed about the non-payment of statutory deductions and has agreed for the Counterpart Funds to be utilised for statutory payments.

Auditors' Comment

Management's comment is noted on the donor's apprehension to make statutory payments. Unlike the NASSIT employer's 10% contribution, PAYE taxes and employees' 5% NASSIT contribution represent no additional cost to the projects. These are borne by the staff. Evidence of payment of the outstanding statutory deductions were not made available for audit inspection. Payroll vouchers for GPC were made available for audit inspection, whilst those of the SSN were not made available for audit inspection. The issues remain unresolved.

2.11. ROAD MAINTENANCE FUND ADMINISTRATION (RMFA) - 2022

2.11.1. Audit Verification Exercise on Road Works

A. General Findings

- During the verification exercise, we observed that maintenance works at several locations were completed, others were in their completion stages, whilst some were far from completion, even though their completion dates had elapsed. The audit team interviewed selected local council engineers, and it was revealed that the RMFA was yet to make payments to the contractors, even though payment requests had been submitted to complete these works.

- Supervision and monitoring of maintenance works by both the SLRA and local councils' engineers were inadequate, even though funds were provided by the RMFA for every contract awarded. This was evident during the verification exercise, as some of the contracts were not executed as per specifications in the contract agreements. For instance, road markings, drainage clearing, pre-mix patching, and light grading, were not done as per provisions in the contract. We interviewed some of the SLRA district engineers, who revealed that they did not have financial support from the head office for supervision and monitoring activities.
- Before the local councils undertook the rehabilitation of roads, the engineers must prepare a 'confidential' bill of quantity (BoQ) that contains the estimated breakdown and total costs of maintenance. The objective of preparing a confidential BoQ was to assist the Procurement Unit determine the estimated bid price for the appropriate procurement method (i.e. RFQ, NCB, or ICB method of procurement). The estimated bid prices in the BoQs tendered by most contractors who won the contracts were the same or similar to the council's "confidential" BoQ.
- The contents of some BoQs were copied and pasted from previous maintenance works and included certain items which were not applicable to the present works; thereby increasing the cost of contracts. For instance, with regard to the contract for the construction of a 10 meter bridge along Old Mangay to New Mangay in Gbenti Chiefdom, Karene District, there was SLE17,000 in one BoQ for expansion joint, even though this type/length of bridge does not normally have expansion joints. Similarly in the contract, for maintenance of Magbani to Ropolon Road, was SLE10,000 for diversion, for continuous flow of traffic. However, our investigation revealed that there was no need for such diversion and there was no evidence of work done.

Official Response

- (i) *This was a result of cash flow challenges brought about by the Ministry of Finance's directive on revenue retention from Treasury Single Accounts (TSAs).*
- (ii) *This is noted: we will engage the leadership of the SLRA and the local councils to look into this to ensure that funds provided for supervision are filtered down to those on the field to ensure effective supervision.*
- (iii) *We are not involved in the procurement processes. In addition, it is believed that the NPPA regulates and monitors the procurement process as we are aware that they always seek approval from the NPPA to proceed to other stages in the procurement processes. However, this is well noted, and we will bring it to the attention of the councils for needful actions.*
- (iv) *The BoQ aspect is noted, moving forward, the RMFA engineers will be instructed to look at line items in the BoQ to ensure they are consistent with requirements in the contract.*
- (v) *Road traffic diversion and management are always required when constructing a bridge or a culvert. The diversion does not necessarily have to be at the construction site, it can be at some distance away, at a point that is more convenient for both the construction and the road-users. However, this is noted for the attention of M&E engineers.*

Auditor's Comment

- (i) There was no evidence that payments were made for maintenance work completed or that the incomplete works had been completed. The issue remains unresolved.
- (ii) In respect of supervision and monitoring of maintenance works, there was no evidence that funds were provided to the district engineers for supervision works. The issue remains unresolved.

- (iii) In as much as the NPPA regulates and monitors the procurement process, audit evidence revealed that the estimated bid prices in the BoQs tendered by most contractors who won the contracts, were the same or similar to the council's "confidential" BoQ. The issue remains unresolved.
- (iv) Audit evidence revealed that some of these BoQs were copied and pasted from previous maintenance works and included certain items that were not applicable to the present works. There was no need for diversions, as there was no evidence that construction was done. The issue remains unresolved.

B. Funds Transferred by the Road Maintenance Fund Administration (RMFA) to the Sierra Leone Roads Authority (SLRA).

The audit team conducted physical verification, for funds transferred to the SLRA covering the following thematic areas: flash flood, drainage clearing, pre-mixed overlaying, construction of side drains and retaining wall at Sarolla, Kissy, and the maintenance of bridges.

The following were observed during this exercise:

a) Construction of Side Drains and Retaining Wall at Sarolla, Kissy, Freetown

The SLRA awarded a contract to Bimak Company Limited for the construction of side drains and a retaining wall at Sarolla, Kissy, for a contract sum of SLE730,377. Even though the Authority had paid the full contract sum, work was not satisfactorily done as the retaining walls were not backfilled as specified in the contract.

b) Drainage Clearing

Contracts were awarded by the SLRA to different contractors for the surface and drainage clearing works along selected roads within the Freetown municipality totalling SLE4,598,500. We observed that some of the rubbles were not disposed of as stated in the contract agreements. They were left on the sidewalk and this posed a risk of floods recurring, due to the abandoned debris. We also observed from interviews conducted with some residents in the selected streets that some of these drains were only cleared once, instead of a period of twelve weeks (May to August 2022), as stated in the contract agreement.

c) Premix Patching

The following was observed in the implementation of the contract awarded to the Golden Quarry Sierra Leone Limited for the premix patching works on selected streets within the Freetown municipality, Bo, and Makeni cities for a contract sum of SLE2,680,102.

- In most of the premix patching in the Freetown municipality, we observed that they were not performed as stated in the contract, the potholes were not properly cut and shaped to adequately receive the mix, placing of mix, and compacting of mix. As a result of this, some of the potholes had reopened as evidenced during the audit verification.
- We observed that the materials used in the premix patching were not in accordance with the contract agreement as concrete was used in some roads instead of asphalt. During the verification, we also observed that most of the concrete have been damaged.
- A total of SLE202,000 was included in the BoQ as payment for premix patching for Central Business District and Brookfields and its environs. The audit team requested details of these streets for verification, but they were not provided by the SLRA engineers. As a result, the audit team could not verify activities carried out on those streets.
- Premix patching was done at the Circular Road/Model Junction. We observed that the area lacked proper drainage, and that during the rains, water will flow onto the street and destroy

the asphalt; however, the patching was still carried out even though there was no proper drainage.

d) Road Marking

The Sierra Leone Roads Safety Authority awarded contracts for road marking within the Freetown municipality for a contract amount of SLE1,318,050. The following were observed:

- More than a year after the 30% advance payment of SLE395,415 was made, the contractor has still not completed the contract and there was no evidence of action taken by the Authority.
- During the verification of the selected roads in Freetown, we observed that the works stopped after the contractor had done more than 30% of the work. An interview with the SLRA staff revealed that the work was stopped as the quality of materials used by the contractor was not in accordance with the contract specification. The contract specified the type of paint to be used should be reflectorised; but this was however not used. This is also an indication that monitoring was inadequate as this issue of poor quality materials should have been addressed at the start of the implementation of the contract.
- The contract start date was March 2022, but there was no evidence of the end date of the contract in the agreement.

e) Construction of Largo Bridge Deck

A contract for the construction of the Largo Bridge deck was awarded to Linnasal Trading and Construction for SLE454,265. This work was supposed to be an emergency work, but the audit team was shocked during the verification exercise, to note that work had not even started, though the contract amount had been transferred to the SLRA by the Road Maintenance Fund Administration and paid to the contractor.



Construction of Largo Bridge Deck

Official Response



- (i) *We immediately communicated this observation to the SLRA and they have reported that the contractor has completed the remedial works.*
- (ii) *According to the SLRA engineers, fewer vehicles were available for hire to collect the rubbles and dispose at appropriate locations. Therefore, they were done in batches and they have reported that all the rubbles were disposed.*
- (iii) *The RMFMA & engineers will continue to ensure that requests from the SLRA for payment for the above activities are verified in terms of actual works and frequency before payments are recommended.*



- (iv) *According to the Director of Maintenance at the SLRA, most of the roads within Freetown have exceeded their design life and the best option is to resurface/overlay. However, in the absence of funds for such intervention, premix patching will only provide a temporal relief as other sections of the road will fail.*
- (v) *The SLRA confirmed that concretes were used as an emergency solution during the peak of the rainy season because premix patching with asphalt is almost impossible during the rainy season.*
- (vi) *The contract was for premix patching to improve the flow of traffic along the road. The SLRA will look into the need for the drainage, and we will provide an update as soon as the work is done.*
- (vii) *We note the observations by the ASSL. As an administration, we will prevail on the SLRA to ensure all these concerns are addressed. Additionally, we will ensure no further payments on this contract are made until all concerns are duly addressed.*
- (viii) *According to the SLRA, the contractor has completed the emergency works on the Largo bridge.*

Auditor's Comment

- There was no evidence that the contractor has completed the backfilling of the retaining walls at Sarolla, Kissy. The issue remains unresolved.
- During the verification of drainage clearing works, the audit team observed that these works were not properly completed as rubbles were not disposed of as stated in the contracts. The RMFA should ensure that verification should be carried out before further payments are made. The issue remains unresolved.
- Management's comment is noted in respect of the premix patching in the Freetown municipality roads. It is true that most of the roads within the Freetown municipality had exceeded their designed life, however, when it comes to the maintenance of the roads, the contractor did not perform the contract based on the specification or requirements in the contract. The Sierra Leone Roads Authority should ensure that when funds are provided for such works, proper monitoring and supervision should be carried out so that value-for-money will be achieved. The issue remains unresolved.
- The use of concrete as an emergency measure during the peak of the rainy season is a good strategy. After the rains, it is expected that premix patching with asphalt should be carried out to replace the concrete as this was the contract requirement. The issue remains unresolved.
- In respect of the road marking in the Freetown municipality, Management should ensure that no further payment should be made to the contractor and when the contract time elapsed, the contract should be terminated with immediate effect and the contractor refund the advance payment with interest to the Consolidated Fund. The issue remains unresolved.
- There was no evidence of the construction of the Largo bridge. The issue remains unresolved.

C. Funds Transferred by RMFA to City and District Councils

Name of Council	Nature of Contract	Auditor's Field Inspection Comments	Official's Response	Evidence on Status of Work as at Date of Field Verification A sample of photo at the time of field visit
Bombali District and Makeni City	Construction of a reinforced bridge and single box culvert - Arabic community	An interview with the District Engineer revealed that the bridge had been completed since November 2022, but the contractor was yet to backfill. It was strange to note that about 95% of the contract amount was paid to the contractor even though the backfilling and connection of the road was not done.	<i>The backfilling is in progress using 'ball stones'. However, it will be completed after the rainy season. By then, the moisture content will be appropriate for compaction.</i>	
Karene District	Construction of bridge along Kotohun to Laiya in Sanda Loko Chieftdom	The bridge had been constructed but not backfilled.	<i>The work is ongoing, backfilling is in progress.</i>	

Name of Council	Nature of Contract	Auditor's Field Inspection Comments	Official's Response	Evidence on Status of Work as at Date of Field Verification A sample of photo at the time of field visit
Western Area Rural District	Concrete pavement and reinforce drainage construction along Shalom Drive, Hamilton	Almost a year after the initial advance payment of SLE128,829 was made to the contractor, much work was not done on the construction of the reinforced drainage. There was also no evidence of concrete pavement done along the road, or evidence of ongoing work on site.	<i>We have engaged the council on this and the work is ongoing, we will update with progress or when it is completed.</i>	
Bo District	Construction of 18m bridge at Juhun Town, Baoma Chiefdom.	The bridge had been constructed, but inaccessible, as it had not been backfilled on either end. Interviews with residents in the area revealed that the contractor had abandoned the site since June 2022.	<i>Backfilling of the bridge is now in progress, and we will provide an update when it is completed.</i>	

2.11.2. Ageing Payables

A review of the current liabilities in the Financial Statements revealed that there were payables totalling SLE25,831,041 that were in the payable account for more than three years and there was no evidence of action taken by the Administration to settle these payables.

We recommended that the Director of Finance and Investment should ensure that liabilities are investigated, and if necessary, appropriate settlement plans are developed and approved by the Board.

Official Response

We acknowledge the fact that some categories of the payables account have been in the Financial Statements for more than three years with no movement (save the district councils), however, the RMFA on its own accord cannot trigger any movement until mandated to do so by the SLRA.

The RMFA has no control over the procurement and award of contracts to contractors, nor do we have the mandate to cancel any contract. All contracts are awarded by the SLRA and they have the authority to cancel contracts they believe are not up to the required standard; likewise, also all requests for payments on all such contracts are made by the SLRA. A joint committee comprising board members of both the SLRA & RMFA together with officials from the Ministry of Works & Public Assets was set up two years ago to look into this issue, they came up with conclusions following which some of these payables were written off. We would look into the possibility of repeating the same process to address the issue.

Auditor's Comment

There was no evidence that the long outstanding payables had been settled. Management should collaborate with the Sierra Leone Roads Authority, to ensure that these long outstanding payables are settled or written off in the Financial Statements. The issue remains unresolved.

2.11.3. Ageing Receivables

There were receivables totalling SLE103,328,536 in the debtors' listings that had been in the receivables account for more than four years with no evidence that they had been liquidated or recovered.

Receivables in excess of four years were a clear indication that the recovery of these balances are remote.

We recommended that the Director of Finance and Investment should ensure that receivables which are within one year, are liquidated. In addition, the Chief Executive Officer should inform the Board of those long outstanding receivables so they can be written off from the books of the Administration.

Official Response

This has been a long outstanding issue and relates to major rehabilitation projects that were transferred to the Ministry of Finance because of cash flow challenges. We have sent several correspondence to the Ministry of Finance for clarification and information on the payments they have made on these projects, so we could take them off our records, but have however not received any response.

Auditor's Comment

We note management's comments on the efforts made through correspondence with the Ministry of Finance in resolving these outstanding receivables. However, these outstanding receivables were still in the Financial Statement. The issue remains unresolved.

2.12. SIERRA LEONE PORTS AUTHORITY - 2022

2.12.1. Dilapidation of Administrative Building Walls at the Queen Elizabeth II Quay

The following were observed:

- Walls at the quay are crucial for providing a stable platform for vessels to berth, supporting the foundation platform, and facilitating safe port operations like unloading and loading, and

vehicular and pedestrian movements. A survey of these walls revealed that steel thickness at berths 3, 4, 5 and 6 was initially greater than 11mm. However, in 2021, it had decreased due to corrosion. Due to degradation in the walls, the holes at the ports were visible in berths 3, 4, 5 and 6 and had also expanded with diameters increasing from 15cm in 2011 to 140cm, 400cm, 120cm and 40cm respectively. Excessive corrosion had also affected the entire length of the gabion quay, and the structural make-up of beams and piles had been compromised.

- During a tour of the administrative building housing different staff of the Authority, we observed visible cracks on the pillars, walls and concrete rooftops of the administrative building which housed the Authority's administrative staff.

We recommended that the General Manager should ensure the following:

- (i) Request a detailed structural survey of the quay walls and foundational structures of the ports to be conducted by the National Commission for Privatisation through the Board, providing a comprehensive report on the current state of the entire structure.
- (ii) The recommendations from the comprehensive report must be implemented to ensure the continued operation of the Ports and protect lives and property, and evidence of action taken should be submitted to ASSL.

Official Response

The SLPA (hereinafter referred to as the Authority) is fully aware of the situation of berths 3,4,5 & 6. The Authority is working closely with the relevant stakeholders to ensure the issue is adequately addressed. Further to the initial survey, a more recent survey has been conducted and recommendations proffered. The team is now working on identifying a consultant, contractors and the source of funding to commence the work.

The age and nature of the administrative building would suggest that only routine maintenance can be carried out. However, the Authority following due process has received approval from the National Public Procurement Authority (NPPA) to proceed with the award for the construction of a new administrative building. A letter of award has been sent to the contractor. We are at the stage of seeking concurrence from Government to enter into a contract with the successful bidder.

Auditor's Comment

Management's comment regarding the corrosion and degradation of the walls (berths 3,4,5 & 6) is noted. The alleged survey report which could have provided information on the recent state of these walls was not submitted for audit inspection. The issue remains unresolved.

Regarding the construction of the new administrative building, a notification letter for the conditional award of the contract to the winning bidder was submitted and verified. Such project work will take time and will require staff of the Authority and other personnel to use the current administrative building. Therefore, some form of rehabilitation is needed to bring the building to an appreciable standard.

The issue remains unresolved.

2.12.2. Prohibited Haulage Vehicles Using the Ports

The SLRSA which licenses and authorises vehicles and other machineries to ply and use the roads in Sierra Leone conducted on-the-spot checks on haulage vehicles using the ports to load and unload cargoes in January 2022. The Safety Manager submitted a list of prohibited vehicles to the audit team for review.

The Authority's vehicle exit register revealed that five vehicles prohibited by the SLRSA continued operating without clearance from the SLRSA. Below are details of the prohibited vehicles that were still using the ports to load and unload cargoes:

Vehicle Number in SLRSA's Report	Vehicle Number in Port's Records	Date the Prohibited Vehicles Used the Ports
ABA 055	ABA 055	14th March 2022
ANC 253	ANC 253	14th March 2022
ABE 318	ABE 318	15th March 2022
AFZ 824	AFZ 824	15th March 2022
AAX 401	AAX 401	16th March 2022

We recommended that the Harbour Master should immediately cease operations of prohibited haulage vehicles for transportation services unless clearance from the SLRSA is provided.

Official Response

The Harbour Master/PSFO has issued a notice to the leadership of the Indigenous Transport Owners Association (ITOA) to halt the operations of the affected vehicles and obtain clearance from the SLRSA. The ISPS desk-office has been duly informed to put a hold the issuance of port entering passes to the affected vehicles. ITOA should send a copy of the clearance issued by the SLRSA to the Security Intelligence Manager for the resumption of operations on the affected vehicles.

Auditor's Comment

A correspondence sent by the Ports Management to the ITOA to immediately suspend the operations of the five prohibited vehicles was submitted and verified. However, evidence of action from ITOA to stop these vehicles from accessing the ports facilities was not submitted for audit inspection. The issue remains unresolved.

2.12.3. Depleted Fire-fighting Resources at the Ports

Sierra Leone, a regular member of the International Association of Ports and Harbours (IAPH) since 2014, has a fire department under the 'Operational Domain' category as stipulated by the Risk and Resilience Guidelines of the IAPH. The Department's purpose is not to prevent fires but to mitigate them. A review of fire safety measures and equipment at the ports and the Department's infrastructure revealed the following:

- Two firefighting vehicles were in operation, one with 11,000 litre capacity and the other with 2,000 litres. The larger 11,000-litre vehicle, which had been in operation since 2002, had been non-functional for over a year due to electrical issues.
- The 2,000-litre water-carrying vehicle was utilised for various purposes, including supplying water to vessels, combating fires in remote communities, and providing water to clinics, among other uses.
- The port facilities did not display any fire prevention devices, such as smoke detectors.
- The fire department had ten staff, with 30% being permanent and 70% being regular casual. The seven regular casual staff had not received firefighting and prevention training, thereby leading to their inactive involvement in fighting fire incidents due to lack of training and life insurance coverage.
- We also observed that the head of the fire department was acting in this capacity for at least two years and nine months.

We recommended that the General Manager should ensure the following:

- (i) Create a budget for the acquisition of a larger fire tender to supplement the current one in operation.
- (ii) Purchase and install fire prevention devices like smoke detectors at critical port locations.

- (iii) The fire department should review staffing numbers to ensure staff status is normalised, and firefighting training should be provided to all staff to prepare them for reducing fire incidents.
- (iv) The decision should be made to make the acting position substantive.

Official Response

The current administrative building is old and in bad shape to hold sophisticated fire prevention devices. Therefore, provision would be made in the proposed administrative building.

Other recommendations to budget for a bigger fire tender and staffing issue will be addressed in due course.

Auditor's Comment

Management's comment regarding the installation of fire prevention devices in the old administrative building; getting bigger fire tender and addressing staffing issues are noted. The issue remains unresolved.

2.12.4. Poor Debts Collection Mechanism

Despite repeated audit recommendations to reduce outstanding debt collection from specific clients, the Sierra Leone Ports Authority continues to transact with some defaulting customers. The Authority's Receivables Policy mandates customer payment within one month of invoicing and charges interest on debts not paid within three months. Upon reviewing receivables records, the following were observed:

- The Sierra Leone National Shipping Company (SLNSC) owed the Authority SLE32,863,519 which had been overdue for 13 months.
- Despite discussions with the Audit Committee of the Authority's Board for Management to operate directly with oil companies dealing with the SLNSC, there was no evidence that oil companies were engaged by the Authority. However, the Authority continued to do business with the SLNSC during the year under review.
- Bollore Transport and Logistics (BTL) and Integrated Solutions Services (ISS) Ltd. had debts totalling SLE2,614,961 (SLE126,495 to BTL and SLE2,488,466 to ISS Ltd.) for 12 months. This indicated that they were no longer conducting business with the Authority as there was no evidence of Management's efforts to recover these debts.

We recommended that the Financial Controller (FC) should ensure adherence to the receivables policy to collect debts owed by other clients of the Authority.

Official Response

Management has maintained a systematic and sustained effort in the recoverability of disputed or contentious debts owed by the SLNSC, ISS and BTL.

Letters and minutes of management and board meetings seeking recoverability are available for audit review.

The nature of these debts and their sources are related-party in nature and thus issuing penalties and restraints on services are not plausible actions.

On the options of operating directly with the oil companies, we have engaged the Petroleum Regulatory Agency (PRA) and they have commenced mediation. We shall consider advising the Board for a write-off of both the BTL and ISS debts for tract lacuna.

Furthermore, the Authority has been engaging the relevant ministries to ensure that the respective debts are settled.

Auditor's Comment

- Evidence of action taken by the Authority for the recoverability of these debts was not submitted for audit inspection. The issue remains unresolved.

- On the issue of invoicing directly with the oil companies, management submitted evidence of its engagement with the PRA; but evidence that it was favoured by the PRA and oil companies was not submitted for audit inspection. The issue remains unresolved.

2.13. BANK OF SIERRA LEONE - 2021

2.13.1. No Approved Standard Operating Manuals

Upon our review of the various departmental operational manuals, we observed that there was no evidence of a reviewed and approved operational manuals for the following departments: Finance, Legal Affairs; Research and Statistics; Revised Banking; Procurement; Monetary Policy; Secretaries; Internal Audit; Human Resources; General Services; Financial Markets; Financial Sector Development; Other Financial Institutions; Banking Supervision and Financial Stability departments.

We recommended that, as best practice dictates, manual of operations must be reviewed and approved for the various departments, by the various heads overseeing these departments.

Official Response

We note the auditors' observation. Urgent action will be taken to ensure that the manual of operations of all Departments/Units mentioned above are reviewed for the approval of the executives.

Auditor's Comment

During our verification exercise, we sighted a memo, and an extract from a memo of 14th August 2023 from the Director, Banking & Payment System Department, to the Deputy Governor, Financial Stability. We also sighted an extract from the minutes of an emergency management meeting of 14th August 2023, relating to management's approval of the manual of operations for the Banking and Payments System Department. However, our recommendations were partially resolved.

2.13.2. Outstanding Unreconciled Items in Automated Clearing House

The Automated Clearing House (ACH) net settlement account is a control account which should be cleared with a zero balance on a daily basis after all transactions have been posted. During our audit, we observed that this account had a significant closing balance of SLE19,598,701,617.80. Upon discussion with the management, we noted that this account balance is inclusive in outstanding balances dated way back to 2017.

We recommended that all outstanding un-reconciling items should be duly investigated by management and appropriate actions taken to rectify them.

Official Response

A task force has been constituted to investigate and clear the outstanding balance in the Automated Clearing House (ACH) net settlement account.

Auditor's Comment

Investigation is ongoing by the task force setup by management. However, the balance has increased significantly in the 2022 trial balance. Therefore, the issue has not been resolved.

2.13.3. Long Outstanding Unreconciled Ledger Balances

During our review of other liabilities, we observed and noted that there was long outstanding suspense ledger balance since prior years that are still unreconciled. Below is an illustration:

A/c code	Description	Amount (Le)
43075	New suspense	(191,230,600)
50005	Foreign payments	(5,636,308,462)
		(5,832,773,562)

We recommended that reconciliation should be done at regular intervals, such as monthly or quarterly, as part of normal accounting procedures.

Official Response

Banking and Payment Systems and Finance Departments will continue to investigate and clear the long outstanding items in the new suspense and foreign payments account.

Auditor's Comment

Investigation is still ongoing to reconcile the accounts. However, the account balance for new suspense has increased significantly in the 2022 trial balance and same balance was maintained for foreign payment account. Therefore, the issue has not been resolved.

2.14. BANK OF SIERRA LEONE – 2022

2.14.1. Differences Between Physical Cash in vault and Trial Balance

During our review of currency management, we observed a difference of SLE4.096 million in excess of the trial balance amount stated on the currency aggregated accounts. We further observed that no reconciliation was prepared for currency circulation movement for July to December 2022.

Official Response

We note your comment. Work is currently ongoing by a special task force to reconcile the difference of SLE 4.096 million. Action was taken in March, 2023 to reconcile currency circulation movement for July – December, 2022. Reconciliation are currently done monthly, which is being reviewed by senior personnel.

Auditor's Comment

The reconciled difference of SLE4.096 million is yet to be resolved. During the verification process we were provided with the reconciliation prepared for currency movement for July 2022 to December 2022 and it was prepared in March 2023. This issue remains unresolved.

2.14.2. Default Vault Lock

During our review of Bank of Sierra Leone Kenema branch, we observed that, only Panel A key was used to open the second gate of the main vault. Based on enquiry and observation, Panel Block was faulty.

Official Response

We note your comment. Action has been taken to repair the Kenema branch Panel B lock.

Auditor's Comment

Based on our interview with the Assistant Director of Risk, a team visited the Kenema branch and noticed that the faulty lock has been changed. We however could not sight any report to corroborate as evidence that they visited the branch. The issue is partially resolved.

2.14.3. Capacity of Redenomination

The redenomination involved removing three zeros from the currency and introducing a higher denomination of twenty Leones note. The process involves distributing and exchanging the new currency with the old one, as well as withdrawing the old currency from circulation. This required coordination with the banks, businesses, and other entities that handle cash transactions, as well as providing adequate facilities and equipment for the exchange process.

We observed during the course of the audit that proper arrangement and planning were not in place for the storage, handling and management of the new Leones prior to the withdrawal of the old Leones from circulation.

Furthermore, the arrangement for the destruction of mutilated old note was not well coordinated as only one machine was available for the destruction process.

Official Response

We note your comment. Action had been taken and we have created additional storage space both at headquarters and the Kenema branch. Furthermore, additional storage space is being created for handling and storage at headquarters. Approval had also been granted for the procurement of a higher capacity destruction machine for which the procurement process is currently ongoing.

Auditor's Comment

We sighted the request to relocate 14,211 bundles of old bank notes from vault 2 and the adjacent parlour to the maintenance store and receiving bay of the Kenema branch and also to create space at the basement of Sam Bangura Building. The request sent by the Banking Department has been approved by the Deputy Governor of Financial Stability.

We also sighted the request of approval for a sole source procurement of banknote destruction system from Giesecke and Devrient. The procurement has been forwarded to the legal affairs department for their review and legal opinion. We reviewed various correspondence between the Bank and the Chief Executive Officer of the National Public Procurement Authority (NPPA). The bidding process is still on going. The issue is partially resolved.

2.14.4. Adequacy of Share Capital of the Bank

Considering the operations of the Bank, its future plans, the nature of the industry in which it operates, and the role it plays for both the government and other financial institutions and the economy at large, we observed the following:

- The Bank's authorised share capital of SLE250,000,000 of which SLE125,000,000 was issued and paid up by the Government is considered inadequate to meet its recurrent expenditure and also funding for working capital.
- As at 31st December 2022, the total value of the liabilities of the Bank exceeds the sum of its assets by SLE1,104,827.

We drew attention to Section 42(1) and subject to Section 42 (b) of the Bank of Sierra Leone Act 2019 wherein the audited annual Financial Statements of the Bank, the value of its assets fell below the sum of its liabilities. The unimpaired issued capital and general reserves, the Board, upon the advice of the external auditors of the Bank, shall assess the situation and prepare a report on the causes and extent of the shortfall within a period of not more than thirty days. In the event that the Board approves the report, the Bank shall request the Minister for a capital contribution by the Government to remedy the deficit and upon receipt of this request the Government shall, within a period of not more than thirty

calendar days, transfer to the Bank the necessary amount in currency or in negotiable debt instruments with a specified maturity issued at market-related interest rates, as determined by the Board.

Official Response

We note the recommendation, and the Bank has engaged the Ministry of Finance informally and after the completion of the audit, the Bank will write formally to address the issue of capitalization.

Auditor's Comment

We verified the report prepared by the Finance and Financial Market departments to the Governor on the Bank's negative equity position and recapitalization, requesting that a proposal should be made to the Government (Ministry of Finance) to increase the Bank's authorized share capital to SLE3,000,000.00 and the issued and paid-up capital to SLE2,500,000. The issue remains unresolved.

2.14.5. Absence of supporting documents

Based on our review of account samples, we observed, that no supporting documents were provided for the following:

Treasury main account	Amount (SLE)
Government revenue sample:	1,793,665,537,450.23
Government expenditure sample:	1,434,857,618,804.62

Official Response

There are adequate procedures in place to report on income received or expenditures expended. Supporting documentation are available for verification.

Auditor's Comment

Supporting documents were now provided for these samples with the exception of Government expenditure sample totalling SLE40,007,000. The issue is partially resolved.

2.15. SIERRA LEONE COMMERCIAL BANK - 2022

2.15.1. Loans and Advances

The following were observed and recommended:

- As at 31st December 2022, the total value of loan granted to politically exposed persons (PEPs) was SLE41,488,000. However, we were not provided with policies and/or procedures for granting facilities to these PEPs. We recommended that the Bank should establish a comprehensive policy that specifically address the granting of loans to PEPs.

Official Response

Comments noted.

Auditor's Comment

The issue remains unresolved.

- The loans and advances schedule as at 31st December 2022 did not agree with the trial balance as detailed below.

Description	Schedule (SLE)	Trial balance (SLE)	Difference (SLE)
Total loans and advances	634,756,705.08	524,147,024.49	110,609,680.52

We recommended that Management should ensure that these discrepancies are investigated and regularised.

Official Response

Prior to audit adjustments, we confirm that the gross loans and advances total was SLE463,105,269.39. Post balance sheet date adjustments affected the following accounts:

		<i>SLE</i>
<i>Golden Quarry</i>	–	<i>40,920,843.05</i>
<i>Pavi Fort</i>	–	<i>12,012,834.59</i>
<i>Hajj Account</i>	–	<i>41,318,714.50</i>
<i>National Revenue Authority</i>	–	<i><u>77,399,043.48</u></i>
		<i><u>171,651,435.62</u></i>

Therefore, the imbalance resulted from the processing of these post balance sheet date journals.

Auditor's Comment

The difference between the schedule and the trial balance remains unresolved.

- During our review, we noted that facilities totalling SLE278,670,430.71 were granted without collateral. Furthermore, there were instances where collateral Force Sale Value (FSV) amount did not adequately cover facilities granted according to the enhanced supervision directives to protect the bank's exposure.

We recommended that the Bank obtain adequate security for the facilities granted.

Official Response

Hajj Account – The Bank has secured a five-year zero-coupon bond from the Ministry of Finance in settlement of Hajj Account exposures with a face value of US\$5,426,925.61 and a maturity date of 29th December 2028.

National Revenue Authority – We held a letter from Ministry of Finance addressed to the Governor, Bank of Sierra Leone, with an instruction to remit SLE30 million to the Sierra Leone Commercial Bank Limited from government revenue. The remainder sum of SLE47.399 million will be settled using proceeds from dividend allotted to the GoSL.

Bradcorp Global Development Limited – We have an agreement in place for the sum of SLE250 million to be paid into the account on a monthly basis. Customer has been complying with this arrangement.

NATCOM Capital Development – We hold conveyance for the office building

Kadrik Services Limited – Comment noted. However, customer making regular payment on account and current balance is SLE347,669.01 Dr

Abraham Abdul Hamid Daklalah – Comment noted

Saleh Mohamed Yahya – Comment noted

Dr. Prince A & Mrs Ann M Harding – Lien on treasury bill. Exposure has been fully paid.

Auditor's Comment

The security for HAJJ and the NRA are due effective 1st January 2024. Thus, the issue still exists. There are no securities for Bradcorp Global Development Limited, NATCOM Capital Development, Kadrik Services Limited and others as stated above. The issue remains unresolved.

2.15.2. Non Compliance with Prudential Guidelines

We reviewed loan classification done by the bank at the year-end according to the prudential guidelines and noted that some loans were not classified as per the stated guidelines.

We recommended that Management must ensure that the classification of loans is done as prescribed in the prudential guidelines.

Official Response

Management shall ensure that loan classification is done according to the prudential guidelines.

Auditor's Comment

The issue remains unresolved.

2.15.3. Accounting for Loan Balances

During our review, we were unable to ascertain how outstanding loan balances from previous loans were accounted for some customers (corporate loan, staff, amortised, parliamentary, housing loan, etc.).

We recommended that the Bank should establish clear guidelines and provide clarity of the outstanding loan balances for each class of facilities granted/offered.

Official Response

Management stands ready to provide adequate explanation and to clarify all issues around previous loans.

Auditor's Comment

The issue remains unresolved.

2.15.4. Non Adherence to Bank Policies

During our review of staff loans, we noted that the bank did not adhere to its policy in respect of the 15 years' threshold for the repayment of loans totalling SLE2,827,919.62 by certain staff during the year.

We recommended that the bank adhere to the timeline for the repayment of the loans.

Official Response

Housing loans granted before 2014 were covered by the provisions in the previous staff handbook which allowed the duration of the loan to retirement date. Furthermore, management from time to time may grant that housing loans for staff member be extended beyond the term stipulated in the policy.

Auditor's Comment

We were not provided with the exceptions described for housing loans. The issue remains unresolved.

2.15.5. Overdrawn Advances without approval

During our review of advances granted to customers at the year-end, we noted some customers were allowed to operate overdrawn facilities without approval totalling SLE470,074.77.

We recommended that all relevant information be obtained and made available for audit inspection.

Official Response

Most of the accounts were overdrawn by CoT and other bank charges and some charges were to be reversed.

Auditor's Comment

The issue remains unresolved.

2.15.6. Weaknesses Observed in Granting Loans and Overdraft

We reviewed loans and advances. Our review showed that some supporting documents which were to be obtained to support the facilities as per the system documentation and the prudential guidelines for best practice were not seen as at the time of our review. Instances of these are noted below:

Parliamentary Loan

We sampled 25 parliamentary loans and noted the following:

- Supporting documents for the loans granted, in respect of building materials, furniture, cars and rent paid were not on file.
- No request for approval of loan seen on file.
- Request for credit reference check to the Bank of Sierra Leone (BSL) not seen.
- Invoices and receipts not seen on file for some and for others, invoices and receipts were seen but not signed, stamped and serially numbered.
- Gratuity computation not seen for some and in instances where it was seen, it did not cover the loan amount.
- Life-card, registration documents and insurance covers were not sighted.
- Employers guarantee not seen.
- Recommendation for facilitation from Office of the Clerk of Parliament not seen.

Corporate Loan

We sampled 15 corporate loans and noted the following:

- Valuation report not seen for some, whereas for others, valuation reports were seen but there was no pictorial evidence attached, or the valuation report was outdated.
- Insurance cover not seen and in some instances the cover was not adequate.
- Audited Financial Statements not seen or not updated.
- Board's approval and Board resolutions not sighted.
- Legal mortgage agreement not seen and, in some instances, not registered and stamped.
- Facility letter approved by Business Development and Corporate Banking not seen.
- Satisfactory Credit Reference Bureau from the Bank of Sierra Leone not seen.
- Cash flow forecast not seen.

Staff Loan

We sampled 37 staff loans and noted the following

- Staff loan application form not seen.
- Missing credit committee assessment.
- Legal mortgage agreement not seen and, in some instances, not registered and stamped.
- Insurance cover not seen, or the insurance policy does not cover the name of the Bank.
- No evidence to prove possession of the car's duplicate key by the bank.
- End-of-service benefit payable or due was lower than the loan granted.
- Invoices and receipts not seen on file for some and for others, invoices and receipts were seen but not signed, stamped and serially numbered.
- Board resolution not on file.
- Statement of assets and liabilities not signed.

Overdraft

We sampled 27 overdrafts and noted the following:

- a. Audited Financial Statements not seen.
- b. Personal guarantee not seen.
- c. Valuation report not seen.
- d. Legal mortgage agreement not seen.
- e. Facility letter not seen.
- f. Bank Credit Approval (BCA) assessment form not seen.

- g. Insurance cover not seen.
- h. Debenture over revolving stock in trade not seen.

We recommended that all relevant information be obtained and made available for audit inspection.

2.15.7. Accounting Software

We observed that the Bank owned its accounting software capable of producing a full set of Financial Statements addressing the deficiencies of the X100 software. In this regard, posting of transactions can only be done in real time. Therefore, postings cannot be made retrospectively.

We recommended that the Bank solicit the acquisition of an accounting software capable of producing a full set of Financial Statements and addressing the deficiencies of the X100 Software.

Official Response

Auditor's comment noted. Management is in the process of procuring accounting software capable of managing post balance sheet date entries.

Auditor's Comment

The issue remains unresolved.

2.15.8. Cash and Bank Balances

Bank Confirmations not Received

During the audit, we selected sample of bank balances, for which we requested direct third-party confirmation. These confirmations were sent out to aid our audit process to verify account balances and disclosure requirements such as commitments and guarantees. However, we did not receive a response from the BSL to our request for the confirmation as at 31st December 2022. Even though there was evidence that the confirmation letter was sent out by the bank.

We recommended that follow-ups are done urging the Bank to respond to the confirmation.

Official Response

Management will continue to chase the BSL to provide confirmation of account balances as at 31st December 2023.

Auditors' Comment

The issue remains unresolved.

2.15.9. Re-performance of Bank Reconciliations

We reviewed bank reconciliations for the year under review and noted that there were reconciling items/transactions as at 31st December 2022 that exceeded six months (stale items). Instances of these are detailed below:

Accountant Details	Currency	Amount (SLE)
BSL Reconciliation	SLE	1,404,282.68
Crown Agent	US\$	3,122,048.23

We recommended that the outstanding items in the above-mentioned bank reconciliation statements be investigated and regularised.

Official Response

These stale items are now cleared. Current reconciliation can be reviewed for clarification.

Auditor's Comment

Evidence of the clearing of stale items was not provided. The issue remains unresolved.

2.15.10. Bank Statements and Bank Reconciliation Statement not Provided

We were not provided with bank statements and bank reconciliation statements for the following bank accounts held with Crown Agent for the year under review.

Details	Account Number	Currency	Amount Confirmed
Crown Agent	33445402	EUR	49,701.22
Crown Agent	33445002	GBP	10,587.61

Furthermore, we also noted that these balances confirmed by Crown Agent were not reported in the trial balance.

We recommended that management must investigate the above-mentioned accounts and make the necessary adjustments to the Financial Statements.

Official Response

The statements and reconciliations for accounts with Crown Agents will be forwarded for review.

Auditor's Comment

The issue remains unresolved.

2.15.11. No Supporting Documents

After vouching for the reconciling items, we observed that no supporting documentary evidence were provided for the following under listed reconciling items:

Bank Details	Description	Currency	Amount
Bank of Sierra Leone	Debit in bank statement not in GL	SLE	4,410,810.10
Crown Agent US\$	Credits and Debit in bank statement not in GL	US\$	154,634.92
Crown Agent GBP (£)	Credits and Debit in bank statement not in GL	GBP (£)	1,404,506.71
Crown Agent EUR (€)	Debits in bank statement not in GL	EUR (€)	1,000,445.93
Ghana International US\$	Debits in GL not in bank statement	US\$	6,855

We recommended that Management must ensure that the supporting documents for the reconciling items are made available for audit inspection.

Official Response

Documents will be provided for review.

Auditors' Comment

The issue remains unresolved.

2.15.12. Cash Count Certificate not Submitted

We were also not provided with evidence (such as cash count certificate) of third party (Internal Audit) involvement in the physical cash count as at the year-end for the under-listed provincial branches:

Bo

Kenema

Koidu

Mobimbi

Port Loko

We recommended that Management should ensure that year-end cash count is done for all branches and cash count certificates are maintained.

Official Response

Documents will be provided for review.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.13. Difference Between Cashbook Balance and Trial Balance

We re-performed the bank reconciliations and compared the cashbook balance as per reconciliation to the amount reported on the trial balance and noted variance for the account balance below:

Account Details	Amount in Reconciliation GBP	Amount in Trial Balance GBP	Variance GBP
UBA GBP	-	110,526.00	(110,526.00)

We recommended that Management must ensure that bank statements and reconciliations are accurately maintained for all accounts.

Official Response

Variance will be investigated and resolved.

Auditors' Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.14. Differences Between Cash Count and Amount Reported in the Trail balance

We summed up the various branch cash balances in vault based on our physical cash count at the year-end and compared same with the cash balance reported in the trial balance. The following variances were noted as indicated below:

Currency	Cash Count SLE	Trial Balance SLE	Variance SLE
SLE	105,960,803.65	105,782,662.40	178,141.25
US\$	253,342,566.70	253,342,566.70	-
GBP (£)	3,656,026.50	3,658,126.50	(2,100.00)
EUR (€)	6,712,035.00	6,710,135.00	1,900.00
Total	369,671,431.85	369,493,490.60	177,941.00

We recommended that Management should ensure that the above-mentioned discrepancies are investigated, and necessary corrective action implemented.

Official Response

These cash variances are still under investigation, and control measures will be instituted to prevent reoccurrence.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.15. Differences Between Hard Copy of Trial balance and System Balance

We observed differences in the amount in the hard copy of the branch trial balance (TB) for the old Leones, soft copy of the TB and the system balance for the Kissy Branch. Similarly, we observed differences in the amount in the hard copy of the branch TB for the new Leones, soft copy of the TB and the system balance for Kenema branch. This is disclosed below:

Details	Hard copy	Soft copy	System Balance
Kissy Branch trial balance (old Leones)	3,379,732,100	1,589,732,100	3,089,732,100
Kenema branch (new Leones)	8,103,610	5,103,360	11,103,360

We recommended that Management should ensure that the above-mentioned discrepancies are investigated and the necessary corrective action implemented.

Official Response

These variances are currently under investigation. Management will ensure that corrective measures are taken so that they will not reoccur.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.16. Differences Between Branch Trial Balance and Consolidated Trial Balance

We observed variances between the ATM amount reported on the sum of the various branch trial balance and the ATM amount reported on the consolidated trial balance as shown below:

Branch Trial Balance (SLE)	Consolidated Trial Balance (SLE)	Variance (SLE)
555,120	510,780	44,340

Furthermore, we requested for, and we were not provided with the ATM report for all withdrawals made from various ATMs on 31st December, 2022.

We recommended that Management should ensure that the above-mentioned discrepancies are investigated and necessary corrective action implemented.

Official Response

These ATM variances are still under investigation and control measures will be instituted to prevent reoccurrence.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.17. Differences Between System Balance and Trial Balance

We observed variances between the system balance and the amount reported on the branch TB as indicated below:

Branch Details	System Balance (SLE)	Branch Trial Balance (SLE)	Variance (SLE)
Head Office (old and new Leones)	49,880,555.70	51,956,333.45	(2,075,777.75)
Kenema SLE (old and new Leones)	12,043,058.50	9,043,308.50	2,999,750.00
Wilkinson Road, US\$	33,318.00	33,418.00	(100.00)

We recommended that the Management should ensure that the above-mentioned discrepancies are investigated and necessary corrective action implemented.

Official Response

Variances will be investigated and resolved.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.18. Differences Between Cash Count and Trail Balance

We observed variances between the cash count certificate and the amount reported on the branch TB as indicated below:

Branch Details	Cash Count Certificate (SLE)	Branch Trial Balance (SLE)	Variance (SLE)
Head Office SLE	49,880,555.70	51,956,433.45	(2,075,877.75)
Kissy Branch SLE	6,294,296.10	8,084,296.10	(1,790,000.00)

2.15.19. Treasury Bills Schedules not Complete

During our review of treasury bills schedule provided to us for customers, we observed that the schedule did not capture the issue date, maturity date and interest rate. Therefore, we were unable to test the accuracy and completeness of the amount (SLE3,045,925) reported in the trial balance.

We recommended that the necessary details listed above are provided to enable us test the accuracy and completeness of the amount reported.

Official Response

These treasury bills belong to customer's investment in government papers. The Bank does not have any direct control over their investment.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.20. Third Party Documentation not Submitted

We observed that third-party documentation (like invoices, receipts and contracts) for payments made during the year were not sighted.

We recommended that Management should ensure that the documentary evidence is made available and filed for future references.

Official Response

All payments are made into suppliers' accounts, as no receipts are provided.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.21. Supporting Documents not Provided on Insurance Premium

We were not provided with supporting documents for insurance premium amounting to SLE84,467.38 for the year ended 31st December 2022.

We recommended that Management should ensure that the documentary evidence is made available and filed for future references.

Official Response

Management will ensure that adequate documentation is provided for review.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.22. Supporting Documents not Provided on Payroll Expenses

We reviewed operating expenses and non-payroll expenses, and noted that supporting documentation with total monetary value of SLE1,723,322 was not provided.

We recommended that all recorded expenses should be adequately supported by the required third-party documentation.

Official Response

All payments are made into suppliers' accounts and therefore no receipts are provided.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.23. Differences Between Schedules and Fixed Asset Register

During our review of intangibles, we observed differences between the schedule submitted to us and the fixed assets register as at 31st December 2022 as detailed below:

Details	Fixed Assets Register (SLE)	Schedule (SLE)	Difference (SLE)
Additions	10,637,437.29	2,750,675.00	7,886,762.29
WIP Additions	5,180,982.54	5,415,978.00	(234,995.46)
WIP Transfer	235,000.00	307,917.00	72,917.00

We recommended that the differences between the fixed assets register and the schedule be investigated and regularised.

Official Response

Revised schedule to be submitted by management.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.24. Property Plan and Equipment - Depreciation Policy not Applied Consistently

During the audit exercise, we reviewed the useful life of different categories of assets against the bank's policy and best practice. From our review, we observed inconsistencies in the useful life of assets in the fixed assets register and the bank's policy. Instances of these are detailed below:

Category	Policy Useful Life	Fixed Assets Register Useful Life
Automobile	4 years	5 years
Computers	5 years	5 years 3 years
Furniture and fittings	3 Years	0 years 3 years 7 years 10 years
Software	3-5 Years	5years 4 years

We recommended that management should ensure that they review and update the fixed asset register to ensure that it accurately reflects the useful life of the different classes of assets as stated in the policy and best practice.

Official Response

Revised policy to be submitted by management.

Auditor's Comment

The revised policy is outstanding from Management. The issue remains unresolved.

2.15.25. Differences Between Schedules and Asset Register

During our review of property, plant and equipment, we observed differences between the schedule submitted to us and the fixed assets register as at 31st December 2022 as detailed below:

Details	Fixed Assets Register (SLE)	Schedule (SLE)	Difference (SLE)
Land and building	53,265,300.00	57,908,277.61	(4,642,977.59)

We recommended that Management should ensure that this issue is investigated and differences reconciled.

Official Response

Revised schedule and fixed assets register will be submitted.

Auditor's Comment

The revised schedule and FAR are outstanding. The issue remains unresolved.

2.15.26. Fixed Asset Register not Updated

We reviewed the fixed assets register (FAR) for the year under review and noted that it was not updated with accumulated depreciation, net book value, personnel/ office-in-charge as at the time of our review.

We recommended that Management should ensure to establish proper procedures for maintaining an updated and comprehensive fixed asset register.

Official Response

Existing FAR contains sufficient information to calculate accumulated and determine locations of various assets. The bank is in the process of implementing more robust fixed assets management software in 2024.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.27. Descriptions not Properly Defined

We noted that descriptions used in the assets register and schedules were not properly defined. Furthermore, during our physical verification of the fixed assets, we observed that most of the assets were not physically branded, which questioned the ownership of the assets.

We recommended that Management should ensure that all assets owned are properly coded.

Official Response

The Bank is in the process of implementing a more robust fixed assets management software in 2024. This we hope will address fixed assets management (including bar code capability) across the Bank.

Auditor's Comment

We note that preliminary discussions and arrangements are being sought with two vendors on the fixed assets management. The issue remains unresolved.

2.15.28. Investment in Equity - Share Certificates not Submitted

During the audit exercise, we noted that the Bank had investment in equity totalling SLE881,076.10 as at the year-end. We requested share certificates for these investments, but we were not provided with any.

We recommended that Management make available share certificates.

Official Response

Certificates will be provided for review.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.29. Confirmation not Received from Equity Investment Companies

We sent circularisation letters to the equity investment companies for independent confirmation of the total number of shareholdings and values in favour of the Bank as at the yearend. However, we did not receive confirmation for the underlisted companies:

- Home Finance
- Brussels
- HFC Mortgage

We recommended that the investees do the needful before the end of the audit exercise.

Official Response

We will follow-up with the companies involved.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.30. Differences Between Schedules and Trial Balance

We also compare the amount reported in the schedule and the amount reported in the trial balance for the various equity investment made and observed variance for shares in swift Brussel as detailed below:

Schedule (SLE)	Trial Balance (SLE)	Variance (SLE)
69,300.00	62,700.00	6,600.00

We recommended that Management verify and correct the above difference before the conclusion of the audit.

Official Response

We will resubmit the schedule.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.31. Differences Between Confirmed Amount and That Reported in the Trail Balance

Based on the independent confirmation received from the investees (investing companies), we compared confirm amount with amount reported in the trial balance and noted differences as listed below.

Description	Trial balance amount (SLE)	Amount Confirmed (SLE)	Variance (SLE)
Shares In First Discount House Ltd.	360,000.00	480,000.00	(120,000.00)
Shares In Capital Discount House Ltd.	350,000.00	670,085.00	(320,085.00)

We recommended that Management verify and correct the above difference before the conclusion of the audit.

Official Response

We will follow-up with the investment companies to obtain the updated value of the Bank's investment

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.32. Other Liabilities - Longstanding Loans not Cleared

We reviewed reconciliations submitted for other liabilities as at the year-end and noted some long outstanding items that had not been cleared as detailed below.

Other Asset Long Outstanding Items	Currency	Amount (SLE)
Draft issued liability ACHACP	SLE	105,006.70
Cheque book recovery suspense	SLE	5,200.13
Salary processing transit	SLE	(1,929.55)
Money Gram send activity	SLE	943.00
Salone link system	SLE	12,046.00
Unclaimed Balances	SLE	375,689,960.89
Specific provision for guarantee	SLE	1,629,201.26
Sundry credit suspense US\$	US\$	72,082.42
Sundry credit suspense SLE	SLE	5,587,850.08

We recommended that these long outstanding items be investigated and necessary action taken.

Official Response

Management is committed to resolve and clear long outstanding items in the other liabilities reconciliation.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.33. Cash Margin not Included in Facility Letters

Based on the samples selected, we observed there were cash margin not included in the facility letters. We also noted incomplete information in the cash margin schedule provided.

We recommended that these outstanding items be investigated, and necessary action be taken.

Official Response

Offer letter for Secon (SL) Ltd. for SLE1,000,000 and Sewa Ventures for SLE4,064,766,891 had been submitted. The remaining files will be submitted later.

Auditor's Comment

Except for the two files submitted for verification, the issue remains unresolved.

2.15.34. Financial Statements Integrity and Verification

Our audit procedures revealed an inability to reconcile the general ledger extracted from the Information System with the Trial Balance used to produce the Financial Statements. Neither the finance unit, nor the IT unit were able to explain or map the chart of accounts from the system to the lead trial balance. The extracted general ledger for the period contained 704 accounts and the lead trial balance contained 575 accounts. It is expected that each account created in the banking system must be mapped and documented with the approval of the Finance team to the lead trial balance. This discrepancy raises concerns about the accuracy and integrity of the financial data recorded in your accounting records.

We recommend the following actions:

Implement and use a separate accounting application:

Use a separate accounting application that will be managed entirely by the finance team through which they will map the summary of all the transactions in the banking application.

Conduct a Detailed Review:

Immediately conduct a comprehensive review of the general ledger and the trial balance to identify and rectify any discrepancies. Ensure that all transactions are accurately recorded.

Enhanced Internal Controls:

Strengthen internal controls related to financial data entry, verification and reconciliation to prevent similar issues in the future. Consider implementing a system of checks and balances.

Professional Assistance:

If necessary, seek assistance from financial experts or consultants to assess and correct the root causes of the reconciliation problems and to improve accounting procedures.

Staff Training:

Provide adequate training to staff responsible for maintaining the general ledger and reconciling accounts to ensure they possess the necessary skills and knowledge.

Continuous Monitoring:

Implement regular monitoring and review processes to proactively detect and resolve any discrepancies as they occur, rather than waiting until the audit.

Documentation:

Maintain comprehensive documentation of all reconciliation processes and adjustments made, as this will aid in future audits and compliance requirements.

Official Response

The Bank is in the process of procuring a separate accounting application which will resolve this issue. Monthly general ledger review is being conducted to address general ledger review issue and proactive measures are being taken to clear all discrepancies. The introduction of an accounting package will resolve this issue. Training for maintaining general ledger and reconciliation is scheduled for the fourth quarter of 2023.

Auditor's Comment

We note that Management has not responded to the specifics of the finding but have only reacted to the recommendations. This will have to be resolved before conclusion of the Financial Statements. The issue remains unresolved.

2.15.35. Change Management

We were not provided with sufficient and adequate evidence to confirm that the necessary controls and procedures were followed during system upgrade to safeguard data integrity. We observed two major system changes during the year and were not provided with the reports and documentation to cover the entire system change process. This oversight presents potential risks to the accuracy and reliability of the financial data. We were only provided with the plan and sign-off for the upgrade done in December, which did not document the details and nature of the specific tests done, neither did it include the reports issued and data that was verified before and after the upgrade.

We recommended the following:

- **Data Backup and Recovery:** Ensure that comprehensive data backup and recovery procedures are in place before initiating any system upgrade. Regularly test these procedures to confirm their effectiveness.
- **Change Management:** Develop and implement a structured change management process that includes thorough testing, user training, and a rollback plan in case of unexpected issues during system upgrades.

- Data Validation: Establish and document robust data validation and verification processes to confirm the accuracy and completeness of data post-upgrade. This includes reconciling data between the old and new systems.
- Documentation: Maintain detailed records of all system upgrade activities, including configurations, updates, and testing results, to facilitate transparency and accountability.
- Third-Party Expertise: Consider engaging external experts to assess the system upgrade process and provide guidance on best practices.
- Post-Upgrade Review: Conduct a comprehensive post-upgrade review to identify and address any data integrity issues that may have arisen during the upgrade process.

Official Response

- *Data backup and recovery procedures are now in place.*
- *Change management procedure is in place.*
- *The Bank is reviewing existing process with the view to improve on it.*
- *The Bank is working on improving quality of documentation around systems upgrade.*
- *Approval has been granted to engage the services of Ernst & Young for the post upgrade review.*

Auditor's Comment

We note that management has not responded to the specifics of the finding but has provided reactions to the recommendations. We consider this to be a matter of high importance and will require additional work to be done to provide some level of assurance on the integrity of the data.

2.15.36. Staff Handbook not Reviewed

During our review of the Bank's staff handbook and recruitment policy, we noted that the staff handbook had been due for review since 2017 and the recruitment policy not updated since 2016. We recommended that Management promptly review and update the staff handbook and policies to reflect current best practice in talent acquisition.

Official Response

The review is 95% complete and awaits the Board's approval schedule for December 2023.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.37. Human Resources Documents not Submitted

During the audit exercise, Human Resource (HR) questionnaire was sent to the HR Department and based on the responses received, further information/documentation were requested which were not received. These are as follows:

- HR Strategy
- Reason(s) everyone within departments were not aware of the HR strategy.
- HR KPIs relevant to the business strategy
- Job descriptions for each department
- Evidence of staff turnover rates being monitored
- Reasons for the Bank not fully complying with its monitoring requirements
- Evidence that new employees received induction training
- Evidence of employees being informed about their benefits
- Proof of system check for effective evaluation
- Evidence of the two disciplinary hearings held
- Evidence of employment practices compliant with the anti-discrimination laws
- Evidence of the department complying with its obligations under the Data Protection Act

We recommended that these missing documents be filed for future reference and audit inspection.

Official Response

Human Resource (HR) questionnaire:

- *All HR Strategy is covered in the handbook.*

Auditor's Comment

The requested documents were not submitted. The issues remain unresolved.

2.15.38. Managers not Trained

Based on an enquiry from the HR department, we noted that managers were not trained in anti-discriminatory practices.

We recommended that Management should ensure to provide mandatory training in anti-discriminatory practices for all managers to ensure fair and inclusive treatment of employees.

Official Response

Management will adopt going forward.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.39. Computation of End-of-Year Benefits not Submitted

We were not provided with a comprehensive computation of end-of-service benefits for all staff as at the year-end.

We recommended that Management should make available end-of-service benefit computation and the basis of computation for audit inspection.

Official Response

End-of-Service is only computed for leaving the employment of the Bank.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.40. Overstatement of the Financial Statement

The total NASSIT amount reported in the trial balance was 15% (employee and employer's contribution) instead of 10% (employer's contribution) being that basic salary has already been reported in the trial balance. The Financial Statements have been overstated by SLE1,334,700.00.

We recommended that Management investigate this issue and reflect the correct value/ percentage of NASSIT in the Financial Statements.

2.15.41. Differences Between Auditor's Computation and Amount Actually Paid

We compared the 15% NASSIT contributions and PAYE taxes to the actual amount paid (receipt) and noted variances as detailed below.

Month	Amount Paid 15% / PAYE (SLE)	Actual Amount Paid (SLE)	Differences (SLE)	
February	331,906.51	361,758.89	(29,852.38)	NASSIT
April	330,113.07	336,011.64	(5,898.57)	NASSIT
August	375,260.22	377,392.33	(2,132.11)	NASSIT
September	374,044.96	374,514.78	(469.82)	NASSIT
November	414,789.68	429,354.73	(14,565.05)	NASSIT
December	429,761.50	430,639.30	(877.80)	NASSIT
January	1,129,947.92	2,939,993.80	(1,810,045.88)	PAYE

We recommended that Management should ensure that these discrepancies are investigated, and the necessary corrections made.

2.15.42. Differences Between Auditor's Computation and Amount Reported

We recomputed prepayments as at the year-end and noted variances between our computation and amount reported as prepayment in the schedules submitted to us as detailed below.

Account code	Account description	BDO (SLE)	SLCB (SLE)	VARIANCE (SLE)
118200000001	Prepayments - Prepaid Adverts & Promotion	584,310.50	872,909.57	(288,599.07)
118200000005	Prepayments - Prepaid Insurance	39,560.42	38,420.00	1,140.42
118200000007	Prepayments - Prepaid Internet Expense	36,250.00	54,435.00	(18,185.00)
118200000008	Prepayments - Prepaid Medical Insurance	-	2,742.00	(2,742.00)
118200000009	Prepayments - Prepaid Others - SLE	6,189,322.85	7,044,197.21	(854,874.37)
118200000019	Prepayments - Prepaid Subscriptions	619,796.11	624,550.00	(4,753.90)
				(1,168,013.92)

We recommended that these discrepancies be investigated and reconciled promptly.

Official Response

These variances identified have been cleared, and current reconciliations balances are in agreement with trial balance figures.

Auditor's Comment

Evidence of the clearance and reconciliations that agree with the trial balance were not provided. The issue remains unresolved.

2.15.43. Supporting Documents not Submitted

We were not provided with supporting documents for other prepayments totalling SLE885,596.55.

We recommended that these documents be provided to us during audit verification

Official Response

Documents will be provided for review.

Auditor's Comments

Our recommendation was not implemented. The issue remains unresolved.

2.15.44. Reconciliation with QuickBooks not Submitted

We were not provided with reconciliation between the QuickBooks system records and the X100 system records for inventory as at 31st December 2022.

We recommended that management should provide reconciliation between QuickBooks system and X100.

Official Response

Reconciliation will be provided for review.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.45. Differences Between QuickBooks and X100 Systems

We noted differences between the QuickBooks system records and the X100 system records (trial balance) totalling SLE3,313,802.82.

We recommended that Management should provide reason(s) for the variances.

Official Response

Variances will be investigated and resolved.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.46. Supporting Documents not Provided for Stock

We were not provided with any supporting documents for stock in transit totalling SLE3,372,535.25.

We recommended that Management should implement a system that requires the maintenance of bin-cards for all inventory issues and receipts.

Official Response

Documents will be provided for review.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.47. Bin Cards not Maintained

We observed that the stores department did not maintain bin-cards for all issues and receipts of inventories amounting to SLE13,326,547,443.30 for the year under review.

Items	Purchase	Issue
Uniform	744,707,500.00	284,011,248.96
Stationery	4,259,378,500.00	3,637,231,240.00
ICT	1,454,730,000.00	1,299,727,527.27
Cheque	398,450,000.00	1,248,311,427.07
Total	6,857,266,000.00	6,469,281,443.30

We recommended that Management should implement a system that requires the maintenance of bin-cards for all inventory issues and receipts.

2.15.48. Outstanding Items not Cleared

We reviewed reconciliations submitted for sundry receivables and clearing account as at the year end and noted some outstanding items that have not been cleared as detailed below.

Outstanding Items	Amount (SLE)
Cash Overage & Shortage	76,120.10
Cheque Books Suspense	2,404.58
Defalcation	4,059.83
Money Gram Received	(10,245.37)
Money Gram Settlement	(1,135.15)
Ria Receivable	(8,428.25)
Small World Receivable	70,679.75
Western Union Receivable	(13,770.23)
Western Union Settlement	13,713.31

Outstanding Items	Amount (SLE)
AFRICELL Prepaid Stock A/c	100,000.00
General Suspense	(514,585.00)
Stock in Transit Reconciliation	(765,044.52)
Suspense Sundry Payment	(1,084,142.00)

Clearing Account

Bank	Amount (SLE)	Number of items
Bank of SL	- 33,875.00	2
RCB	135,391.25	5
Skye Bank	- 75,000.00	1
GTB	1,000.00	1

We recommended that these outstanding items be investigated, and necessary action taken.

Official Response

Management will ensure that these outstanding items will be investigated and cleared.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.49. Valuation Reports of Investment Property not Provided

According to IAS 40, Investment Property is recognised using the fair value model, and requires the bank to assess the market value of the property annually while gains or losses arising from changes in fair value be included in the statement of profit or loss for the period in which it arises. However, we were not provided with valuation reports for investment property as at the yearend review totalling SLE6,225,000.

We recommended that valuation reports for investment property are submitted for audit inspection.

Official Response

Management will act accordingly.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.50. Bank Policies not Approved for Deposits from Customers

We observed that the policies provided for account opening, closing, and the reactivation of dormant accounts were not approved by the Board.

We recommended that Management should ensure that policies and procedures related to the same are formally approved by the designated personnel.

Official Response

Approved account opening, closed, reactivation and dormant account policy will be provided for review.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.51. Third Party Confirmations not Received

We selected samples of deposit accounts totalling 620 for circularisation to customers for third party confirmation. However, 580 of the 620 were still outstanding.

We recommended that Management urge the relationship officers/personnel to reach out and remind customers the importance of their independent confirmation.

Official Response

Management will strategise ways of encouraging customers to reply to audit circularisation.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.52. Bank Policies not Updated

We observed that the Bank did not have updated and operational policies and procedural manuals for the year under review.

We recommended that Management should update all policies and procedural manuals that reflect current industry standards and regulatory requirements. These documents should clearly outline the bank's operational processes, controls and compliance obligations.

Official Response

Current Operational Policies and Procedure Manual is under revision with expected completion date in second quarter of 2024.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.53. Penalties for Cash Shortages

During the audit exercise, we observed that the Bank was penalised in relation to cash shortages.

We recommended that the Management should review and enhance the Bank's liquidity risk management processes. This may include implementing robust monitoring and reporting mechanisms to identify and address breaches promptly.

Official Response

There were occasions of shortages in wrappers sent to the BSL. These shortages were surcharged by the central bank.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.54. Documents not Submitted

We reviewed the Anti-Money Laundry Act and had discussions with the responsible party. We observed that there were reported cases of fraud and cases of failure to report fraud within the time to the responsible bodies. In connection with this discussion, we further requested for the following which were not provided for our review:

- BSL directives for the period under review
- Cases of noncompliance with regards account opening
- Document relating the rejection of the opening of accounts for customers, based on the KYC process performed
- Suspicious Transaction Report/Suspicious Activity Report of Money Laundering Cases
- Joint Examination Report
- Yearly AML CLT Report on Money Laundering and Financing Terrorism

We recommended that Management should establish robust monitoring mechanisms to track and report instances of noncompliance with AML requirements.

Official Response

We have submitted the BSL's directive for the period under review and Suspicious Transaction Report/ Suspicious Activity Report for review. The other reports will be submitted later.

2.15.55. Audit Verification

Except for the BSL directive and Suspicious Transaction Report, the issue remains unresolved.

2.15.56. Minutes of Management Meetings not Submitted

Upon enquiries from Management of their meeting days and time during the year, we were informed that Management meets once every month. However, we received six minutes for the year under review.

We recommended that the minutes for the remaining six months of the year be provided.

Official Response

While formal management meetings were not held for some months in 2022, Management held ad-hoc and virtual meeting to address all emerging issues around the Bank during the year under review.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.15.57. Minutes of Management Meetings with the Same Contents

During our review of the Management Committee meetings minutes, we observed that the contents of both minutes dated 3rd September and 1st October 2022, were exactly the same. Furthermore, these were the only two minutes provided for audit inspection. We also requested for the attendance list for meetings held during the year under review but were only provided with minutes for the months of September and October.

We recommended that attendance lists and minutes of meetings for the remaining six months are provided to confirm that these meetings were held.

Official Response

Management will resubmit minutes of meetings.

Auditor's Comment

This issue remains unresolved.

2.15.58. Risk Management Framework not Submitted

We were not provided with the Bank Risk Management Framework for the year under review.

We recommended that the Risk Management Framework is submitted with immediate effect.

Official Response

Management will submit the bank's Risk Management Framework.

Auditor's Comment

The issue remains unresolved.

2.15.59. Departmental Reports not Submitted

We were not provided with the departmental reports used to prepare Banking Supervision Department reports for the year under review (January to December 2022). Furthermore, confirmation emails from the BSL upon submission of monthly Banking Supervision Department's reports not seen.

We recommended that the necessary departmental reports are submitted.

Official Response

Document will be submitted.

Auditor's Comment

The issue remains unresolved.

2.15.60. Investment Securities not Approved

During our review of investment securities, we observed that evidence of approval was not sighted from the assets and liabilities committees or from the relevant/appropriate authorities prior to bidding for investment securities.

We recommended that the approvals are obtained from the relevant authorities and evidence of same is maintained in the files for future reference.

Official Response

The head of Treasury is officially responsible for liquidity management of the Bank and to appropriately allocate excess funds on various investment options. However, every investment deal is approved by the Managing Director who oversees Treasury operations.

Auditor's Comment

We note guidance provided by the Bank's Revised Liquidity Management Policy. However, the guidance is not clear on the issues raised.

2.15.61. Differences between Fixed Deposit Schedule and Trial Balance

During our review of the fixed deposit schedule, we observed that the different categories of fixed deposits used in the schedule varied from the categories used in the trial balance.

We recommended that the trial balance/schedule be updated with the relevant categories that will enhance the verification process.

Official Response

These instances are all systems related issues that have been thoroughly investigated and resolved.

Auditor's Comment

We requested date of resolution and evidence but were not presented. This issue therefore remains unresolved.

2.15.62. Variances between Trial Balance and Schedules

We recomputed the fixed deposit provided to us as at the year-end and observed variances as detailed below.

Category	Account	Trial balance (SLE)	Schedule (SLE)	Variance (SLE)
1M-3M	Fixed Deposits - 3 Months	-	4,400,000.00	(4,400,000.00)
4M-6M	Fixed Deposits - 6 Months	-	5,400,000.00	(5,400,000.00)
7M-24M	Fixed Deposits - 12 Months	19,348,000.00	19,350,000.00	(2,000.00)
1M-3M	Interest Payables - Fixed Deposits - 3 Months	(813.80)	306,082.19	(306,895.99)
4M-6M	Interest Payables - Fixed Deposits - 6 Months	(2,627.62)	226,491.78	(229,119.40)
7M-24M	Interest Payables - Fixed Deposits - 12 Months	1,380,034.06	1,578,389.81	(198,355.75)

Category	Account	Trial balance (SLE)	Schedule (SLE)	Variance (SLE)
1M-3M	Interest Expense - Fixed Deposits - 3 Months	-	525,917.81	(525,917.81)
4M-6M	Interest Expense - Fixed Deposits - 6 Months	(15,555.82)	618,008.22	(633,564.04)
7M-24M	Interest Expense - Fixed Deposits - 12 Months	(3,040,216.40)	1,630,650.19	(4,670,866.59)

We recommended that the above differences be investigated and amended before the verification process is completed.

Official Response

These instances are all systems related issues that have been thoroughly investigated and resolved.

Auditor's Comment

We requested date of resolution and evidence but were not provided. This issue therefore remains unresolved.

2.15.63. General Observations

We observed the following:

Security of Premises

- Armed guards were not present at their posts as at the time of our visit.
- Personnel of G4S, a private security firm, were not present at their post during our visit.
- Attendance registers for personnel were not maintained.

Security Items

We observed that security items such as; cheque books, VISA/Master and ATM cards were not properly stored and kept under dual controls.

Banking Hall

We inspected specific items displayed in the banking hall as per the Banking Act. Upon inspection, we noted the following:

- The rate boards were either not updated or out of order or displayed at the back end of the banking hall and was not easily visible by all.
- 2016 Banking license.
- 2019 and 2020 Audited Financial Statements
- 2019 Freetown City Council Certificates

Information not Submitted

- Calling-over reports were not provided by some branches.
- Call-over reports, back-office vouchers were packed haphazardly and in some instances.
- Call-over checklist were not dated and approved.
- Call-over reports were not printed on the same day.
- Waste reports were not provided.
- Last spot check reports were not provided.
- Loans and advances were not provided.
- Visa/Master card register were not provided.
- Branch annual vault insurance cover were not provided and in some instances the insurance cover provided was at 31st December, 2021.

- Branch correspondence/circularisation were not updated, and in some instances, they were not provided.
- ATM registers were not updated, and in some instances, they were not provided.
- Keys register were not updated, and in some instances, they were not provided.
- Vault cash movement register was not provided.

Archive Room

Vouchers (Call-over reports) were stored in bags without locksames and in some instances, we were not granted access to inspect the archive room.

Control & Security of Customer Mandate

Dormant files were not separated from active files.

Health and Safety

Fire extinguishers have exceeded the due date for servicing.

We recommended that management should speedily address the above issues and provide work plan as to how they intend to do so.

2.16. SIERRA LEONE COMMERCIAL BANK - 2021

2.16.1. Reporting of Fraud

According to Section 5 (4.8) of the prudential guidelines, banks are required to immediately inform the Bank of Sierra Leone of all cases of fraud as per Schedule 3. Upon completion of the investigation, a copy of the full report should be sent to the Bank of Sierra Leone.

During the course of our audit, we noted that fraudulent transactions which were investigated and concluded by the Bank were not reported to Bank of Sierra Leone in accordance with the prudential guidelines. Below is a summary of the fraudulent activities that occurred during the period under review:

Date	Details	Amount (SLE)
13th September 2021	Refund of money fraudulently transferred via orange money	90,666
15th October 2021	Refund of alleged fraud	20,000
30th November 2021	Refund of duplicated transfer	48,206.19

Official Response

Refund of Money Fraudulently Transferred via Orange Money

This issue was still under investigation at the time of the audit, and the Bank has been in engagement with the relevant third party service provider to close the issue. Therefore, it was not reported as a fraud event to the Bank of Sierra Leone.

Refund of Alleged Fraud

This was a claim of deposit by a customer to the tune of SLE20,000. However, our investigation revealed no evidence that such an amount was deposited by the customer on the said date. We concluded that the customer's account was credited inadvertently and appropriate penalties have been levied on the responsible staff.

Refund of Duplicated Transfer

A cheque was manually processed after it had been initially presented through the ACH. So the entry in question was duplicated and not a fraud event. Efforts to recall funds were not successful.

Auditor's Comment

Refund of money that was fraudulently transferred via Orange Money - the issue is still under investigation and is therefore unresolved.

Refund of alleged fraud – evidence of action taken by the Bank was not seen, therefore the issue is unresolved.

Refund of duplicated transfer – since effort to recall the amount was not successful, therefore the issue is unresolved.

2.16.2. Unauthorised Overdrawn Overdraft

We observed that some customers were allowed to operate above their approved limit. Below is the list of customers who have exceeded their limit as at year-end.

Name of Customer	Approved limit (SLE)	Outstanding balance (SLE)
Samco Limited	12,000,000	-12,021,653.348
Dohas Hotel	10,000,000	-10,189,481.469
Milla Group (SL) Ltd.	10,000,000	-10,156,992.546
Sierra Fishing Company Ltd.	5,000,000	-6,166,831.442

Official Response

SAMCO: Excess was due to interest on overdraft applied at 31st December 2021, but exposure reverted to within limit on 4/01/2022.

Milla Group: This also was due to overdraft interest applied on 31/12/2021 but off-set by the next working day i.e. 4th January 2022.

Dobas Hotel - Penalty charges on overdraft and low deposits into account resulted in current position. Customer has been engaged by our Legal Department.

Sierra Fishing Co. Limited: Account has been restructured to a global limit in order to avoid such liabilities

Auditor's Comment

No evidence was provided for verification. Therefore, the issue remains unresolved.

2.16.3. No Evidence of Approval for the Investment Securities

During our review of investment securities, we noted that no approval was sighted from the Asset and Liabilities Committees (ALCO) or the Managing Director/Deputy Managing Director for the investment securities made during the period as required by the policy.

The table below depicts the details:

Value date	Maturity date	Currency	Face value	Deal type
7th January 2021	6th January 2022	SLE	30,000,000	364 days
21st January 2021	20th January 2022	SLE	30,000,000	364 days
19th February 2021	18th February 2022	SLE	3,500,000	364 days
18th March 2021	17th March 2022	SLE	21,850,000	364 days
25th March 2021	24th March 2022	SLE	53,783,050	364 days
8th April 2021	7th April 2022	SLE	70,000,000	364 days
15th April 2021	14th April 2022	SLE	15,907,000	364 days
8th July 2021	7th July 2022	SLE	1,000,000	364 days
26th August 2021	25th August 2022	SLE	3,000,000	364 days

Value date	Maturity date	Currency	Face value	Deal type
21st January 2021	18th January 2024	SLE	30,196,600	3 year Bond
10th May 2021	10th February 2022	US\$	1,100	Foreign placement

Official Response

We confirm that not all investment decision goes through ALCO. Some opportunities are spot-on that need urgent action to get the best out of them. In these instances, the Treasury Department always obtain verbal approval from the Managing Director via the inter-com or his mobile. We however note the concern raised and promise to be 100% compliant in the expected approval procedure as described.

Auditor's Comment

No additional evidence was provided for verification. Therefore, this issue remains unresolved.

2.16.4. Inconsistencies Between Deal Slip and Schedules for 364 T-bills

During our review of 364 treasury bills we noted that the dates on the schedule is inconsistent with the dates on the deal slip for the following transaction:

Nominal Value SLE	Purchase/ Value Date as per schedule	Maturity Date as per schedule	Value date as per deal slip	Maturity as per deal slip
18,750,000	26 Feb 21	25 Feb 22	25 Feb 21	24 Feb 22
6,300,000	9 Mar 21	8 Mar 22	4 Mar 21	3 Mar 22

Official Response

We noted that date adjustment occurred due to the holiday falling on a Thursday, it affected the date on the Excel, therefore the need for alteration. Let me state here that this did not create any financial loss to the Bank whatsoever. We note the concern raised and promised to be more prudent going forward.

Auditor's Comment

No additional evidence was provided for verification. Therefore, this issue remains unresolved.

2.16.5. Difference in vault cash balance

During our review of the monthly cash count process done by the bank, we noted differences between the physical cash and the system balance for the branches stated below, for which no substantial information or evidence was given.

Date	Branch name	Currency	Amount as cash count	System balance	Difference
29th January 2021	Siaka Steven Street	US\$	2,378,569	2,333,569	45,000
30th June 2021	Lightfoot Boston Street	SLE	733,370	729,870	3,500
31st March 2021	Wilkinson Road	SLE	2,079,393	1,930,470	148,923
31st October 2021	Wilkinson Road	SLE	3,387,424	3,887,424	-500,000

Official Response

All of the issues highlighted have been resolved.

Auditor's Comment

No evidence was provided for verification. Therefore, this issue remains unresolved.

2.16.6. Regional Cash Count Sheet not Signed

During the course of our review, we noted that the cash count sheets provided to us by the operations department were not signed by the compliance officer to show evidence of the cash count process being carried out and being reviewed by the appropriate authority. Details of the branch's location are listed below:

Date	Branch Name	Currency	Amount
30th June 2021	Lightfoot Boston St.	SLE	729,870
30th June 2021	Siaka Stevens St.	SLE	27,893,975.250
31st March 2021	Makeni Branch	SLE	2,217,456.550
30th June 2021	Bo Branch	SLE	440,404.050
30th June 2021	Njala Branch	US\$	4,295
30th June 2021	Njala Branch	GBP	1,250
30th June 2021	Wilkinson Road	SLE	189,381.500
30th June 2021	Waterloo Branch	SLE	1,954,639
30th June 2021	Kissy Branch	SLE	5,275,627.100
29th January 2021	Koidu Branch	SLE	3,356,341.700
29th January 2021	Kenema Branch	SLE	4,685,528.450
30th April 2021	Port Loko Road Branch	SLE	1,453,698.500

Official Response

Cash certificates are signed and available for review.

Auditor's Comment

No evidence was provided for verification. Therefore, this issue remains unresolved.

2.16.7. Non-Compliance with Call-over Procedures

During our review, we took a sample of call overs and observed that the Bank did not fully comply with the stipulated call-over procedures – the daily call-over policy was not adhered to.

Official Response

Branches do call-over on a daily basis (same day) and second call-over is done afterwards. Exceptions only occur when there are technical problems to print reports. Call-over is done the next day in such circumstance.

Auditor's Comment

No evidence was provided for the verification. Therefore, this issue remains unresolved.

2.16.8. Professional Development

The Sierra Leone Commercial Bank has an external professional training programme included in the annual training plan that is meant for the professional development of staff. However, we noted during the period under review that only three staff attended the scheduled external training, excluding all the other employees as intended. We also noted that the training plan has not been updated since 2020. Thus, four staff that were slated for external training disengaged with the Bank in 2021, but their names were not replaced with the staff filling in their previously held positions.

Official Response

This is currently in progress and a proposal has been sent to the head of Human Resources for review.

Auditor's Comment

During our verification process, we noted that no training took place, since the management report was issued. Therefore, this issue remains unresolved.

2.16.9. End-user Computing

During our audit, we noted that the SLCB used Microsoft Excel to prepare its monthly reports. The X100 Plus application provided support to generate spreadsheet directly from the system. However, we noted that the SLCB did not have any policy on the development, control and use of spreadsheets. No review and testing of spreadsheets was performed during the period under review.

Official Response

The information security policy includes a workstation security policy which directs end-users on technical safeguards for all workstations.

Auditor's Comment

We verified that the available policies do not address the issue reported. Therefore, the issue remains unresolved.

2.17. ROKEL COMMERCIAL BANK- 2022

2.17.1. Duplicate User IDs

During our review of the users' list for the X-100 banking application, we noted the existence of duplicate users on the core banking application.

We recommended that a unique user-id must be used, and once a user stops working in a particular capacity or position, such access must be deactivated or deleted before creating another profile and discontinue its creation. Management should also ensure that user's roles on the banking application are commensurate with their respective and current role.

Official Response

Management noted the observation and wishes to stress that there are no duplicate active users in the system. We do not delete users in the system. We move them to the permanent deactivation category. Users that were on contract have an ID that starts with 'C', when that user becomes a permanent staff, the ID changed. The old ID is then deactivated and a new ID is created that starts with 'P'.

Auditor's Comment

From the system verification, it shows contract staff ID begins with 'C' and permanent staff begins with 'P', however, when contract staff becomes permanent staff, the ID is only being disabled on the system and not deleted. We were therefore not able to ascertain whether the accounts were disabled or not. The issue remains unresolved.

2.17.2. Access Administration - Modification/Deactivation

During our review of the users list for the X-100 banking application, we observed that some personnel left during the review period but still had their names active in the banking application.

We recommended that whenever a staff is disengaged from the Bank, their user profiles should be promptly deactivated/deleted from the bank's network and all other IT resources.

Official Response

Management notes the observation and wish to stress that we do not delete users in the X-100 system. We moved them to the permanent deactivation category. Users that have left the bank are immediately deactivated.

Auditor's Comment

We were not able to ascertain whether the accounts were disabled or not. The issue remains unresolved.

2.17.3. Commission on Turnover Charge

Even though COT rates for some customers are listed on the monthly COT rate file and the default rate is 4 per mil none of these were used. The system charges a constant charge of SLE 7.50 and SLE 10.00 (7,500 and 10,000 old notes) for some customers. As a result, some were overcharged whilst others are being undercharged.

We recommended that management must ensure that those responsible for inputting and modifying COT rates on the system be done using only concession and rate file approved by management. Random system checks should also be done by the internal audit department to test rates been inputted into the system whether rates used are those rates approved by management.

Official Response

The monthly COT charged to customers is set as four per mile which is applicable to all customers and not the three miles. The minimum amount charged is SLE7.50. The maximum amount charge is SLE10,000,000 and not SLE10 as stated. If the amount charged is less than SLE7.50 the system will apply SLE7.5. There are customers with concessionary rates which are approved by management.

Auditor's comment

A manual check and recomputation was done and noted that there are some customers with rates on the COT rate files, yet COT has not been charged for those customers on their debit transactions. No COT concession approved from management was seen for these customers. The issue remains unresolved.

2.17.4. Issues with Transaction Codes

Transaction codes are the internal codes that are used on customer's transaction line to identify the type of transaction being reported. We noted that there were some transaction codes with multiple descriptions that had both debit and credit balances. Some are highlighted as follows:

Mixed between Debit and Credit Transactions. Our review revealed that there were some errors in classifying debit and credit transactions that resulted in huge differences in the re-computation of Interest and Commission.

We recommended that Management must investigate and respond to such inaccuracies of the core banking application. The core banking application must be configured in a way that a single code be used for each set of transaction. This should have been done during the test stage of the change management process in correcting such error.

Official Response

Management notes the observation and advised that this has been corrected in the X-100 system. Transaction codes are set per transaction.

Auditor's comment

Additional information was requested to complete the verification which was yet to be provided. The issue remains unresolved.

2.17.5. The Project Management- Programme Change

ISO 9001:2015 requires institutions to manage controlled documents for the effective functioning of the quality management system. We could however not ascertain whether the design and operational

implementation of controls to meet the change management objective and to determine whether change to existing infrastructure “software” was authorised, documented, tested, approved before implementation (going live).

We recommended that management through the project management committee should ensure that the change management process be documented and undergo a regulated process of review and approval. A document control checklist to ensure a compliant process should be developed.

Official Response

Management noted the observation.

Auditor’s comment

The go-live signed off document provided was not signed to indicate the final version of the approved go-live signed-off document. The issue remains unresolved.

2.18. NATIONAL SOCIAL SECURITY AND INSURANCE TRUST - 2022

2.18.1. Non-submission of Key Investment Documents

The following documents were not made available for inspection:

- i) Investment property worth SLE368,848,581
- ii) Updated investment appraisals for both completed investment property and investment property under construction.
- iii) Updated Financial Statements, Strategic and Business Plans, Memorandum and Article of Association, Share of Profit/Returns on Investment as proof of successful operations of its Associate and Joint Ventures Investments worth SLE22,132,305.

In the absence of these documents, we were unable to ascertain the valuation, profitability and returns on investment for the period under review.

Debenture agreements/deeds for total corporate debentures worth SLE140,526,247 were also not submitted for inspection. We were therefore unable to determine the redeemable period, interest rate and returns on these investments.

We recommended that the General Manager of Investment should ensure the submission of the requested documents to the ASSL.

Official Response

Updated investment appraisal for the completed property.

Management notes the concerns of the auditors’ risks and recommendations. The Trust will ensure that updated appraisals are carried out on all completed investments with the view of making them viable so as to generate the returns expected of them.

Auditor’s Comment

This issue has not been resolved as management had not provided evidence of investment appraisals and forecasts of its investment property and investment property under construction.

Updated Financial Statement and strategic plan not submitted for joint venture investment- Management notes the observations of the auditors and their recommendations. Operational information in respect of valuation, profitability, and returns for its joint venture investments is provided below:

- RGSL - Business Plan for 2022 was submitted during the audit. However, the company is yet to submit its audited accounts for 2022 to the Trust.

- SISIMI/NASSIT Project- The SISIMI Health Care Project is still under investigation by the Anti-Corruption Commission.
- Sierra Akker - The business ceased operations in 2020; as such, no reports were submitted since then.
- Debenture Agreement - The agreements were provided during the audit and are available for audit inspection.

Auditor's Comment

Management's comments above have been noted with concern as they highlight the risk of failure in investments and loss of funds. Therefore, the issue is unresolved.

2.18.2. Poor Management of Investments in Subsidiaries and Debentures

We observed that the investments in subsidiaries worth SLE513,897,148 were either not managed, controlled or effectively monitored to ensure profitable and positive returns on investment to the Trust. This was due to lack of the undermentioned supporting evidence:

- Up-to-date investment analysis on the performance on these investments.
- Key Performance Indicators (KPI) and performance rating for the period.
- Approved budget for the period
- Composition of the Board of Directors, names and experience.
- Board Committees and members appointed by the Trust Fund.

Based on management's information and review of debenture income receivable, the team noted that corporate debentures totalling SLE122,054,190 which is 87% of total corporate debentures are non performing as the interests have not been paid to the Trust.

We recommended that the General Manager responsible for investment should ensure the following:

- (i) All investments are adequately managed and monitored to ensure that the Trust gets its return on investments by setting clear targets for these joint ventures and assessing their performance on a regular basis.
- (ii) All non-performing debentures are assessed and measures put in place to collect accrued interests owed to the Trust otherwise the Trust should stop investing in future debentures.

Official Response

- (i) *Management notes the concerns of the auditors, the risks and recommendations. The Trust's subsidiaries have governance structures in place that oversee, review and monitor the affairs of these entities. However, Management is taking steps to review the composition and set key performance indicators (KPI) to monitor the effectiveness of the Boards in these subsidiaries.
A comprehensive performance analysis of these subsidiaries will be undertaken to monitor their performance in terms of profitability and returns on investment.*
- (ii) *Management notes the concerns of the auditors, the associated risks and recommendations. A review of these non-performing debentures has been done by PricewaterhouseCoopers (PWC), and the appropriate impairment provisions will be made for both debentures and interests in the Financial Statements.*

Auditor's Comment

- (i) There was no evidence provided to the audit team to confirm that Management effectively monitored these Associates and Joint ventures. In addition, we were not provided with action points by Management to implement our recommendation. The issue remains unresolved.
- (ii) Management is yet to implement recommendations by the auditors or a competent third-party specialist. The issue remains unresolved.

2.18.3. Non-submission of Insurance Cover Documents for Assets

Insurance cover certificate for property, plant and equipment with the exception of land and motor vehicles worth SLE123,983,372 were not provided to the audit team for inspection.

We recommended that the Director General should ensure that all assets owned and controlled by the Trust are adequately insured.

Official Response

Management notes the observations of the auditors, the associated risks and recommendations. The Trust will ensure that insurance cover is provided for all of its property, plants and equipment.

Auditor's Comment

Insurance cover for assets were not provided during the verification exercise. The issue remains unresolved.

2.18.4. Ineffective Payroll Management

On re-computing the Trust payroll, the team realised that the social security contribution was based on the employees' gross earnings from January to December. It has been the general and accepted practice to compute NASSIT contribution on basic salary. Though the NASSIT Act of 2001 does not define what 'earnings' means on which contribution is paid/computed, it has always been on basic salary.

Further review revealed the following:

- This decision costs the Trust an extra SLE2,993,243 from the 10% contribution paid by the Trust, and employees' NASSIT contribution increased by SLE1,484,908.
- Giving the nature of the operation of the Trust and public interest, increasing the employees' contribution by SLE2,993,243 at the expense of the Trust and other contributors in other public institutions is not considered prudent. As a result of Management's decision to deduct NASSIT from gross salaries, PAYE taxes reduced by SLE391,222 for the period under review.

We recommended that the Director General and the General Manager, Human Resources, should ensure the following:

- (i) The Trust revert to deducting NASSIT contributions from basic salaries until there is a legal and clear mandate to deduct same from specified gross salary/ earnings.
- (ii) All losses to staff and the NRA should be repaid, and refund the loss to the Trust's operational account. Evidence of actions taken to implement our recommendations should be submitted to the ASSL.

Official Response

Management notes the concern of the auditors. However, it is worth nothing that section 25 (1) of the NASSIT Act states clearly the source from which contributions are to be deducted. According to the Act, contributions are to be deducted from earnings, and no specific reference is made to basic salary. Therefore, contributions can either be deducted from gross or basic salary as the case may be.

Auditor's Comment

Irrespective of the above comment, Management provided evidence of reversal of deduction from the gross to the basic salary. However, no evidence of refund to the NRA and employees were provided. Therefore, our recommendations were partially resolved.

2.18.5. Ineffective Management of Receivables

- (i) We observed that corporate debentures totalling SLE120,854,190, which form 86% of the total corporate debentures are non-performing, as the accrued interest over the years and

principal amounts have not been paid. It is highly unlikely that these debts will be settled due to their present status.

We also noted that Management did not make provision for impairment through expected credit loss over the period; thereby, overstating the balances of corporate debentures, accrued interest receivables and net assets.

- (ii) We observed that no provision for bad or doubtful debt was made during the period under review. This led to the possible overstatement of receivables and net assets.
- (iii) We noted that a total 94% interest of SLE56,119,012 has been accrued over the years for non-performing impaired corporate debentures. The likelihood of recovery of this interest is not feasible.

We recommended that the Director General and the General Manager, Finance, should ensure the following:

- (i) Adequate provisions are made based on the recoverability of debts owed to the Trust through these debentures.
- (ii) A revised Financial Statements is sent to the ASSL in the event provisions are made and adjustments affect the accounts.

Official Response

(i) Non-performing Debentures

Management notes the concerns of the auditors, its associated risks and recommendations. A review of these non-performing debentures has been done by PricewaterhouseCoopers (PWC), and the appropriate impairment provisions will be made in line with IFRS 9.

(ii) Impaired Interest on Corporate Debenture

Management notes the concerns of the auditors, the associated risks and recommendations. A review of these non-performing debentures has been done by PricewaterhouseCoopers (PWC), and the appropriate impairment provisions will be made in line with IFRS 9.

Auditor's Comment

- (i) Evidence of impairment provision for the Trust's non-performing debentures in line with IFRS 9 was not submitted to ASSL. The issue remains unresolved.
- (ii) Management is yet to provide impairment provision for its interest receivables. The issue remains unresolved.

2.18.6. General Issues Identified at the Regional Office South

(i) Land at Towama

We observed that there was massive encroachment on the investment land at Towama. A total of 20 buildings were constructed on this land owned by the Trust.

(ii) Bo Plaza

- The fountain at the Bo Plaza was not working at the time of verification.
- The Plaza lacked water facility. There was no running water there.
- There was a damaged ceiling at a particular part of the Plaza building.
- The guesthouse had been a 'work-in-progress' for long time, and there had been no improvement on the building for more than 10 years.
- There was no standby generator at the Plaza to supply electricity in the event there is power outage from EDSA.

The highlighted challenges, if not addressed will affect the operation of the plaza.

We recommended the following:

- (i) The General Manager, Investment, should ensure that an investigation is conducted on the alleged encroachment and the necessary legal actions taken by the Trust.
- (ii) All issues identified relating to the Bo Plaza are addressed and a plan devised to address these issues and submitted to the ASSL.

Official Response

i) Land at Towama

Management notes the observation of the auditors and has constituted a committee on land matters, charged with the responsibility of investigating and proffering recommendations on the way forward. Discussions are also ongoing with the Ministry of Lands and Country Planning to undertake the re-survey of these lands to establish the level of encroachment for necessary action.

The Trust has instituted an investigation into the encroachment by resurveying the property to ascertain the level of encroachment and thereafter, the necessary legal action will be taken. However, the Trust still awaits the survey report from the Ministry of Lands as there have been continuous follow-ups on the process by the Trust to get the necessary information.

ii) Bo Plaza

- *The Plaza is managed by Sierra Estate Management Company (SEMCO). A joint visit was conducted and the Management of SEMCO is rectifying the issues as per the contract agreement.*
- *The issue of the generator has been solved by SEMCO to have 24-hour electricity at the facility.*

Auditor's Comment

These issues will be followed up in future audits to ensure that our recommendations are fully implemented. This issue is therefore unresolved.

2.18.7. General Issues Identified at the Makeni Regional Office

The Makeni Plaza was in operation, except for the hall at the top floor of the building. There was evidence of fire incident which affected the electrical installations and the roofing of the uncompleted hall. Management failed to provide us with evidence of the fire report, evaluation report on the building, police report and status of legal actions taken to recover the losses incurred so far.

We recommended that the General Manager, Investment, should ensure that investigations are conducted on the fire incident and an official police report submitted to the ASSL.

Official Response

Management notes the observation of the auditors with respect to the fire incident at the Plaza. Management has engaged the consultant to ensure that the hall is completed and handed over for operationalization within a stipulated timeframe.

Auditor's Comment

There was no evidence to confirm that the Trust had started taking action to resolve this issue. The issue remains unresolved

2.18.8. General Issues Identified at the Kenema Regional Office

- i) We observed that work on the roofing at the Kenema Office was very poor. There was extensive leakage from the roof, thereby affecting the day-to-day activities of the office. We also observed that of the ceiling was removed by the contractor and never replaced after roofing.
- ii) The building had naked cables from the roof with some within touching height and hanging over staff in the office. We consider this very unsafe for staff and customers visiting the office.

We recommended that the General Manager, Investment, should ensure that the ceiling and leakage issues are fixed by the contractor. Otherwise, future contracts should not be awarded to that contractor due to poor performance.

Evidence of work done or action taken by the contractor should be forwarded to the ASSL.

Official Response

Management notes the observations of the auditors, the associated risks and recommendations. Management has contacted the contractor to rectify the leakage in the roofing system and ensure that cables are properly secured.

Auditor's Comment

Our recommendation was not implemented. There was no evidence to confirm that the Trust has taken any action against the supplier. The issue remains unresolved.

2.18.9. Information Technology Governance

- i) There was no evidence to ensure effective supervision of the development and implementation of the web-based pension administrative system and other related systems.
- ii) Management of NASSIT runs separate IT systems (NAPOS II, SUN System, EDRMS, NASPAC and Biometric Record System (BRS) without any linkage or integration among them. The lack of integration resulted in unnecessary delays in processing, analysing and disseminating information for decision-making.
- iii) There was no evidence to confirm that the ICT Department maintained a comprehensive inventory list of ICT equipment. In addition, we noted that the distribution list which identified the location of ICT equipment was not made available for audit inspection.
- iv) No maintenance policy was in place to ensure that reported faults of the IT system were resolved within an acceptable timeframe.
- v) Our observation and interviews revealed that staff were not using official email to communicate. Instead, official communications were done using private emails.

2.19. SIERRA LEONE ROAD SAFETY AUTHORITY (SLRSA) - 2022

2.19.1. Payment without Adequate Supporting Documents

Payments totalling SLE3,473,266.63 were made for various activities without adequate supporting documents such as receipts, invoices, delivery notes, distribution list, air tickets and service level agreement.

We recommended that the Director of Finance should ensure that documentary evidence justifying the utilisation of the said funds is submitted to the ASSL.

Official Response

The documents highlighted above are ready for audit inspection although some back-to-office reports are yet to be provided. The individuals in question have been duly notified and they promise to make them available before the end of the verification exercise.

Auditor's Comment

During the verification exercise, documents for amount totalling SLE3,223,978.17 representing 93% of the queried amount were submitted, leaving a balance of SLE249,288.46 not submitted. The issue was substantially resolved.

2.19.2. Payments Made as Corporate Social Responsibility without Expenditure Returns

We observed that amounts totalling SLE584,785 were paid as corporate social responsibility (CSR). However, the audit team could not understand the basis upon which these payments were made, as they did not fall within the normal operations of the Authority.

We recommended that the Finance Director should provide justification upon which the CSR payments were made; otherwise, the whole amount should be refunded.

Official Response

It has been the normal routine of the Authority to undertake cooperate social responsibility. The Authority in most cases helps the deaf and blind, accident victims, the bikeriders and commercial drivers in terms of sensitisation and the popularisation of key products of the Authority. Management has however decided to come up with a policy binding the cooperate social responsibility.

Auditor's Comment

Expenditure on Corporate Social Responsibility (CSR) should always target activities outside the entity's core functions. Therefore, for the Authority to expend money on the deaf and dumb, and accident victims can be considered as expenditure on CSR. However, sensitisation of bike riders and commercial drivers, and popularisation of the Authority's key products form part of its core functions, and would therefore not be considered as expenditure on CSR. Also, a policy justifying payment of CSR and evidence of approval by the Board was not submitted to the ASSL. The issue remains unresolved.

2.19.3. Ineffective Management and Control of Property, Plant and Equipment

Upon review of the notes to the Financial Statements relating to property plant and equipment, we observed negative carrying values of motor-vehicles, furniture and equipment worth SLE9,341 and SLE3,096 respectively.

We recommended that the Finance Director should ensure the negative carrying balances are investigated and the necessary adjustments made for onward submission to the ASSL.

Official Response

The negative carrying amount of some assets especially vehicles has exceeded their useful lives. However, the necessary adjustments will be made before the completion of the 2023 accounts.

Auditor's Comment

Evidence to indicate that adjustments have been made to the negative carrying balances was not made available. The issue remains unresolved.

2.19.4. Management of Revenue

From a review of the revenue management system, we observed the following:

- (i) The Kenema Branch generated revenue from the issuance of licences amounting to SLE471,600 between January and December 2022. The said amount reflected on the pay-in slips which were stamped and signed by the bank. However, we could not trace the payment to the bank account.
- (ii) The headquarters and outstations of the Authority were not doing daily and monthly reconciliation with the various banks. This was evidenced by the fact that there was a difference of SLE1,301,458 between the revenue deposited at the various banks and revenue recorded in the Vehicle and Driver Licence System.
- (iii) A total difference of SLE161,514 was identified between revenue amount as per the Financial Statements and amount as per the general ledger.
- (iv) Amounts totalling SLE212,700, SLE2,159,605 and SLE3,387,654.83 in respect of clamping, circulation permit and traffic offenses, respectively, were stated as revenue but source documents such as duplicate receipts, breakdown of totals and pay-in slips were not provided for audit review.

We recommended that the Finance Director should appropriately supervise the revenue management process and ensure the following:

- (i) Evidence of payment of revenue into the bank totalling SLE471,600 should be submitted to the ASSL.
- (ii) Reconciliation should be carried out and evidence submitted to the ASSL.
- (iii) The difference of SLE161,514 should be investigated, and adjustment to the Financial Statements effected. Evidence of actions taken should be submitted to the ASSL.
- (iv) The relevant supporting documents regarding funds are forwarded to the ASSL.

Official Response

- (i) *Revenue amounting to SLE471,600 relating to the Kenema Station and the Union Trust Bank - the office receives receipts in which the said deposits were not posted into the SLRSA accounts. A decision has been taken at management level to write and inform the bank of the said amount to be refunded.*
- (ii) *Management has also discussed the said issues and that all stations including headquarters must be doing their daily reconciliations.*
- (iii) *A committee was formed to look into the claims of payment for licenses by the Kenema Station which could not be traced to the Authority's bank account. I write to inform you that Management has instructed to write and inform the bank to take full responsibility to refund the money (SLE471,600) due to faults (internal control deficiencies) on their part.*
- (iv) *Freetown - It has also been agreed from the findings that source documents are available for services relating to clamping, circulation permit and traffic offences which can be submitted during audit verification.*

Auditor's Comment

- (i) Evidence to indicate that revenue amounting to SLE471,600 was paid into the Bank was not submitted. The issue remains unresolved.
- (ii) Evidence of reconciliation undertaken was not submitted. The issue remains unresolved.
- (iii) Evidence of adjusted Financial Statements was not submitted. The issue remains unresolved.
- (iv) The relevant supporting documents regarding funds stated above were not submitted for audit verification. The issue remains unresolved.

2.19.5. Recurring Transit and Rent Deposits in the Financial Statements

During our review, we observed that a schedule showing funds amounting to SLE1,750,376 and SLE281,444.44 were recorded as transit and rent deposit respectively, which have been appearing consistently in the Authority's Financial Statements. We further noted that no action has been taken to identify customers for the specific deposits.

We recommended that the Finance Director should ensure that customers are identified for all deposits and make the necessary adjustments to the receivable balance.

Official Response

Your recommendations will be taken into consideration and the necessary adjustments done accordingly.

Auditor's Comment

Evidence of the necessary adjustments to the receivable balance was not submitted. The issue remains unresolved.

2.19.6. Receivables Age Analysis not Submitted

We requested receivable age analysis in order to review overdue debts but was not provided for audit inspection.

We recommended that the Finance Director should submit a receivable age analysis to the ASSL.

Official's Response

The Director of HR/ Administration has been informed accordingly and will ensure its availability.

Auditor's Comment

During the verification, receivable age analysis was not submitted. The issue remains unresolved.

2.19.7. Unpaid Fines not Disclosed in the Financial Statements

We noted that the opening balance of unpaid fines was recorded as SLE1,633,312.42, but no evidence of action plan was provided by the Authority to recover the said fines. Unpaid fines may continue to increase and will affect the revenue drive of the Authority.

We recommended that the Finance Director should ensure that action plans are developed and executed for the collection of unpaid fines.

Official Response

The Director of HR/ Administration has been informed accordingly and will ensure its availability. With respect to unpaid fines, the necessary adjustments will be made in the 2023 accounts.

Auditor's Comment

During the verification, evidence of adjustment and disclosure in respect of unpaid fines was not submitted. The issue remains unresolved.

2.19.8. PAYE Taxes not Deducted

PAYE taxes which amounted to SLE1,462,867 were not deducted and paid to the NRA.

We recommended that the Finance Director should ensure that PAYE taxes are deducted and paid to the NRA and evidence of payment submitted to the ASSL.

Auditor's Comment

There was neither a Management's response on the audit finding, nor any evidence to suggest that our recommendation was implemented. The issue remains unresolved.

2.19.9. Differences between Payables in the Financial Statements

Upon review of the payable balances in the 2022 Financial Statements and the audited Financial Statements for 2021, we noted a difference of SLE5,407,299.40. This indicates that the payable figures reported in the Financial Statements were either over or understated.

We recommended that the Director of Finance should ensure that the above difference is reconciled and necessary adjustments effected. Evidence of action taken should be submitted to the ASSL.

Official Response

Your recommendations will be taken into consideration and prior year adjustment to effect the changes will be made available during audit inspection.

Auditor's Comment

Evidence to indicate that the necessary adjustment had been made was not submitted. Our recommendation was not implemented. Therefore, the issue remains unresolved.

2.19.10. General Observations of the Management Information System

- The filing system at the MIS was not properly structured.
- There were inefficient and inadequate internet and IT infrastructure at head office and other outstations.
- There was no operating procedure manual for the Vehicle and Driver License System.

- A review of the Vehicle and Driver License System revealed that a total of 2,703 payment receipts for FY2022 were without driver's licence numbers.

2.20. SIERRA LEONE ROAD SAFETY AUTHORITY - 2021

2.20.1. Payment without Adequate Supporting Documents

Payments totalling SLE2,962,686 in FY2021 were made to suppliers and contractors for goods and services without adequate supporting documents such as approved transaction request, invitation letters, back-to-office reports etc.

We recommended that the Director of Finance should ensure that documentary evidence justifying utilisation of funds disbursed totalling SLE2,962,686 are submitted to the ASSL.

Official Response

The documents highlighted above are ready for audit inspection, although some back-to-office reports are yet to be provided. The individuals in question have been duly notified and they promise to make them available before the end of the verification exercise.

Auditor's Comment

Documents totalling SLE599,182.08 representing 20% of the queried amount were submitted, leaving a balance of SLE2,363,648.4. The issue remains unresolved.

2.20.2. Revenue Management

From a review of the revenue management system, we observed the following:

- A total difference of SLE9,843,759.98 was identified between total revenue as per the Financial Statements and the general ledger.
- Revenue transactions totalling SLE5,616,547.4 were neither recorded in the general ledger nor recognised in the Financial Statements, leading to an understatement in the revenue figure disclosed.
- Reconciliation between the licence system and finance records was not carried out. This was evidenced by the differences of SLE1,977,491.2 (new registration) and SLE3,639,056.2 (renewal) identified from the amount of new registration and renewal of vehicle licences recorded in the Financial Statements, and the vehicle licences.
- The sum of SLE2,032,870, SLE2,847,600 and SLE4,235,778.98 in respect of clamping, circulation permit and traffic offences respectively, were recognised as revenue but source documents such as duplicate receipts, breakdown of totals and paying slips were not submitted to the ASSL.
- In verifying the revenue records of Bo and Kenema, the team observed differences of SLE82,155 and SLE93,056 respectively, to the amount recorded in the general ledger.

We recommended that the Finance Manager should ensure the following:

- Investigate the difference of SLE9,843,759.98 and submit the revised Financial Statements and general ledger and submit evidence to the ASSL.
- Investigate the amount of SLE5,616,547.4 recorded in the revised general ledger and the Financial Statements and evidence submitted to the ASSL.
- Reconciliation between the licence system and finance records should be carried out and evidence submitted to the ASSL.
- The relevant supporting documents regarding funds amounting to SLE2,032,870, SLE2,847,600 and SLE4,235,778.98 are submitted to the ASSL.

- (v) Differences between SLE82,155 and SLE93,056 should be investigated and the necessary adjustment effected in the Financial Statements. Evidence of actions taken should be submitted to the ASSL.

Official Response

The revenue report that was submitted for the period under review was actual amount captured by the system. However, soft copies of all revenue line item from the database will be made available for further analysis. The Director of Licence and the Director of Safety and Enforcement have been informed accordingly with respect to the above.

Auditor's Comment

Our recommendations were not implemented. Therefore, the issues remain unresolved.

2.20.3. Difference between the General Ledger, PAYE and NASSIT Contributions

We observed differences between payroll and the general ledger for PAYE taxes and NASSIT contributions totalling SLE1,333,081.32.

We recommended that the Director of Finance should investigate differences and submit the revised general ledgers and Financial Statements to the ASSL.

Official Response

Differences arose from other PAYE payments made from rent and medical allowances. Also, NASSIT payments on behalf of contract staff did not form part of the Authority's payroll, rather kept on a different schedule. The schedule will be made available during the audit verification.

Auditor's Comment

Our audit recommendations were not implemented. The issue remains unresolved.

2.21. SIERRA LEONE ROADS AUTHORITY (SLRA) - 2022

2.21.1. Delay in Execution of Contracts

Contracts worth SLE55,590,144 were awarded for the construction of culverts, road markings, and road maintenance. However, these projects were not completed within the agreed timeframes as they were still ongoing at the time of the audit in August 2023.

We recommended that the Director General should ensure the completion of these projects within the shortest possible time to avoid the increase in costs.

Official Response

The procuring entity is in full compliance with Section 111(2b) of the Public Procurement Regulations, 2020 as stated and also adheres to all evaluation criteria set, which form the basis upon which contracts are awarded to the most responsive bidders. It is in accordance with the above-mentioned, that contracts were awarded to these contractors.

- (i) Firstly, Quotations are only sent to contractors that are registered with valid relevant certificates that meet the preliminary criteria.*
- (ii) Quotations were also sent to contractors who over the years have proven track records of similar works and which were technically compliant.*

The contractors mentioned met these criteria and they have done similar works with the Authority with a proven track record for the past three years.

The related documents stated observed are available for verification and clearance.

The SLRA, the executing agent, is very mindful of meeting their deliverables on time especially with the awarding of contracts and commencement of works. Over the years, delays in payment had been very challenging and had ripple effect on the proposed completion period of these aforementioned contracts.

Auditor's Comment

The issue remains unresolved since final payments or completion certificate for the overdue contracts were not submitted for our review.

2.21.2. Poor Revenue Collection from Rights of Way

A comprehensive database of businesses occupying the rights-of-way has not been maintained by the Authority. During the year under review, the Authority was only able to disclose an amount of SLE304,640 as revenue generated from rights-of-way. Considering the number of businesses and individuals occupying the rights-of-way within the country, we consider this amount very minimal. There was no evidence to confirm that the Authority made efforts to improve on the collection of such revenue.

We recommended that the Director General should ensure the following:

- (i) That a comprehensive database of all rights-of-way nationwide is developed by the Authority.
- (ii) That revenue is collected from all users of rights-of-way through regular invoicing and prompt collection.

Official Response

The Authority's position over the years on users of rights-of-way for fuel dealers, garages, mini-marts, car dealers and kiosks etc. was to treat them as encroachers. Consequently, the Authority has a detailed list or database of these encroachers of various categories. Most of them have received multiple query letters. However, an inventory of all billboards in the Western Area, including parts of Port Loko was successfully undertaken for the period 2021 and 2022. This is available though not for the whole country. Management truly values your recommendations and has put a new and robust methodology in place to comprehensively inventory and register users of the rights-of-way and to institute a lease agreement with fees on an annual basis. This will ensure that a comprehensive database is maintained by the Authority, using private sector involvement and investment.

Revenue collection over the period is not constant; it fluctuates with the prevailing circumstances surrounding the right-of-way activities.

The Authority has been working hard even though there were difficulties with users complying with the process and procedure. We have used different in-house methods or approaches to enhance the collection of revenue over the periods such as: invoicing consumers, sensitisation meetings, individual engagements, and follow-up calls to customers.

However, as mentioned above, management has made a policy shift from chasing occupants as encroachers to entering into lease agreement with them as tenants.

This reflects seriousness with which we view your valuable recommendations. The Finance and Asset Management Department will continue to collaborate closely with the Procurement Department (to outsource) and the Planning Policy and Research Department (to develop policies), to facilitate the establishment of the said robust and more dependable methodology revenue collection from right-of-way users against end of 2023.

Auditor's Comment

Database of billboards of the right-of-way users for the Western Area and parts of Port Loko was submitted for our review. The issue is partially resolved.

2.21.3. General Finding

We observed that the provincial offices were not funded by the Authority as imprests were not sent to these offices for the period under review. As a result, staff were constrained with paying utility bills and meeting other day-to-day expenditures.

2.22. SIERRA LEONE AIRPORTS AUTHORITY – 2022

2.22.1. Payments without Adequate Supporting Documents

Payments which amounted to SLE668,825 were made without adequate supporting documents such as receipts, invoices, delivery notes, beneficiaries list, air tickets, service level agreements and reports.

We recommended that the head of finance provide the missing supporting documents to account for the expenditures recorded in the cashbook for the financial year; otherwise, they should refund the full amount to the Authority's bank account, and evidence of refund submitted to the ASSL.

Official Response

Adequate supporting documents have been attached to the various payment vouchers, and they are available for verification.

Auditor's Comment

From a total of SLE668,825, supporting documents were submitted for payments totalling SLE643,825 representing 96% of the queried amount, leaving a difference of SLE25,000. The issue is substantially resolved.

2.22.2. Non-availability of an Approved Credit Control Policy

The Authority did not provide an approved standard receivable policy, which would serve as a Standard Operating Procedure for the recognition, measurement and disclosure of receivables. The lack of an SOP has led to poor management of receivables, resulting from inefficient debt collection, inadequate customer database and inconsistency in the management of receivables. This had led to material misstatement in the Financial Statements.

We recommended that the head of finance should ensure that a policy for the effective management of receivables is developed and submitted to the Board of Directors for approval. Evidence of actions taken should be submitted to the ASSL.

Official Response

Efforts are being made to develop a holistic accounting manual which will incorporate all SOPs for proper reporting. The process is ongoing and there is documentary evidence for your verification.

Auditor's Comment

Evidence to support Management's action in its strive to develop an approved receivables policy was not submitted and verified. Our recommendations were not implemented. The issue is unresolved.

2.22.3. Inadequate Provision for Bad and Doubtful Debt

Following the takeover of the running of the airport by the Summa Group, we noted that all the existing customer agreements with the Authority were terminated. This led to serious doubt of the recoverability of the receivables in the books of the SLAA. A general provision was provided for 20% of the total receivable balances without considering specific provision for the remaining 80% receivable balance.

We recommended that the head of finance should ensure that the basis or justification for the general provision be made, and the specific provision for the remaining 80% provided and submitted to the ASSL.

Official Response

Efforts are in place to recover these debts. However, if in due course the Authority realises that these debts cannot be recovered, specific provisions will be done.

Auditor's Comment

Evidence of Management's action to determine how the entity plans to recover these debts was not submitted and verified. Therefore, the issue remains unresolved.

2.22.4. Restricted Access to Offices

The auditors, accompanied by some SLAA staff, visited the SLAA office to physically inspect newly acquired and existing assets. During the exercise, we were unable to gain access to 13 offices. After further enquiry with the head of finance, we noted that keys to these offices were withheld by former employees of the Authority, citing that their end-of-service benefits were not yet paid.

We recommended that the General Manager should ensure that the keys to these offices are retrieved from the former employees so that the ASSL can conduct physical verification of the assets.

Official Response

The keys to the offices of current SLAA staff are now available. However, the keys to the offices of former SLAA staff are still with the staff, and therefore not available.

Auditor's Comment

During the verification exercise, keys to the cashier's office were submitted. We physically verified the assets and compared them with the inventory list to confirm that assets were not missing. However, we were unable to gain access to the remaining 12 offices, as the keys to these offices were not made available during the exercise. The issue remains unresolved.

2.22.5. End-of-Service Benefit not Paid

A review of the payroll vouchers and supporting documents revealed that a total of 645 staff were in the books of the SLAA as at 31st December 2022. These employees were terminated on 19th January 2023 and their total end-of-service benefits amounted to SLE171,052,649. However, these benefits had neither been paid, nor disclosed as notes to the Financial Statements.

We recommended that the Human Resources Manager, should consult with the Ministry of Finance, to ensure that proper arrangement is in place for the timely payment of the end-of-service benefits to employees who were terminated as a result of the transition from SLAA to Summa Group.

We also recommended that the end-of-service benefit is disclosed as notes to the Financial Statements and evidence forwarded to the ASSL.

Official Response

The Government of Sierra Leone through the Ministry of Transport and Aviation and the management of the SLAA is doing everything necessary to ensure that the terminal benefits are paid. The final computations have been submitted to the vice president.

Auditor's Comment

We received a letter dated 20th March 2023 addressed to the Senior Permanent Secretary in the Ministry of Transport and Aviation requesting the office to facilitate the early payment of the employee's severance benefit. However, there was no evidence of payment of such. The issue therefore remains unresolved.

2.22.6. Cost of the Build Operate and Transfer Contract

The Government of Sierra Leone entered into an agreement with the Summa Group to build, operate and transfer the Freetown International Airport for US\$270 million. However, relevant documents such as bills of quantities, receipts, invoices, and job completion certificates were not submitted to confirm the total amount invested.

We recommended that the General Manager submit relevant documentation to show that the Summa Group complied with the BOT agreement signed between the two parties.

Official Response

The SLAA Management is constrained to provide these documents because the contract was initiated and implemented by the Office of the Presidential Infrastructural Initiative.

Auditor's Comment

During the verification exercise, documents to support that US\$270 million was invested by the Suma Group to build, operate and transfer the Freetown International Airport were not submitted and verified. Therefore, the issue remains unresolved.

2.22.7. Prior Year Issues

Poor Receivables Management

The following issues were noted:

- Twenty-nine debtors with an aggregate balance of SLE20,185,899.86 in the books of the Authority were circularised. Confirmation was received from two debtors, with the amount confirmed from them totalling SLE43,629.61. The amount not confirmed by the remaining 27 debtors totalled SLE16,579,336.35.
- A difference of SLE3,562,933.91 was noted between the receivables register and the amount confirmed by West Minister Aviation Security Service and Eastern Motel – Doorway concession.

Contract Awarded without Supporting Documents

Evidence in the form of adverts, bid register, bid opening minutes, technical evaluation report, was not submitted to confirm that the award of the contract was open, transparent and competitive.

Improper Arrangements for the Transfer of Assets and Liabilities

Due diligence was not conducted to determine the fair value of the Authority's assets and liabilities. A report to support this fact was not submitted for audit.

2.23. SIERRA LEONE WATER COMPANY (SALWACO) - 2021

2.23.1. Land and Buildings not Recognised in the Financial Statements

We observed that the head office building and several other regional offices owned by the company were not recognised in the Financial Statements under review.

Land and buildings indicated in the Financial Statements are materially misstated.

We recommended that these land and buildings being recognised in the financial statements.

Official Response

Land and buildings were capitalised and maintained in the fixed assets register in 2016, 2017 and 2018. Land and buildings are also capitalised as civil structures, water supply facilities under capital grant. Those land and buildings that are not part of the Financial Statement are those that SALWACO does not have legal title to. SALWACO will include those when legal title is handed and surveying and valuation done. These figures will be added to the fixed assets register and Financial Statement when completed.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.23.2. Conveyances and Other Documentations not Available

We observed that SALWACO was not in possession of conveyances and other documentation to confirm its ownership of freehold and leasehold property indicated in the Financial Statements for year ended 31st December, 2021.

The Company's title to these properties cannot be substantiated.

We recommended that conveyances and documents supporting the company's title to these properties indicated in the Financial Statements should be made available to the ASSL. The Board of directors and the management of the Company should pursue this issue.

Official Response

SALWACO is currently surveying all its property across the country. Conveyances and other documentations will be prepared for property that are currently without.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.23.3. Great Plains Financial Management System

From our review of the Great Plains Financial Management System, we observed the following:

- The System was used to manage its accounting system and prepare Financial Statements.
- The System was without account receivable, payable, fixed assets and inventory modules.
- Members of staff of the Finance Department did not have the required training to fully operate the system.
- The System is too complex by design for small entity like SALWACO.
- Descriptions of transactions were not part of the reports generated from the system.

We recommended that SALWACO should consider implementing a simpler financial management system and in addition train staff of the finance department in the use of the system.

Official Response

The complexity of the system, modules not included, account descriptions not part of system print out have been communicated to the consultant who is implementing the Integrated Management Information System (IMIS) for SALWACO. These challenges will be address in the IMIS system.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.23.4. Procedures to Identify Expired Chemicals

We observed that there were no procedures and policies in place to identify chemicals when they are expired in the stores.

We recommended that monthly inventory listings should be reviewed by senior officers of the company for expired chemicals. Expiry date of chemicals should be incorporated as part of this report. Alternatively, management should introduce measures and procedures to identify expired inventory items on time.

Official Response

Water Treatment Chemicals are acquired for a fix period of time. In most cases, the last supply is done six months before expiration date. As this is a very sensitive area of operation, all original documents and monitoring system of Water Treatment Chemicals are being carried within the office of the Director of Operations and Maintenance who approves the distribution of chemicals to regional stations.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.24. GOLDEN TULIP: 2019-2020

2.24.1. Revenue Schedules not Submitted

Schedules to justify the completeness, accuracy and occurrence of revenue recognised in the Company's general ledger and Financial Statements totalling SLE15,994,109 and SLE6,376,607 for FY2019 and FY2020 respectively, were not submitted.

We recommended that the Accountant should ensure that schedules in support of revenue reported in the Financial Statements are submitted to the ASSL.

Official Response

Management notes the observations of the auditors and its associated risks. The supporting revenue schedules in respect of the figures recognised in the Company's general ledger and the Financial Statements have been prepared and are now available for audit inspection.

Auditor's Comment

The schedules with respect to the differences identified during the audit were not submitted for our review. The issue remains unresolved.

2.24.2. Differences between the General Ledger and Notes to the Financial Statements

Differences totaling SLE110,160.33, SLE184,231.37, SLE181,17, and SLE689.7 were identified between the general ledgers and the notes to the Financial Statements for banquet food, beverages, drinks, laundry and gym respectively.

We recommended that the Accountant should ensure the following:

- (i) Schedules in support of revenue reported in the Financial Statements are submitted to the ASSL.
- (ii) Investigate these discrepancies, make the necessary adjustments in the financial records and submit a revised general ledger and financial statements to the ASSL.

Official Response

- (i) *The supporting revenue schedules in respect of the figures recognised in the Company's general ledger and the Financial Statements have been prepared and are now available for audit inspection.*
- (ii) *Reconciliation between the notes to the Financial Statements and general ledger has been carried out and the necessary corrections effected in the Financial Statements.*

Auditor's Comment

Our recommendations were not implemented. The issues remain unresolved.

2.24.3. Expenditure Management

The following were observed:

- (i) A review of payment vouchers revealed that expenditure totalling and SLE179,183,073 and SLE238,609.04 were incurred in 2019 and 2020 respectively, without adequate supporting documents such as receipts, invoices and service level agreements.
- (ii) Payment vouchers and supporting documents in respect of transactions amounting to SLE2,913,533.12 and SLE228,905.29 for 2019 and 2020 respectively, were not provided for review.

- (iii) A total of SLE136,350 was incurred as directors' cost for FY2019, and SLE84,500 for FY2020. However, the evidence of minutes in relation to meetings, receipt in support of funds received, bank transfers, and list of directors constituting the Board were not submitted for review.

We recommended that the relevant evidence regarding the sums expended in points (i), (ii) and (iii) is forwarded to the ASSL.

Official Response

Management notes the concerns of the auditors and the recommendations. Action will be taken to ensure that the necessary and appropriate controls over the management of disbursements are put in place and are working effectively.

Auditor's Comment

- (i) Supporting documents amounting to SLE157,963.07 and SLE208,409.03 for 2019 and 2020 respectively, were submitted and reviewed, leaving outstanding amounts of SLE21,220 and SLE30,200 for which adequate supporting document was not submitted. These represent 88% and 87% of the queried amounts. Therefore, the issues are substantially resolved.
- (ii) Payment vouchers and other supporting documents amounting to SLE121,052.14 for 2020, (representing 53% of the queried amount) were submitted for our review. However, there were outstanding transactions with amounts totalling SLE2,913,533.12 and SLE107,853.15 for 2019 and 2020 respectively, for which payment vouchers and supporting documents were not submitted. Therefore, the issues are partially resolved.
- (iii) Our recommendation was not implemented. The issue remains unresolved.

2.24.4. Receivables Schedules not Submitted

The following issues were identified:

- (i) Schedules to justify the completeness, accuracy and occurrence of revenue recognised in the Company's general ledger and Financial Statements totalling SLE2,447,127 and SLE1,577,413 for FY2019 and FY2020 respectively, respectively, were not submitted.
- (ii) Differences totalling SLE997,884.475 and SLE960,689.032 were identified between the general ledgers and the notes to the Financial Statements for 2019 and 2020.

We recommended that the Accountant should ensure the following:

- (i) Schedules and debtors' listing in support of receivable balances reported in the financial statements are submitted to the ASSL.
- (ii) Investigate these discrepancies, make the necessary adjustments and submit a revised general ledger and Financial Statements to the ASSL.

Official Response

- (i) *The necessary schedules and debtors' listing in support of the figures recognised in the Company's general ledger and financial statements have been prepared and are now available for audit inspection.*
- (ii) *Management notes the concerns of the auditors and the recommendations with respect to receivables. The necessary reconciliation between the notes to the financial statements and general ledger had been carried out and necessary corrections effected to the financial statements.*

Auditor's Comment

Our recommendations were not implemented. Therefore, the issues remain unresolved.

2.24.5. Non-submission of Supporting Documents for Inventory

From a sample of transactions totalling SLE811,584 and SLE330,244.43 supporting documents such as invoices, goods receive notes, delivery notes, stores issue vouchers, bin cards, and stores ledger records were not submitted.

We recommended that the Accountant should ensure that documents in support of transactions recorded are submitted to the ASSL.

Official Response

Management notes the concerns of the auditors and will ensure that the above listed documents are provided for audit inspection and review.

Auditor's Comment

Supporting documents relating to inventory purchased for the period under review were not submitted during verification. Therefore, the issue remains unresolved.

2.24.6. Differences between the General Ledgers and the Notes to the Account

Differences were identified between the general ledger and the notes to the draft financial statements amounting to SLE536,856.2 and SLE61,964.86 respectively. In addition, payable listings and suppliers' reconciliation were not provided for the audit team, thereby restricting us from identifying suppliers for third-party confirmation.

We recommended that the Accountant should ensure the following:

- (i) Investigate these discrepancies, and make the necessary adjustments and submit the revised general ledger and Financial Statements to the ASSL.
- (ii) The payable listings and suppliers' reconciliation are submitted to the ASSL.

Official Response

The necessary reconciliation between the notes to the Financial Statements and general ledger had been carried out and necessary corrections effected to the Financial Statements.

Auditor's Comment

Evidence of the corrections effected between the general ledger and financial statements was not submitted for our review. The issue remains unresolved.

2.24.7. Credit and Debit Entries into the Payable Ledgers not Supported

Documents such as invoices and delivery notes to support the occurrence and completeness of amounts recognised in the payable ledger for FY2019 and FY2020 were not submitted. These documents related to transactions totalling SLE1,889,098.44 and SLE836,201.084 (credit balances) and SLE3,170,557.079 and SLE1,514,876.865 (debit balances).

We recommended that the Accountant should ensure that invoices, goods receive notes, delivery notes, bank transfer letters and receipts in support of recorded transactions are submitted to the ASSL.

Official Response

Management notes the concerns of the auditors and all the necessary supporting documents relating to transactions debited and credited into the general ledger are available for audit review.

Auditor's Comment

Supporting documents relating to the journals were not provided to the ASSL. The issue remains unresolved.

2.25. ELECTRICITY DISTRIBUTION SUPPLY AUTHORITY - 2022

2.25.1. Sustainability of Services

A year-on-year increase was noted in the Authority's Receivables balances whilst its payable figures also increased tremendously. Receivables and payables figures reported in the 2022 Financial Statements were increased from SLE368,995,672 and SLE1,209,299,863 in 2021 to SLE618,900,304,000 and SLE1,586,746,387 in 2022 respectively.

We assessed the working capital of the Authority and observed that the short-term obligations recognised in the Financial Statements outweighs the revenue generated by 238%. The liquidity ratio for the period was 0.4:1. As a result, the revenue generated for a fiscal year cannot fully offset its recurrent expenditure and at the same time pay its major suppliers such as Karpowership, Electricity Generation and Transmission Company (EGTC), and the Cote D'voire, Liberia, Sierra Leone and Guinea (CLSG) project without resorting to government intervention or bank borrowing.

We recommended that the Director General should ensure the following:

- Continuous engagement is done with the Ministry of Energy and other relevant stakeholders to identify cheaper and sustainable sources of electricity.
- Measures are instituted for the collection of debts due to the Authority, especially from government-owned entities and as a last resort, debtors should be disconnected from the electricity grid.

Official Response

The engagement with the MoE and other stakeholders is ongoing and various sources of cheaper power is explored. Consultations are being held with the Ministry of Finance to deal with the perennial issues of receivables from the MDAs. Also, prepaid meters being installed in some of the MDAs are not a threat to safety and security of the State.

The high cost of buying power due to hike in domestic inflation, cost of fuel and deteriorating of the SLE relative to the US\$ is outside the control of EDSA to a large extent, although EDSA is working on effective ways of mitigating their adverse impact.

Auditor's Comment

Evidence was not provided to confirm that our recommendation was implemented. The issue therefore remains unresolved.

2.25.2. Ineffective Management of Prepaid Revenue

A review of the prepaid report (Fin 100) from the Ultima Plus software and the Prepaid Revenue general ledger revealed the undermentioned difference as the prepaid revenue general ledger was understated by a total of SLE52,302 when compared with the prepaid revenue report (Fin 100) for the period under review.

Following several requests for the submission of relevant documents, the management failed to provide us with the undermentioned documents relating to the measurement and recognition of prepaid revenue for the period under review:

- Monthly or weekly Aggregators Reconciliations.
- Daily and weekly cash sales reconciliations for all cashiers.
- Bank deposit slips and other relevant supporting documents for all cashier sales.

We recommended that the Chief Finance Officer, should ensure the following:

- Differences noted are investigated, appropriate adjustments recorded and revised general ledgers and financial statements submitted to the ASSL.
- The documents noted in paragraph 3(ii) are submitted to the ASSL.

Official Response

This is as a result of the weekly sales postings (due to weekly commission processing) versus the monthly sales report pulled that resulted in overlap of some transactions in a particular month. However, evidence of correct postings are available for review.

The relevant supporting documents and evidence of prepaid (aggregator cashier) reconciliations with relevant supporting documents are available for your review.

Auditor's Comment

Management failed to provide evidence of adjustment and revised general ledger. Therefore, the issue is unresolved.

The requested documents were not provided during the verification exercise. Therefore, the issue is unresolved.

2.25.3. Inadequate Controls over the Disbursement of Funds

The following were observed:

- Payments amounting to SLE311,421 were disbursed in relation to both local and foreign travels for which documents such as letters of invitation, concept notes, back-to-office reports, receipts, recipients' signature were not submitted for review.
- From the review of payment vouchers in respect of monthly board allowances, we observed that PAYE taxes amounting to SLE32,670 were not charged and paid to the NRA.
- Payments totalling SLE150,000 were made to the Ministry of Energy's account as special imprest for the period under review. However, the rationale for providing funding to a subvented ministry was not provided for our review.
- An amount of SLE316,450 was spent on various organisations as donations, subscription or corporate social responsibilities for which no policy was made available to justify the disbursement of these funds.

We recommended that the Chief Finance Officer should ensure the following:

- The relevant documentary evidence in respect of funds expended by the Authority (as indicated in the findings section) are submitted to the ASSL.
- The terms and conditions of board members and evidence of payment of taxes due are submitted to the ASSL.
- The money paid to the Ministry is retrieved through a refund from the Ministry and evidence forwarded to the ASSL.
- Appropriate explanation with supporting documents is provided to explain why Corporate Social Responsibility payment were made by the Authority.

Official Response

Supporting documents are attached in respect of travelling expenses.

The withholding tax in respect of board remunerations amounting to SLE32,670 have been paid to the NRA.

Although the MoE is a subvented agency, a quarterly allocation of SLE150,000 is to facilitate the work of the Ministry in terms of oversight functions of various projects since the quarterly allocation from the ministry is often not provided on time.

Please see the policy of corporate social responsibility.

Auditor's Comment

- Documents relating to foreign and local travel was not provided for our review. Therefore, the issue remains unresolved.

- Evidence of payment of taxes due to the NRA was not submitted for our review. Therefore, the issue is unresolved.
- Adequate justification stating why this money was provided for the Ministry of Energy was not provided. Therefore the issue is unresolved.
- Policy relating to corporate social responsibility was not made available for our review. Therefore the issue is unresolved.

2.25.4. Bank Reconciliation Statements of Bank Accounts

Contrary to section 90(1) of the PFMR of 2016, the Authority failed to make available the following documentation:

- General Ledger Listings/ Cashbook and Bank Reconciliation Statement for Bank balances totalling SLE28,552,164.
- General Ledger Listings/ Cashbook and Reconciliation for Cash balances totalling SLE189,568
- List of approved authorised signatories and ranks of personnel for the bank accounts.

Official Response

All requested documents are available for verification.

Auditor's Comment

The requested documents were not submitted during the verification exercise. Therefore, this issues remain unresolved.

2.25.5. Poor Controls over the Management of Receivables

The following issues were noted:

- (i) Management did not make available the general ledger listings and summary schedule or grouping of receivable balances to ASSL. The receivable balance (closing balance) as at 31st December 2022 was SLE619,311,456. We were therefore unable to ascertain the completeness, accuracy and contractual rights of these balances.
- (ii) An increase of 68% in the receivables balance when we compared the 2022 Trial Balance (TB) with the audited Financial Statements amount in 2021.
- (iii) Various bills for electricity consumed by the offices of the Authority during the period under review, amounting to SLE1,912,449 and SLE6,550,170 were wrongly recognised as revenue and receivable balances respectively.
- (iv) Upon review of the Receivable Balances, we noted that several accounts classified as receivables have a total credit balance of SLE245,005,667.
- (v) Receivable ageing analysis for the period was not submitted for audit inspection.

We recommended that the Chief Finance Officer should ensure the following:

- (i) Detailed schedules and relevant supporting documents for balances noted in point (i) should be submitted to the ASSL.
- (ii) The continued increase in receivable balances should be investigated and measures instituted to reverse the increment.
- (iii) All electricity bills consumed by the Authority should be re-classified and the necessary journals sent to the ASSL.
- (iv) Receivable ageing analysis for the year under review should be submitted to the ASSL. The receivable ageing analysis should categorise the Authority's receivables according to the length of time, invoices billed, payments made and outstanding balances.

Official Response

Please see the listing of the total receivable

The increase in receivables is mainly attributable to non-payment of electricity bills by MDAs

Energy consumed by the Authority has been treated appropriately in the financial records

This is system error from the outdated utility billing application and therefore rectified.

The existing Utility 2000 billing application did not have module for age analysis.

Auditor's Comment

Our recommendations were not implemented. The issues remain unresolved.

2.25.6. Differences Identified in Creditor Balances

The following were observed:

- (i) A review of the schedules of statutory deductions revealed that the GST charged on electricity sales, with net amount of SLE44,598,614.89 was still owed to the NRA at the end of 2022. This was in contravention of section 38 (1) of the GST Act, 2009.
- (ii) A review of the comparative figures recognised in the 2022 draft Financial Statement identified a significant difference of SLE301,790,748 with the comparative figures recognised in the audited Financial Statement (2021).
- (iii) A comparison of the total amount recorded in the draft Financial Statement and the trial balance revealed SLE256,906,513.75 as difference between the payables recorded in the draft Financial Statement and that of the trial balance.

We recommended that the Chief Finance Officer, should ensure the following:

- (i) All monies due to the NRA for GST are paid or a payment plan agreed with the NRA and evidence of action by management submitted to the ASSL.
- (ii) The differences noted in points (ii) and (iii) are investigated, and changes effected in the Authority's books of accounts (general ledger, accounting records, revised ledgers and financial statements) should be submitted to the ASSL.

Official Response

The slow payment of GST could be attributable to non-payment of MDAs bills and therefore the Authority constricted financial resources not even enough to meet the financial obligations of the Authority. Also most of the generations sources for input GST are exempted from GST.

The comparative figures for creditor balances have been reconciled and reinstated.

The difference between the draft financial statements and trial balance has been agreed.

Auditor's Comment

Evidence of payment or payment plan with the NRA was not provided. Therefore, the issue is unresolved.

The general ledger, accounting records, revised ledgers and financial statements were not submitted to the ASSL. The issue remains unresolved.

2.25.7. Management and Security of Assets

The following were observed:

- (i) Assets procured during the period under review were not marked with identification codes. The total value of assets acquired during the year under review were SLE1,482,465.31 and SLE307,000 for Office Equipment, and Furniture and Fittings respectively.
- (ii) We also noted that the location of assets replaced, were neither communicated to the team, nor made available for verification.

- (iii) Assets apportioned to the Authority during the unbundling process in 2015 were not identified and appropriately recorded in the asset register.

We recommended that the Chief Finance Officer, should ensure the following:

All assets owned and controlled by the Authority should be marked with unique and durable identification codes. Records made in the Asset Register and evidence of action taken should be submitted to the ASSL.

Assets apportioned to the Authority as a result of the unbundling of the National Power Authority should be identified with the appropriate value. A revised general ledger and financial statements should be submitted to the ASSL.

Official Response

A procurement request has been made to hire competent firm to mark all the fixed assets procured both in Freetown and the provinces.

The consultant hired by the World Bank to fairly split the assets owned and controlled by the NPA (by then between EGTC and EDSA) has not finalised his work

Auditor's Comment

Our recommendation was not implemented, as the assets were still not marked as at the time of the verification exercise. Therefore, this issue is unresolved.

The Authority has still not apportioned its assets. The issue remains unresolved.

2.25.8. Management of Inventory

Upon physical inspection of the stores, we observed that the Authority's store was in a poor condition as most items delivered were packed on the floor. We also observed that unused and damaged items were not properly identified and segregated. Moreover, the store did not use a bin card system in which movements of items were recorded and reconciled with the store ledgers.

We recommended that the Chief Finance Officer should ensure the following:

- The store is packed and organised so that each item can be easily identified and accessed in the stores.
- A bin card system is adopted by the Authority in managing inventory either manually or automated. Evidence of management's action to implement this recommendation should be sent to the ASSL.

Official Response

Appropriate measures have been put in place to provide the conducive atmosphere for storage of critical assets of the Authority.

Comment noted and going forward, stores would be encouraged to use Bin Card although it is a manual process and the implementation of IMS would resolve this issue.

Auditor's Comment

Our recommendation was not implemented as evidence to confirm management's action to implement our recommendation was not provided during the verification exercise. The issue remains unresolved.

2.25.9. Issues Identified During Provincial Visit

The team visited some provincial offices of the Authority and conducted interviews with the Station Managers and staff. The following issues were observed:

- We identified the need for expansions on the networks (transformers) in all areas visited. This is to reduce load shedding, sharing and apportioning of electricity for the provinces.

- Transformers distributed to the provinces were without lightning Arrestors to protect them from voltage surges caused by lightning strikes or other electrical disturbances that can damage transformers. In Lunsar, the distribution control panel DL battery was faulty and the machine could not be read for over three years.
- During our engagement with the regional engineers, we were informed that consumable materials and basic tools meant to carry out urgent maintenance on the infrastructures were always received late or at times never supplied.
- A comprehensive asset listing as well as asset movement register were not maintained by the regional stations. Therefore, absolute reliance was placed on what the headquarters maintained as records. There were no responsible personnel in charge to record the receipt and movement of assets.
- Motorbikes distributed in all areas visited were without life-cards, registration numbers, insurance and licenses to confirm that the Authority has ownership and control over these motorbikes.
- Assets were not marked with identification codes, therefore, the right and ownership of these could not be confirmed.

2.26. ELECTRICITY GENERATION AND TRANSMISSION COMPANY - 2022

2.26.1. Ineffective Management of Fixed Assets

The value of assets owned by the National Power Authority and transferred to the EGTC as a result of the unbundling, were neither included in the fixed assets register, nor recognised in the Financial Statements. As a result, the accuracy and completeness of the company's books of accounts were doubtful.

We recommended that the Finance Director should ascertain the value of the unbundling assets and include same in the fixed assets register and financial statements. Evidence of action should be submitted to the ASSL.

Official Response

The updated fixed assets register from 2015 to 2018 is available for review. However, this query relates to inherited assets and continues to be perennial problem since the unbundling aspect relating to fixed assets has still not been resolved by the sector stakeholders.

Auditor's Comment

We were not provided with the value of the unbundling asset in the fixed asset register submitted for verification. Our recommendation was not implemented. Therefore, the issue remains unresolved.

2.26.2. Responses not Received for Debt Circularisation

A circularisation letter was sent to the EDSA to confirm the existence and accuracy of amounts totalling SLE657,172 owed by them, as disclosed in the Company's Financial Statements. However, no response was received from the EDSA.

We recommended that the Finance Controller should ensure that a follow-up is made with EDSA in respect of the unconfirmed balances and confirmation sent to the ASSL.

Official Response

We have made a follow-up call with EDSA to provide the required information for your use.

Auditor's Comment

Management explanation is noted. However, the confirmation was not received from EDSA. The issue remains unresolved.

2.26.3. Dodo Hydropower Station not Operational

Upon our verification exercise at the provincial power stations, we noted that the Dodo hydropower station in Kenema that used to supply power to Bo and Kenema was not operational and therefore needed urgent rehabilitation.

We recommended that the Director General should engage the relevant authority to invest resources to rehabilitate the plant in order to attain its original designed capacity.

Official Response

Two units are operable at the plant site. The off-taker, EDSA, reserves the prerogative to inject this power into their grid. However, we are still in discussion with EDSA to utilise the energy.

Auditor's Comment

Evidence confirming that the overhauling and maintenance of the plants was not submitted to the ASSL. The issue remains unresolved.

2.27. GUMA VALLEY WATER COMPANY - 2022

2.27.1. Fixed Assets Register not Properly Maintained

The fixed asset register submitted was not comprehensive. It did not provide a detailed breakdown of the property, plant & equipment opening balance of SLE242,176,135. The team could not therefore confirm the accuracy, completeness, and reliability of the property, plant and equipment figures disclosed in the Statement of Financial Position as at 31st December 2022.

We recommended that the Director of Finance should ensure that the company's fixed asset register is updated with the necessary information including the opening balances of property, plants and equipment acquired from previous years be made available for audit review.

Official Response

The assets register has been revised to provide a detailed breakdown of the property, plant and equipment acquired for the past five years (2018 – 2022). The Register will be made available for verification.

Auditor's Comment

A revised fixed assets register was submitted for verification. We noted that the revised register was detailed, with the exception of the property, plant, and equipment opening balance and depreciation charge as at 1st January 2018, for which breakdown information was not provided in the revised register. As a result of the aforementioned, we could not verify or confirm by alternative means the accuracy and completeness of these PPEs. This further questions the reliability of the property, plant and equipment figures disclosed in the Statement of Financial Position as at 31st December, 2022. Therefore, the issue remains unresolved.

2.27.2. Analytical Review of Receivable Balance

A review of the receivables in the Company's Financial Statements revealed that its trade receivables as at 31st December, 2022 stood at SLE204,198,369.2 which has increased by 9.69% compared to the previous year's figure. It is worth noting that this amount includes debt totalling SLE21.6 million owed by government-owned institutions. Debtor circularisations for confirmation were sent to sixty-eight customers with a total receivables balance of SLE29,978,695.75. Of the 68 debtors selected,

12 confirmations with a total debt balance of SLE1,988,725.67 were received, leaving 56 debtors with a total debt balance of SLE 27,989,970.08.

We recommended that the Director of Commercial Services should ensure that follow-up is made with debtors, and their response forwarded to the ASSL for confirmation.

Official Response

The auditor's comment and recommendation are noted. Management has endeavoured to take the necessary action by following up on these debtors by writing them to confirm their indebtedness to the Company. Copies of such letters will be made available for verification and will also be forwarded to the Ministry of Finance as part of the cross-debt arrangement process. The Company has been in dialogue with the Ministry of Finance for a cross-debt settlement in respect of debts owed by MDAs to the GVWC and debt (including withholding taxes and PAYE) owed by GVWC to the Government of Sierra Leone.

Auditor's Comment

The team was provided with correspondence dated 12th August 2023, addressed to various institutions that fall within the samples of debtor confirmations. However, with the exception of the Ministry of Defence, we did not receive confirmation from the other institutions concerned, despite the reminder letters sent by the GVWC. The issue remains unresolved.

2.27.3. Non-payment of Statutory Deduction to the NRA

A review of the payables listing/general ledger revealed that SLE1,657,816.97 and SLE12,767,047.26 relating to withholding and PAYE taxes respectively, were outstanding statutory deductions as at 31st December 2022.

We recommended that the Director of Finance should ensure that the outstanding taxes are paid to the NRA.

Official Response

The company has been in dialogue with the Ministry of Finance for a cross-debt settlement in respect of debts owed by MDAs to GVWC and debt (including withholding tax and PAYE) owed by GVWC to the Government of Sierra Leone. Notwithstanding the abovementioned arrangement, in January 2022, management started making payments to the NRA as part settlement of the outstanding PAYE and WHT balances. Management will continue to honour this commitment.

Auditor's Comment

Contrary to management's response, receipts of payments of PAYE and withholding tax deductions were not made available to the team during the verification exercise. A correspondence dated 20th September 2023, addressed to the Financial Secretary by the GVWC requesting the intervention of the Financial Secretary for a debt swap arrangement with relevant institutions like the NRA and the EDSA, was submitted. However, the team was not provided with a response from the Ministry of Finance on whether or not such a request would be granted. Therefore, the issue remains unresolved.

2.27.4. Delay in the Payment of End-of-Service Benefits

End-of-service benefits totalling SLE13,276,600 owed to 72 former members of staff of the GVWC since 31st December 2017 were not fully paid as at 31st December, 2022. We reviewed the schedule of outstanding payments and noted that only SLE4,405,257 was paid, remaining an outstanding of SLE8,871,343.

We recommended that the Director of Finance and Administration should engage the affected beneficiaries to agree on a payment plan within a reasonable time to settle this debt.

Official Response

The auditor's comment is noted. The Board of Directors in collaboration with Management will strive to look into this matter and come up with solutions to salvage this situation. Meanwhile, beneficiaries of end-of-service benefits have been categorised into groups to ensure equitable and reasonable amounts are paid at the interval.

Auditor's Comment

There was no documentary evidence to show that management had taken action to address the recommendation. Therefore, the issue is unresolved.

2.28. NATIONAL REVENUE AUTHORITY- 2022

2.28.1. Cash Advance for a Cancelled Contract

An advance payment of SLE240,000 which represents 30% of the contract price recognised in the Financial Statement was observed to have been paid to a supplier for a contract that was cancelled.

We were not provided with information on any steps taken in accordance with the contract about the cancellation of the same.

We recommended that the Director of Finance should recover the said advance payment from the supplier, and evidence of recovery submitted to the ASSL.

Official Response

The Authority, through the Finance and Procurement Departments have contacted the supplier requesting the return of the advance payment who has consented to make the payment. See attached evidence.

Auditor's Comment

Evidence of payment was not submitted. The issue remains unresolved.

2.28.2. Assets Not Coded

Even though this issue has been raised in previous audits, we still noted that not all assets owned and controlled by the NRA were labelled with the NRA's unique serial number as prescribed in Object 5.2 of the approved Finance and Budget Department Policies and Procedures Manual. In addition, the majority of assets, particularly those in the provinces, remains without the NRA's unique serial number, and therefore not recorded in the resubmitted assets register. Among these assets were motorbikes, printers and tables.

We recommended that the Authority should ensure that all its assets are uniquely labelled and recorded in the Fixed Assets Register.

Official Response

All assets purchased by the Authority have been included in the Fixed Assets Register. The Director of Finance will work with the admin team to ensure that all assets are uniquely labelled.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.28.3. Personal Assets in Offices

During physical verification, items such as refrigerators, TVs, tables, and other furnishing items seen in different provincial offices were claimed to be staff members' personal belongings.

We recommended that the Authority should ensure that all of these personal belongings are taken out of the offices and, if necessary, replaced with the Authority's assets.

Official Response

The Finance Director will work with the responsible departments to ensure all such assets are removed from these offices. The Finance Director will also work with HR and Admin departments to have a policy on employees using their personal assets in the office.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.29. PETROLEUM REGULATORY AGENCY - 2022**2.29.1. Recruitment without Following Due Process**

From a review of the Agency's recruitment policies, we observed that 17 personnel were recruited during the year under review. We however observed that the Agency did not follow the appropriate recruitment procedures in order to make the process open, competitive and transparent. This was evidenced by the fact that there were no relevant supporting documents like advertisement, application letters and invitation letters to attend interviews to justify that the correct procedures were followed.

We recommended that the Human Resources Manager should make available to the ASSL, the relevant documentary evidence in support of the 17 personnel recruited.

Auditor's Comment

The issue remains unresolved since the finding was not responded to.

2.29.2. Key Challenges at the Agency

The following were observed:

- There was an increase in the financial cost involved in the monitoring of the safety of petrol stations and their environments.
- There were inadequate facilities for the storage of petroleum products.
- There were few dealers (NP and Conex) of petroleum products in Freetown, and none in the regions.

We recommended that the Executive Chairman engage the relevant stakeholders to ensure that the above challenges are addressed in line with international best practice. Evidence of engagement should be forwarded to the ASSL.

Auditor's Comment

The issues remain unresolved since the findings were not responded to.

2.30. PETROLEUM DIRECTORATE – 2022**2.30.1. Fixed Assets not Verified**

Fixed assets worth SLE486,800 acquired by the Directorate during the review period were not made available for physical verification. We were informed by the Accounting Officer that maintenance work was ongoing on the fourth floor of the Directorate's building, where most of these assets were held.

We recommended that the Director of Finance make available the assets to the ASSL for verification.

Official Response

We note your observation and please be informed that the maintenance work is complete, and the aforementioned assets are now available for inspection.

Auditor's Comment

The requested assets were physically verified, with the exception of a 12-inches laptop (IGGB RAM 512GBSSD XPS) valued at SLE50,000 which was not submitted for verification. The issue is substantially resolved.

2.31. CENTRAL INTELLIGENCE AND SECURITY AGENCY – 2022

2.31.1. Procurement Splitting in a bid to Evade NCB

The procurement of assorted printer cartridges, stationery and general supplies at the cost of SLE159,024.30 was split into SLE89,067 and SLE69,956 and awarded to the same supplier on 28th March, 2022 using the RFQ method. This was observed to be an evasion by the Agency to use the NCB method, which could have made the procurement process more open, transparent and competitive.

We recommended that the Director General(DG) should investigate the cause of the procurement infractions and any officer found culpable should be appropriately penalised.

Official Response

Auditors' comments have been noted and will be taken into consideration going forward.

Auditor's Comment

The DG did not provide any justification for the action undertaken. The issue remains unresolved.

2.32. TERTIARY EDUCATION COMMISSION – 2022

2.32.1. Payment without Adequate Supporting Documents

Payments totalling SLE192,827 and SLE66,357 were made in respect of rent for the Commission's Secretariat and brake boosters respectively. However, supporting documents such as receipts and service agreement forms were not provided for audit inspection.

We recommended that all payments made should be supported with relevant documentary evidence to substantiate the payments.

Official Response

(i) Payment of Annual Rent for the Commission Secretariat:

There is an Operating Lease Agreement between the Commission and the landlord for payment of annual rent. Payment of annual rent is normally made by bank transfer from the Commission's account to the landlord's account. The debit in the Commission's account indicates payment to the landlord.

Management notes your comments and will take necessary action for receipts to be provided after payment.

(ii) Payment for Brake Booster:

Based on the internal controls of the Commission, before payments are made, the officer-in-charge must first initiate a request and forward same to the Administrative Manager for discussion. The Administrative Manager will forward the request to the Executive Secretary for authorisation. After that, the Executive Secretary will submit the same request to the Chairman for discussion and approval. It is after compliance with all these controls that payment is made.

Management notes your comments on the issue of Service Agreement Form not found in the file for this single transaction and will take necessary action to correct the situation.

Auditor's Comment

No receipt was submitted to us showing evidence of rent paid to the landlord by the Commission. This issue is therefore unresolved. On the issue of payment for brake booster, the Service Agreement Form was not submitted for inspection. The issues remain unresolved.

2.33. NATIONAL PROTECTED AREA AUTHORITY – 2022

2.33.1. Board of the Authority Not Functional

There was no documentary evidence such as minutes of Board meetings communicating key resolutions, and attendance list to indicate that the Board of the Authority was functional during 2022. In addition, there was no evidence to justify that key decisions on the operations and running of the Authority that required the Board's approval, were followed. In most instances, the Executive Director(ED) solely gave approval on key decisions.

We recommended that the ED should provide documentary evidence to justify why the Authority's Board was not functional throughout 2022 and why key decisions were taken by him alone on the operations of the Authority.

Official Response

The Board ceased to meet during the COVID-19 pandemic. Afterwards, the National Protected Area Authority was moved from the supervision of the Ministry of Agriculture and Forestry to the Ministry of the Environment. This led to the amendment of the National Protected Area Authority and Conservation Trust Fund Act 2012. This in turn led to changes to the representation of the Board in the new Act 2022. The National Protected Area Authority and Conservation Trust Fund Act of 2022 have been approved by parliament and awaiting the signature of the president. The Executive Director will engage the Minister of Environment and Climate Change with key stakeholders to ensure the Board of the Authority resume its functions.

Auditor's Comment

Evidence of the engagement with the Minister of Environment and Climate Change and key stakeholders was not submitted for verification. The issue remains unresolved.

2.33.2. Annual Report of the Authority not Prepared

There was no evidence to indicate that the Authority prepared and submitted its Annual Report for the 2022 to its respective stakeholders as required by the Act. It would be difficult to ascertain the achievements and challenges of the Authority during the year. This also has the tendency to affect the sustainability of services delivered by the Authority.

We recommended that the ED should provide documentary evidence to justify why the Authority failed to prepare and submit their Annual Report for 2022 to relevant stakeholders.

Official Response

We agree with the auditors finding, and the following action will be taken to improve the situation:

- *Management will establish a report writing committee*
- *Establish a reporting template*
- *We will have each department to document their respective programme and project activities by the end of each quarter whether funded by the Government of Sierra Leone, donor or in partnership with related or unrelated parties.*
- *We will then consolidate these reports into a single document at the end of each year that will be made available to key stakeholders via our website.*

Auditor's Comment

During the verification exercise, evidence of action taken to establish the report writing committee, quarterly departmental reports, etc. was not submitted for audit verification. The issue remains unresolved.

2.33.3. Positions of Directors Remained Vacant

We reviewed the 2017 Terms and Conditions of Service, and observed that the organogram of the Authority had five directorates – namely: Human Resources and Administration; Protected Area Management; Law Enforcement; Community Conservation, Outreach & Co-Management; and Research & Monitoring. These directorates however had no directors as heads. Instead, they were supervised by managers. We enquired from the Human Resources and Administrative Manager and also reviewed staff personal files where we noted that the Director of Human Resources and Administration was suspended indefinitely by the Executive Director instead of the Board. The basis of her indefinite suspension from duty was not clearly justified. The Director of Law Enforcement had also resigned and the Director of Protected Area Management had been transferred. The remaining two directorates had never had any directors since the inception of the Authority. Furthermore, we did not obtain any evidence to indicate that the Authority had plans to recruit directors for these directorates. This could create gap in the effective management of the Authority and further undermine their operations.

We recommended that the Executive Director should provide adequate justification backed by documentary evidence on why the Director of Human Resources and Administration was suspended indefinitely by him and not the Board. In addition, the Executive Director should submit to the auditors' action plan on the recruitment of directors for the remaining directorates for effective operations of the Authority.

Official Response

The recruitment of directors is within the powers of the board. In the absence of the Board, we might not be empowered to undertake such action. Management will ensure that such recommendation put forward to the board of the Authority when it resume its functions.

Auditor's Comment

Management's comment is noted on the absence of the Board and the lack of authority to undertake the recruitment of directors. Management did not respond to the issue of the indefinite suspension of the Director of Human Resources and Administration by the Executive Director and not the Board. The issues remain unresolved.

2.33.4. Salary Paid to Retired and Absentee Staff without Justification

We reviewed the payroll vouchers submitted for the nine months and noted that, one staff retired in July 2022 but received salaries for August and September totalling SLE3,604. Furthermore, even though the Human Resources and Admin Manager wrote to the Accountant General in December 2022 for the salaries of two game guards to be withheld due to absenteeism, however, in December, 2022, the Accountant General paid these two game guards salaries totalling SLE2,240 against the request made by the Human Resources and Admin Manager.

We recommended that the Executive Director in collaboration with the Finance Manager and the Human Resources and Admin Manager should investigate the payment of salaries to these staff even though there were restrictions. The outcome of the investigation should be documented and submitted to the ASSL. Otherwise, these staff should be contacted and illegal salaries paid to them should be recovered and paid back into the Consolidated Fund.

Official Response

This was discovered and immediately brought to the attention of the Office of the Accountant General. We might not have an explanation as to how or what happened at the level of the Office of the Accountant General especially as their system is an automated one.

The names of these two game guards were not included in the December list sent to the Accountant General for their salaries to be withheld. Documents are available for audit verification.

Auditor's Comment

We note Management's response about notifying the Accountant-General's Department (AGD) of the payment of salaries to a retired staff and the submission of the names of the two game guards to the AGD for withholding of their salaries in December 2022. Therefore, the payment of salaries to these individuals resulted in loss of public funds. The issue remains unresolved.

2.33.5. Asset Documents not Submitted

Documents such as delivery notes, goods received notes, memoranda of understanding and other correspondence from partners such as the Reducing Emissions from Deforestation and Forest Degradation Plus (REDD+) and the Catholic Relief Services in collaboration with the National Water Resources Management Agency (NWRMA) were not submitted for audit to account for 27 assets purchased and donated to the NPAA, even though these assets were listed in the Fixed Assets Register and were physically verified.

We recommended that the Logistics Manager should ensure that all documents such as delivery notes, goods received notes, memoranda of understanding and other correspondence from the listed partners are submitted to the ASSL.

Official Response

The Logistics Unit of the NPAA has been challenged with proper assets transfer documents especially for the Reducing Emissions from Deforestation and Forest Degradation plus (REDD+) funded by the European Union implemented by the MAFFS from 2012 to 2014. Request for the transfer documents was made to the Project Coordinator but was advised the projects were under audit and subsequently transferred to the Anti-Corruption Commission (ACC). When the substantive Executive Director took office in FY2019, all efforts in collaboration with our then supervising ministry to collect the source documents proved futile, as the period of these assets ran through two administration of government and some of the staff are either dead or no longer in the service.

With regards assets donated by the Catholic Relief Services in collaboration with the NWRMA, let me assure you and your team that the memorandum of understanding signed in August 2022 between the NPAA and the NWRMA will be available for verification when you are back for the said exercise.

Auditor's Comment

Management's response is noted on the challenges of obtaining the mentioned documents from partners. During the verification, the MOU between the NPAA and NWRMA for 10 assets was submitted and verified. However, no evidence was submitted to justify that a request was made to REDD+ for the submission of the assets ownership records for the 17 assets. The issue is partially resolved.

2.33.6. Lack of Office and Technical Equipment

During the verification of assets, we observed that staff of the NPAA lacked adequate office and technical equipment such as computers, photocopiers, scanners, printers, global positioning system, black views, drones, camera traps, range finders, and handcuffs. Interviews with senior management staff revealed that printing and photocopying of documents is mostly done in the open market which has the tendency for sensitive information to be leaked out to the public. Similarly, game guards,

coordinators, conservation officers and even managers are constrained to carry out effective operations in protecting the protected areas and national parks.

We recommended that the Executive Director should liaise with the Ministry of Finance to ensure that both office and technical equipment needed for the smooth operation of the NPAA are procured and delivered to various departments for effective service delivery.

Official Response

It is a strategic objective for the Authority to have workable office and field equipment in order to help strengthen the conservation of all protected areas and key biodiversity areas in the face of the ongoing timber logging and illicit mining around the country (Protected Areas). All of these issues raised in your audit query were part of the Authority Strategic Plan for FY 2022 but the budget ceiling allocated to us is not up to 25% of 100% realistic operational budget requested for by the Authority. Therefore, the Executive Director has used our strategic plan to request for support from donor partners. You can agree that in reviewing documents, you have seen the Authority receiving assets from UNDP and NWRMA. There is also a plan to get more of the equipment you listed from donor partners and government.

Auditor's Comment

Management's response is noted on the effort by the Authority to source funding and support for the acquisition of equipment to create an enabling working environment. However, evidence of NPAA liaising with the Ministry of Finance for the provision of the needed equipment to aid their operation was not submitted. The issue remains unresolved.

2.34. NATIONAL CIVIL REGISTRATION AUTHORITY – 2022

2.34.1. Withholding Tax Liability not Disclosed in the Financial Statements

We noted that the withholding tax liability was not disclosed to the notes to the Financial Statements. Furthermore, withholding taxes totalling SLE154,371 were deducted from suppliers' payments in respect of goods and services delivered to the Authority, but the amounts withheld were not paid to the NRA.

We recommended that the Director of Finance should ensure that the withholding tax liabilities are disclosed in the Financial Statements and evidence of disclosure forwarded to the ASSL for verification. In addition, the Director of Finance should ensure that the withholding taxes withheld are paid to the NRA and evidence of payment forwarded to the ASSL.

Official Response

Management wishes to reiterate that the non-disclosure of tax payments in the Financial Statements will be addressed going forward. Adjustment to the Financial Statements to reflect the disclosure of tax liabilities is done and the updated Financial Statements are available for audit verification.

Additionally, management wishes to confirm that withholding taxes of 5.5% under reference were paid to the NRA and payment receipts available for audit verification.

Auditor's Comment

Evidence of the withholding taxes payments were presented and inspected during the audit verification exercise. Upon inspection of the documents, we noted that a total of SLE128,881, which is 83% of the queried amount was paid in 2022, leaving a balance of SLE25,490 yet to be paid. The issue is substantially resolved.

2.34.2. End-of-Service Benefits not disclosed in the Financial Statements

We observed that nine permanent staff who had worked for the Authority for more than a year and left were not paid their end-of-service benefits. In addition, we noted that the liabilities in respect of these benefits were not disclosed in the notes to the Financial Statements. The absence of this disclosure could mislead the users of the Financial Statements.

We recommended that the Director General should ensure that an end-of-service benefit plan is developed (including the names of staff who had separated from the Authority and amounts to be paid) and submitted to the Accountant General for necessary action. In addition, the Director of Finance should ensure that the necessary disclosure is made in the Financial Statements and evidence forwarded to the ASSL.

Official Response

Management wishes to state that, calculations of end-of-service benefit for employees who resigned, retired or passed on at any given period is determined and calculated by the Accountant General's Department who pay their benefits directly into their individual bank accounts. The NCRA could not ascertain whether the benefits of the nine staff in question were paid or not, since the NCRA has never been formally informed of such information by the Accountant General's Department.

Several attempts were made to access such information but all to no avail and with the unavailability of such information, the NCRA will be constrained to disclose such liabilities in the Financial Statement.

However, what the NCRA does in such cases, is to report the occurrences of any of the event either death, resignation, termination to the Accountant General for the update of the payroll as well as to effect the payment of end-of-service benefit. The affected staff do collaborate with staff of the Accountant General's Department for the payment of their benefits.

However, no formal feedback is shared with the Authority when such payments are made.

Auditor's Comment

We were not provided with the end-of-service benefit plan as stated in Section 5.3.7 of the NCRA Human Resources Policy Manual. Therefore, this issue remains unresolved.

2.35. SIERRA ESTATE MANAGEMENT COMPANY - 2022

2.35.1. Related Party Transaction not Disclosed

The International Accounting Standards (IAS) 24 requires an entity to disclose the nature of any related party transactions, as well as any information about those transactions and outstanding balances, including commitments, necessary for users to understand the potential effect of the transactions in the Financial Statements. We however observed that the Company did not make the necessary disclosures in relation to related party transactions totalling SLE1,049,576.

We recommended that the Finance Manager should ensure that the necessary disclosures are made in the notes to the Financial Statements in accordance with the requirements of IAS 24. In addition, the evidence of the disclosures should be made available to the ASSL.

Official Response

Management notes the auditor's comment, and will ensure adequate disclosures are made in accordance with the requirement of IAS 24 (related party transactions) in the Financial Statements.

Auditor's Comment

Evidence of disclosures of related party transactions in the Financial Statements was not provided for verification. The issue remains unresolved.

2.35.2. Debtors Circularisation not Received

The following were observed:

- Circularisation letters were sent to 50 debtors (receivables) to confirm a total of SLE19,205,811.89 owed to the Company (as per the Financial Statements). However, we only received response from one debtor, leaving a balance of 49 from whom responses were not received. As such, the existence of these debts could not be ascertained.
- From the response we received, we noted a difference of SLE474,672 between the amount reported in the receivables general ledger and the amount confirmed by the debtor (SECURIPOINT). This means that the receivables were overstated in the Financial Statements by the said amount.

We recommended that the Finance Manager, should appropriately supervise the receivables management process and ensure the following:

- Follow-up with the debtors to send their responses to the ASSL.
- Investigate the difference of SLE474,672, revise the general ledger and Financial Statements and forward same to the ASSL.

Official Response

Tenants not replying to your circularisation is of great concern to the Company as we always hope to recover a huge sum through your intervention. Again, the following should be considered for the non-response - OBT Shipping, PKF, Beltships Sierra Leone Limited, Karl Tyre, Leocem Cement Factory, Securiport, etc. However, withholding tax certificates were not submitted for evidence of payment, therefore we wait for the write-off approval from our shareholders. Few tenants have paid in the subsequent years/ months for the period under review.

The debtor in question (Securiport) informed you that they have paid all their outstanding debts. However, we still have an outstanding balance of SLE54,215.64 which they claim is tax withheld. We have contacted them to send us the withholding tax certificate for evidence of payment, and we will do the necessary adjustment upon receipt of the certificate.

Auditor's Comment

Management's comments are noted. However, evidence in the form of payment made by debtors in respect of withholding tax paid were not submitted for audit inspection. Therefore, the issue remains unresolved. Evidence to the tune of SLE420,456 which is 88% of the queried amount has been submitted for audit inspection. However, the amount of SLE54,215.64, in respect payment of withholding tax were not submitted. Therefore, the issue is significantly resolved.

2.36. INDEPENDENT COMMISSION FOR PEACE AND NATIONAL COHESION – 2022

2.36.1. Logistics Challenge at the Commission

Interviews with key personnel and review of the fixed assets register revealed that the Commission lacked vehicles and motorbikes for its operations. This has the tendency to undermine the efficient and effective implementation of the Commission's mandate.

We recommended that the Executive Secretary should liaise with the Ministry of Finance and the Ministry of Transport and Aviation to ensure that vehicles and motorbikes are procured for the Commission to enhance its operational effectiveness.

Official Response

We have approached the Ministry of Transport and Aviation for the supply of vehicles to ICPNC. There were no funds available for the purchase of vehicles.

Auditor's Comment

We noted Management's response. However, there was no evidence submitted to show that the Ministry of Transport and Aviation had been approached regarding the supply of vehicles. Therefore, the issue remains unresolved.

2.36.2. Staff Personal Files not Updated

From the review of the personal files of eight staff, we noted that their personal files were not updated with the relevant documentary evidence such as birth certificates, NASSIT registrations, copies of academic credentials and curricula vitae. Inappropriate and insufficient information could be given about staff if their personal records are not regularly updated.

We recommended that the Human Resource Manager should ensure that personal files maintained are updated for all staff.

Official Response

All documents were submitted at State House whilst collecting appointment letters. Only few staff resubmitted their letters of appointment again. The Director of Admin and Human Resources Management is on secondment.

Auditor's Comment

We noted Management's response. However, the staff files were still not updated with personal records. The issue remains unresolved.

2.37. NATIONAL TELECOMMUNICATIONS AUTHORITY – 2022

2.37.1. Payment to National Development

During the period under review, the Authority paid SLE2,907,575.900 and SLE1,589,073 in 2020 and 2021 respectively, as support for national development. The audit team could not understand the basis upon which these payments were made, as they did not fall within the normal operations of the Commission.

We recommended that the Director of Finance should provide a proper account (together with the documentary evidence) of these funds to the ASSL. Otherwise, parties involved will be requested to refund the amounts expended.

Official Response

Management notes your concern. However, we have an approved CSR policy which is used as the basis for the disbursement.

Auditor's Comment

During the verification exercise, we were not provided with an approved CRS policy to justify the said payments. The issue is unresolved.

2.37.2. Information Processing in Regional Offices

From interviews and observations, we noticed that confidential information at regional offices was not secured, as printing and photocopy were done at public cafeterias.

We recommended that the Director of ICT should ensure that IT equipment which are in proper working condition are provided for the protection of official information.

Official Response

This was not to our knowledge since all reporting should be done through email. No hardcopy reporting. All zonal offices have working internet with at least six months subscription.

Auditor's Comment

Management's response clearly indicates a lack of effective communication with staff at the regional offices. The issue of maintenance of IT equipment to enhance proper working condition has not been addressed. The issue remains unresolved.

2.38. PARLIAMENTARY SERVICE COMMISSION - 2022

2.38.1. Non-compliance with Existing Human Resource Policy

Section 3.3.1 of the Parliamentary Service Commission HR Policy requires that vacancies from Grade 7 and above will be advertised internally and externally to attract the best possible candidates for the position and encourage open competition. However, that should only take place after thorough needs assessment has been done for the position, and the authority to recruit is sought. Vacancies for positions below the above-mentioned levels may be advertised first internally, and if no suitable candidate is found, external candidates will be invited to apply.

This requirement was not met in 2022 as salaries totalling SLE1,913,138.79 were paid to 42 staff recruited by the Commission without evidence of the recruitment procedures followed, such as needs assessments, advertisement for the vacant positions, application letters, evidence of interviews conducted, attendance register of panelist and applicants, and selection report.

We recommended that the Acting Director of Human Resources should submit the relevant documentary evidence in support of the findings.

Official Response

We note your comments on the findings regarding the non-compliance with recruitment processes. However, we wish to advise that in a meeting held by the PSC in February 2022, the following resolutions were taken:

- *the seven volunteer staff be employed on permanent basis with the Parliamentary Service Commission*
- *the Clerk of Parliament use head-hunting to replace staff within the grades of 2-6 that have resigned/retired/terminated from the Service.*

The Minutes Paper evidencing the approval of the PSC is available for inspection.

Auditor's Comment

In relation to the recruitment of eight staff of grades 7 and above, the Director of Human Resources submitted a document captioned "Minutes Paper" which stated that the Commission should regularise the status of the volunteers. However, section 3.3.1 of the Parliamentary Service Commission HR Policy requires needs assessment and advertisement for the recruitment of staff of grades 7 and above. Evidence of these documents were not submitted during verification. The issue remains unresolved.

2.38.2. General Observations

Even though the Parliamentary Service Commission had budget provisions for printing and stationery, we observed that there was no payment to the Public Accounts Committee for the printing of its Annual Report on hearings held on the Auditor-General's Report in 2022. This has prevented the citizens from knowing whether actions are taken on audit recommendations made to clients.

2.39. NATIONAL DISASTER MANAGEMENT AGENCY – 2022

2.39.1. National Platform for Disaster Management not Functional

The national platform for disaster management set up for the coordination and policy guidance on disaster risk reduction was non-functional. This was evidenced by the fact that there were no minutes

of meetings and attendance lists to indicate that the national platform was functional since it was established. There was also no evidence including minutes of meetings, attendance lists and reports, to indicate that the regional, district, and chiefdom disaster management committees were functional for the period under review. This is contrary to Section 20(1) of the National Disaster Management Act of 2020.

We recommended that the Director General should submit evidence such as minutes of meetings held by the national platform and the regional, district and chiefdom disaster management committees. Otherwise, written justifications should be submitted in relation to the finding.

Official Response

- (i) *The national platform for disaster risk reduction is a committee responsible for the policy direction of all activities of the National Disaster Management Agency (NDMA). This Committee is chaired by the Vice President under the Presidency. To ensure the effective functioning of the Committee, the Agency undertook the following undermentioned correspondence: letters written to all members of the platform explaining to them that they are members of the Committee and a copy of the Act attached. Evidence of the aforesaid correspondence is hereby attached for your attention. The Agency developed a comprehensive agenda for approval for the maiden meeting of the national platform for disaster risk reduction. Evidence of the above is hereby attached for your attention. On several occasions, the Agency through the leadership of the Director General engaged the Chief Minister in convening the first platform meeting. The Chief Minister promised to engage. The Vice President is to agree on some of the core issues to constitute deliberation of the platform meeting. Several reminders were done verbally by the Director General of the Agency.*

In any case, convening the platform meeting remains a top priority for the Agency.

- (ii) *The Agency inherited 16 district disaster management committees that were established by the then Department of Disaster Management at the Office of National Security. However, a careful study of the new Act indicated new players to be included in the Committee, especially the District Disaster Management Committee. Also, some old members have been transferred. This calls for the reconstitution of all the committees and ensures regular meetings. In addition, the Agency was able to establish three regional Disaster Management Committees (East, North, and North West regions) and went ahead to reconstitute the three District Disaster Management Committees (Kenema, Bombali, and Port Loko), in 2022. Additionally, the Agency has concluded the establishment of the Southern Region Disaster Management Committee, reconstituted the Bo District Disaster Management Committee, and the Kakwa Chiefdom Disaster Management Committee. More will be done with the availability of resources.*

Auditor's Comment

During the verification, a copy of an email from the Director, Partnership NDMA, to members of the national platform, referring to a discussion with the Director General, with an agenda attached was submitted and reviewed by the team. However, the Agency did not provide the names of members of the national platform, minutes of meetings, and attendance lists to ascertain whether meetings were held. We therefore concluded that the National Platform was not functional. Therefore, this issue remains unresolved.

Of the 16 districts, three reports on formalisation from the Port Loko, Kenema and Bo District Disaster Management Committees were submitted and verified. However, 13 Regional and District Disaster Management Committees' formalisation reports were not submitted for audit review. Therefore, the issue is partially resolved.

2.40. INDEPENDENT POLICE COMPLAINT BOARD - 2022

2.40.1. Lack of Key Personnel at the Compliant Board

We observed that the Independent Police Complaint Board (IPCB) was understaffed. Certain key positions, such as Legal Practitioner, Complaint Handling Officer, Investigations Officer, etc. were still vacant. In a situation where there is understaffing in the IPCB, the Board will be constrained in performing its functions.

We recommended that the Government of Sierra Leone through the Ministry of Finance should endorse the recruitment of the said positions in order for the IPCB to perform its functions.

Official Response

When the IPCB started operations in 2014, only one-third of its staffing positions were approved for recruitment. In subsequent years, Management has been engaging the Ministry of Finance through the office of the Financial Secretary for approval to recruit for the remaining positions. Quite recently in July 2023, approval was granted for the recruitment of two new positions (1 Investigator & 1 Office Assistant / Dispatcher) and three replacement positions of personnel who existed since 2016 (1 Complaints Handling Officer, 1 Investigation, 1 Driver). We will continue to engage the Ministry of Finance until our full staff compliments are met.

Auditor's Comment

Our recommendation was not implemented. Therefore, the issue is unresolved.

2.41. NATIONAL COMMISSION FOR DEMOCRACY – 2022

2.41.1. Payment without Adequate Supporting Documents

The following were observed:

- Payment vouchers totalling SLE126,804 were without adequate supporting document.
- Payments totalling SLE6,000 were without evidence of recipients' signatures.
- Bank withdrawals totalling SLE9,250 were without payment vouchers.

We recommended the following:

- The Finance Director should ensure that all transactions from inception to completion should be supported by the relevant documentary evidence, which must be retained for audit and reference purposes.
- The Finance Director should ensure that evidence of the signature of the recipient should be submitted to the ASSL.
- The Regional Finance Assistant should ensure that payment vouchers are raised for every transaction to ensure that all payments are authorized and verified.

Official Response

- (i) *The commission has acted upon the expenditures and the relevant documents are open for review and inspection.*
- (ii) *Actions have been taken on these transactions and the relevant documents are available for inspection.*
- (iii) *Management had appropriately instructed Regional Offices to submit liquidation vouchers and receipts for petty cash expenditures to the Head Office. The internal auditor has also outlined internal controls for the management of funds overseen by provincial officers to ensure proper authorization and verification, with the aim of preventing future incidents of this nature.*

Auditor's Comment

- Supporting documents for transactions totalling SLE75,594 representing 60% of the queried amount were provided and submitted, leaving an outstanding amount of SLE51,210. The issue is partially resolved.
- We were not provided with evidence of signature from the recipients to acknowledge the said payment. The issue therefore remains unresolved.
- We were not provided with payment vouchers for the said amount during the verification exercise. The issue therefore remains unresolved.

2.41.2. Withholding Taxes Deducted without Evidence of Payment

We observed that there were no receipts presented as evidence of withholding taxes paid to the NRA totalling SLE3,459.

We recommended that the Finance Manager should ensure that receipts for the withholding taxes of SLE3,459 are submitted to the ASSL.

Official Response

The Commission will persist in requesting the responsible institution to issue receipts, despite encountering challenges in obtaining Withholding tax receipts in the past.

Auditor's Comment

We were not provided with receipts for the said amount during the verification. The issue remains unresolved.

2.41.3. Management of Petty Cash

There were no retirement vouchers attached for petty cash reimbursement totalling SLE16,000 during the period under review.

We recommended that the Senior Finance Officer should ensure the retirement vouchers of petty cash reimbursement totalling SLE16,000 are submitted to the ASSL.

Official Response

The Commission has acted, and all pertinent documents are now accessible for audit inspection.

Auditor's Comment

Petty cash retirement for transactions totalling SLE8,000 representing 50% of the queried amount was provided leaving a balance of SLE8,000. The issue is partially resolved.

2.42. SIERRA LEONE AGRICULTURAL RESEARCH INSTITUTE – 2022

2.42.1. Bank Confirmation not Received

Bank confirmation to ascertain that 10 bank accounts maintained at various Commercial banks for 2022 were appropriately reconciled to detect errors and irregularities were not received from the Banks.

We recommended that the Finance Manager should ensure that follow-up is done with banks regarding unconfirmed balances and ensure that the confirmations are submitted to the ASSL.

Official Response

We will ensure that follow-ups are done to the various banks to submit the bank confirmation as soon as possible.

Auditor's Comment

We were not provided with the bank confirmation relating to the 10 bank accounts during the verification. Therefore, this issue remains unresolved.

2.42.2. Withholding Tax Deducted but Without evidence of Payment to NRA

From the review of the administrative cashbook and the sample of payment vouchers, we observed that 5.5% withholding taxes amounting to SLE19,053,759.53 were paid but without NRA receipts to justify the payment.

We recommended that the Finance Manager should ensure that receipts for the withholding taxes of Le19,053,759.53 are submitted to the ASSL.

Official Response

Management is facing challenges in accessing the ITAX system, even though several efforts have been made to the Commissioner of Income Tax to assist the Institution but it has been futile. However, we will ensure that the ITAX system is made available to us in order to facilitate the access of receipt on time.

Auditor's Comment

We were not provided with receipts for the said amount during the verification. The issue remains unresolved.

2.43. FINANCIAL INTELLIGENCE UNIT (FIU) - 2022

2.43.1. Withholding Taxes not Deducted and Paid to the NRA

We observed that withholding taxes amounting to SLE6,688 were not deducted and paid to the NRA.

Official Response

We are very much compliant with tax deduction as we are fully aware that government activities including the FIU activities are been financed from tax revenue. The payment in question is an advance payment. We normally deduct withholding tax when making the final payment. The 5.5% deduction is calculated on the contract amount. As at 31st December 2022, the outstanding amount was not paid due to reconciliation between FIU and the supplier.

Auditor's Comment

Evidence of deduction and payment of withholding tax to the NRA was not submitted during the verification exercise. The issue remains unresolved.

2.43.2. Strategic Planning not Submitted

A strategic plan detailing how the Unit intends to track its yearly progress toward achieving its goals and objectives in relation to combating money laundering, terrorism financing and illicit financial flows was not submitted for audit inspection. As a result, we could not ascertain how the Unit planned to tackle the above issues on a yearly basis in relation to its long-term plans. We were also not able to assess the Unit's achievements, outcomes and progress towards its established goals and objectives.

Official Response

The operations of the Unit are guided within the framework of a National Strategy which is developed as the next logical step after the conclusion of the National Risk Assessment process, and any other large-scale sectoral or national assessment that has been conducted within an acceptable timeframe e.g. Mutual Evaluation Report.

After the 1st National Risk Assessment, the Unit had developed a National Action Plan which covered the period 2018 to 2022. The Unit also developed an implementation plan 2020-2023 following the publication of the Mutual Evaluation Report 2020 by the Intergovernmental Action Group Against Money Laundering in West Africa (GLABA), the regional FATF-Style Regional Body (FRSB), which is a specialised agency of ECOWAS.

The objectives of these plans which span several years are cascaded to the divisional work plan of the various divisions on an annual basis.

The Unit is currently working on developing a National Strategy for 2024-2028, following the conclusion of the National Risk Assessment. A roadmap has subsequently been designed to prepare the strategy.

Supporting Documents

- *National Strategy (2009-2014)*
- *National Action Plan (2018-2020)*
- *Mutual Evaluation Report Implementation Plan (2021-2025)*
- *FIU Divisional Work Plan (2022-2023)*
- *Roadmap for National Strategy (2023-2028)*

Auditor's Comment

A strategic plan covering 2009-2014 was submitted during the verification exercise. However, we consider this strategic plan outdated and there is a need for it to be updated to include emerging issues and how the Unit plans to address them.

2.43.3. Database of Foreign Transfers not Submitted

A database showing the undermentioned information was not submitted for audit inspection:

- Reports in respect of foreign transfers submitted to the Unit by reporting financial institutions.
- Details of fines issued, accounts suspended and other incidental reports developed by the Unit.

Official Response

The foreign transaction database report reflects all the inflow and outflow transactions as carried out by customers of the reporting entities (financial institutions). These are reported on a daily basis to the Unit.

The database constitutes the reported foreign transactions and serves as a reference point during the analysis of suspicious transaction reports, to reconstruct the flow of funds between jurisdictions associated with the subjects (Natural and/or legal persons) in the inquiry.

The database is strictly confidential with restricted access as the data (until otherwise proven by successful investigation and prosecution) reflects legitimate transactions carried out by customers. According to the definition of illicit financial flows (IFFs), the three considerations for a foreign transaction to be considered as an IFF are origin, transfer and use, at least one of which must be illegal.

The audit team will be granted a view of the database and the reporting portal for verification without necessarily compromising the confidentiality of the information.

Auditor's Comment

We were given a tour of how the database is operated by the IT Manager of the Unit. No data was given to the team in any form due to the claims in the Management's response above. As a result, we still could not perform any work on the database to reconcile actions taken by the Unit on the database of foreign transfers.

2.44. UNIVERSAL ACCESS DEVELOPMENT FUND - 2022

2.44.1. Management of Receivables

Section 7(1) of the Universal Access Act of 2019 requires mobile network operators (MNOs) to pay levies based on 0.75% of gross income attributable to income tax on 1st January each for the previous year's operation. Moreover, section 3(a) - 3(b) requires MNOs and internet service providers (ISPs), who fail to comply will pay penalties and interest of not more than 25% and 5% of the levy, respectively.

We observed that amounts totalling SLE18,281,217.5 were owed by mobile network operators and internet service providers. However, there was no evidence to indicate that penalties and interests have been levied on these institutions as required by law.

We recommended that the Chief Executive Officer should take necessary action to ensure enforcement of the law and consider imposing additional penalties on defaulters. The evidence of actions taken to recover these arrears should be forwarded to the ASSL.

Official Response

Management accepts your recommendations. The Ministry of Information and Communications and the National Telecommunications Authority have made tremendous efforts to recover these arrears. Receipts of payments for some MNOs and ISPs will be made available.

Auditor's Comment

Of the SLE18,281,217.50, the sum of SLE 7,716,988.86 representing 42% of the queried amount was recovered from the MNOs and ISPs, leaving a balance of SLE 10,564,228.66 still outstanding. Therefore, the issue is partially resolved.

2.44.2. Financial Statements not Submitted by MNOs and ISPs

We observed that of the 14 MNOs and ISPs stated in the draft Financial Statements, only six submitted their Financial Statements to the UADF for the period under review, leaving eight for which Financial Statements were not submitted.

We recommended that the CEO should request the Financial Statements from the MNOs, compute the expected revenue and adjust the Financial Statements accordingly. The adjusted Financial Statements together with the supporting documents should be made available to the ASSL.

Official Response

Management accepts your recommendations. Management has collected seven Financial Statements from MNOs and ISPs. We have made a frantic effort by sending reminder letters to those who have failed to submit their Financial Statements for 2022. Copies of the letters will be made available.

Auditor's Comment

Of the 14 Financial Statements from the MNOs and ISPs, only seven were submitted to the UADF, leaving a balance of seven. Therefore, this issue is partially resolved.

2.44.3. Installation of Rural Telephony Systems

The main objective of the UADF is to facilitate the achievement of universal access, through public-private partnership (PPP) intended to make broadband, ICT and telecommunications services readily available, accessible and affordable. This is to essentially stimulate economic growth, good governance and social networking in underserved and unserved communities, especially in rural Sierra Leone.

We conducted a physical verification exercise to determine whether the installation of the telephony system was done in the three districts (Foingamadu - Kono District, Manosewalu - Kailahun District and Bendutha - Bonthe District) and noted that the installation in Foegamandu was yet to commence, even though the contract deadline had expired and 90% of the contract amount (SLE8,680,611.38) paid to the contractor.

We recommended that the Project Manager should provide an explanation (with the relevant documentary evidence) why the telephony system was not installed in Foingamadu area, in Kono District.

Official Response

The construction of the last tower was in Foingamadu in Kono District. They have explained to us their difficulties mainly due to the shortages of the necessary antennas which are mostly customised built for the type of technology used within the project. The supplier who is responsible for this equipment had experienced supply chain disruption. This situation has been completely out of our control and has impacted on the project delivery. We have however secured all equipment overseas and they have been planned for shipment. They have promised that the last tower will be constructed as soon as the equipment arrive in Freetown, and it will be erected before the ending of October 2023. In future we will adhere to section 34 of the Public Procurement Regulations as stated in your audit findings.

Auditor's Comment

During physical verification, we noted that the last mast to be installed in Foingamadu in Kono District was yet to be completed. The issue is unresolved.

2.45. MILTON MARGAI TECHNICAL UNIVERSITY - 2021

2.45.1. Poor Assets Management

The following issues were observed:

- (i) A fixed assets policy that regulates the use and management of assets owned and controlled by the University was not submitted for audit inspection.
- (ii) The University did not maintain a comprehensive fixed assets register. In addition, the assets register submitted was not updated to include asset acquisition and disposal dates, as well as values of buildings owned and controlled by the University.
- (iii) The University's property, plant and equipment were not insured during the year under review.
- (iv) The Accounting and Finance Procedure Manual did not indicate the depreciation rate for buildings as they were depreciated at 2% in the Financial Statements. As such, we could not confirm the basis of the estimated use as it was not approved by Management.

We recommended that the Finance Officer should ensure the following:

- (i) An assets policy should be developed and submitted to the University Court for approval. Upon approval, it should be communicated to all staff of the organisation.
- (ii) A comprehensive assets register is developed and regularly updated with all assets acquired, written and disposed of.
- (iii) Contract the service of a licensed property valuator to value all their buildings and landed property.
- (iv) Plants, equipment and office buildings owned and controlled by the University are insured to compensate for loss resulting from damage and disasters.
- (v) Title deeds and conveyances to support ownership of its landed property are submitted to the ASSL. In addition, all land owned and controlled by the University should be appropriately demarcated, and the services of a caretaker or security personnel should be employed to deter encroachment or land grabbing.
- (vi) The Accounting and Finance Procedures Manual is updated to include specific rates for the depreciation of all assets owned and controlled by the University. This should be submitted to the University Court for approval, and upon approval, it should be communicated to the staff of the Finance Division.

Official Response

(i) **Fixed Assets Policy not Submitted**

Management will take the necessary actions to develop a proper Assets Management Policy which will serve as an instrument to be used for the regular update of the University assets register and carry out physical verification of all University assets.

(ii) **No Comprehensive Fixed Assets Register**

Management notes the audit recommendation. Appropriate action will be taken by the administration to develop a comprehensive assets register that will provide full details of all the assets owned and controlled by the University.

(iii) **Assets not Insured**

This issue on insurance coverage will be presented to the University Court for consideration. Presently, there is insurance coverage for the University vehicles.

(iv) **Depreciation Rate not in Accounting and Finance Manual**

Plans are in place to update the Accounting and Finance Manual, and will be forwarded to the University Court for approval.

Auditor's Comment

With the exception of vehicles that were insured, our recommendations were not implemented. The issues therefore remain unresolved.

2.45.2. Non-compliance with the Payment of Statutory Deductions

A review of the payable balance in the Financial Statements, showed that SLE1,848,100 and SLE697,488 were outstanding for PAYE and withholding tax respectively.

We recommended that the Finance Officer should ensure that the outstanding are paid to the NRA and the receipt forwarded to the ASSL.

Official Response

Management received this amount as a brought forward figure from the previous report. However, Management is following up on the issue regarding the outstanding PAYE to the Ministry of Finance through the Ministry of Technical and Higher Education for necessary action.

Auditor's Comment

Evidence of follow-up with the ministries was not submitted for verification. Our recommendation was not implemented. The issue remains unresolved.

2.46. MILTON MARGAI TECHNICAL UNIVERSITY – 2022

2.46.1. Inadequate Control over Management of Non-Current Assets

The following were observed:

- i) There was no evidence to confirm that the University insured and licensed its motorbikes, in order to reduce the loss of property, in the event of damage and other disasters as stated in the University's financial manual. Furthermore, the University did not make available six motorbikes for physical inspection.
- ii) Documents such as vehicle life-card and insurance policy to confirm that the University has ownership and control of vehicle registration number AKA 189 were not made available for inspection.
- iii) A comprehensive non-current assets register that provides information regarding the description, date of purchase, location, cost, depreciation rates and charges, netbook values

and status of non-current assets owned and controlled by the University was not made available for inspection. As a result, the team could not place reliance on the cost of assets and respective depreciation figures in the Financial Statements for 2022.

We recommended that the Finance Director and the Estate Officer should ensure the following:

- i) All motorbikes owned and controlled by the University should be insured and licensed to prevent any loss resulting from damage or other disaster. In addition, the six motorbikes should be made available for physical verification and evidence of actions taken by the University made available to the ASSL.
- ii) The life-cards in respect of the six motorbikes and vehicle with registration number AKA 189 should be made available to the ASSL.
- iii) A comprehensive non-current asset register where all the details identified in the finding are recorded should be designed and made available to the ASSL.
- iv) The above register should be updated as and when non-current assets are procured, donated, transferred and disposed of by the University.

Official Response

Effort has been put in place to recall the life-cards of motorbikes which can now be accessed at the University for your verification

- (i) *Management acknowledges the audit recommendation. However, management has put measures in place for the physical verification of all vehicle including vehicles with registration number AKA 198.*
- (ii) *The non-current assets register is being updated and the most recent assets acquired within the period of 2020/21 and 2021/22 do provide information bearing description, date of purchase, location, cost and depreciation rates.*

Auditor's Comment

During our verification, the following were observed:

- Six motorbikes were physically verified, but their insurance and license were not submitted for audit verification. Therefore, the issue was partially resolved.
- The vehicle life-card and insurance policy for vehicle registration number AKA 189 were not submitted. The issue remains unresolved.
- The updated comprehensive non-current assets register was not submitted for audit verification. The issue remains unresolved.

2.46.2. Irregularities in Payroll Administration

Following the termination of staff under the Milton Margai College of Education and Technology (MMCET) on 31st December 2021, we noted that the University offered contracts to staff for one year (4th January to 31st December, 2022). We however requested the contract agreements between the University and employees, but they were not provided for audit inspection.

We recommended that the University's Human Resources Manager should provide a contract agreement that creates legally binding obligations between the parties; together with the approval of the Board.

Official Response

Effort has been put in place to properly maintain contract agreements for all employees. They can now be accessed at the Human Resource Unit for your verification.

Auditor's Comment

Contract agreements between the University and the employees were not made available for audit verification. The issue remains unresolved.

2.46.3. Revised Terms and Conditions of Service not Submitted

The revised terms and conditions of services after upgrading the status from college (MMCET) to university (MMTU) was not submitted for audit review.

We recommended that the Human Resource Manager should develop and submit the University's terms and conditions of service. Evidence of this action should be forwarded to the ASSL.

Official Response

The terms and conditions of service has been developed and will be presented to the University Court for approval.

Auditor's Comment

Evidence of the draft terms and conditions of service for the University was not submitted for audit verification; the issue remains unresolved.

2.46.4. Non-contract Staff Included on the Payroll

From our review of the payroll documents, we noted that of the five staff that were given extensions of service, files were submitted for only three staff. Upon review of the three files, we observed that letters of request and approval from the Polytechnic Council for the extension of their contracts were not in the files. The total salaries paid to the three staff amounted to SLE184,212 for the year under review.

We recommended that the Human Resources Manager should ensure that the necessary documents are provided to the ASSL.

Official Response

Management has put measures in place and made available documents related to extension of service after retirement for your verification.

Auditor's comment

The Human Resources Manager did not submit the request and approval letters for the three staff on extension. Therefore, the issue is unresolved.

2.46.5. Personnel Files not Updated

We observed that personnel files were not updated with staff information such as application letters, performance appraisals, academic/professional qualifications etc.

We recommended that the Human Resources Manager should ensure that staff personal files are properly maintained and updated with the missing documents listed. Evidence of action should be forwarded to the ASSL.

Official Response

Appropriate action will be taken by the Human Resource Manager to ensure that, staff personal files are properly maintained and regularly updated.

Auditor's Comment

Evidence of action taken by management to address this issue was not submitted; therefore, the issue remains unresolved.

2.46.6. Formation of Audit Committee

We observed that the MMTU has established an audit committee in line with good corporate governance principles and Section 76(1) of the PFM Act, 2016. However, the composition of the committee did not include personnel who are independent of the operations of the University, instead,

it is made up of staff who are involved in the day-to-day operations of the University. Furthermore, we were not provided with evidence that the audit committee met during the year under review.

We recommended that the VC&P should ensure that the Audit Committee includes members who are independent of the University in line with Section 76(1) of the PFM Act, 2016. In addition, the Audit Committee should meet regularly.

Official Response

Management noted the audit recommendation and will endeavour to include members who are independent of the University in the Audit Committee which will be charged with the responsibility to monitor and review the internal control system of the University.

Auditor's Comment

Evidence to indicate that the University has revised the composition of its audit committee and that the Committee has met was not submitted for audit verification. The issue remains unresolved.

2.46.7. Students not Issued Identification Cards

We observed that identity cards were not issued to students of the University during the review period. The absence of identity cards exposes the University's assets and facilities to misuse and theft by unauthorised persons.

We recommended that the HR Department should ensure that identity cards bearing the photograph, name, year, program of study and ID number are printed and distributed accordingly. Evidence of this action taken should be forwarded to the ASSL.

Official Response

The Registry has put robust system in place to issue ID cards to students in all three campuses bearing the following: student photograph, name, year of programme and ID number. The Registry only issues ID cards to students who have paid 70% of the fees and have registered. The evidence of student ID card is available for your verification.

Auditor's Comment

During the verification exercise, student's identity cards were not submitted. Therefore, the issue remains unresolved.

2.46.8. No Utility Vehicles at the Brookfields and Congo Cross Campus

During physical verification at the Brookfields and the Congo Cross campuses, we observed that utility vehicles were not assigned to these campuses for administrative purposes. The lack of vehicles may affect the operational activities of the University.

We recommended that the Deputy Vice-Chancellor should put plans in place for the acquisition of official vehicles for administrative and utility purposes; and evidence of such submitted to the ASSL.

Official Response

The Ministry of Technical and Higher Education has the sole responsibility of providing official and utility vehicles for the University. The Administration would forward the request to the Ministry and would then follow-up on it.

Auditor's Comment

The letter of request from the MMTU to the Ministry of Technical and Higher Education to confirm that action was taken by Management in addressing the issue, was not submitted. The issue remains unresolved.

2.46.9. Shortage of Drugs at the University Centre

The following were observed:

- (i) There were shortages of medical drugs at the Goderich Campus Health Centre.

- (ii) The laboratory at the Health Centre was not equipped, as there were shortages of test kits to carry out medical tests.

We recommended the following:

- (i) The University's medical practitioner should ensure that the necessary healthcare drugs for students and staff are requested, or where possible, acquired and supplied to the Health Centre. Evidence of such action should be submitted to the ASSL.
- (ii) The University's medical practitioner should ensure that plans are put in place for the laboratory at the Health Centre to be well equipped through requisition or procurement of such laboratory equipment. Evidence of such plan should be submitted to the ASSL.

Official Response

The administration is pursuing actions to link up with medical/ healthcare stakeholders to provide drugs and healthcare materials to the health centres. Contacts have been established with the Chinese Medical team.

Auditor's Comment

During the verification exercise, evidence such as correspondence between the Chinese medical team and other health partners, delivery notes and invoices were not submitted. The issue remains unresolved.

2.47. NJALA UNIVERSITY - 2022

2.47.1. Implementation of Internal Audit Recommendations

Section 151(3) of the PFMR of 2018 stipulates that a vote controller of a budgetary agency, sub-vented agency, other entities in the central government, local council, social security fund, or public enterprise has the ultimate responsibility to implement audit recommendations.

Contrary to the above Regulation, there was no evidence that various departmental heads responded to any of the sample of 10 internal audit reports issued during FY2022. As such, internal control weaknesses were prevalent in most of the University systems and process carried out in departments. The Vice-Chancellor & Principal and the Registrar should ensure that all recommendations made by the Internal Audit Department are fully implemented for the 10 audit assignments undertaken in 2022. Evidence of actions taken and an action plan on the implementation of these internal audit recommendations should be submitted the ASSL.

Official Response

The act of not implementing the Internal Audit recommendations was really not deliberate rather it was inadvertent. In future, we will treat all such recommendations with utmost good faith so potential risk areas could be addressed before hand.

Auditor's Comment

We did not obtain any evidence such as an action plan for the implementation of these internal audit recommendations. The issue remains unresolved.

2.47.2. Withholding Taxes not Paid to the NRA

We observed that withholding taxes totalling SLE283,523.50 for the Secretariat and SLE66,828.18 for the Bo Campus were deducted from payments made to suppliers and contractors for goods, works and services in 2022. However, there was no evidence of payment to the NRA.

We recommended that the Finance Director and the Acting Senior Assistant Finance Officer - Bo Campus should ensure that the amount owed to the NRA for withholding taxes are immediately paid and evidence of payment submitted to the ASSL.

Official Response

Part payment of the required WHT was made and reported or disclosed in the Financial Statements ready for submission on your verification visit to confirm payment. The remaining will be paid when the trouble we face with the online payment platform is resolved with the NRA, owing to our location; as we currently have challenges with the online payment system established by the tax authority.

Auditor's Comment

Contrary to Management's response, evidence of payment of withholding taxes amounting to SLE283,523.50 for the Secretariat and SLE66,828.18 for the Bo Campus was not submitted for inspection. The issue remains unresolved.

2.47.3. Project Expenditure Returns not Submitted

Section 90 (1a) of the PFM Act 2016 stipulates that for the purpose of conducting audits required under Section 119 of the Constitution, this Act, or any other enactment, the Auditor-General may require any person to provide him or any auditor appointed by him, with any information, evidence, books, records, returns, and documents.

In spite of the above provision, expenditure returns were not submitted by the University to account for the utilisation of SLE51,969,933.01 recorded in the general ledgers and cashbooks as expenditure from various project accounts.

We recommended that the Finance Director should submit the expenditure returns for the queried amount of SLE51,969,933.01 to the ASSL.

Official Response

The project files were handed over to your team of auditors at their regional office in Bo following their departure from the fieldwork at the execution stage of the audit. The project files are all held by the Principal Investigators and they were out in the field implementing the project activities, whilst the audit was ongoing. By the time they returned, they met the auditors had exhausted their period of stay and left.

Auditor's Comment

Expenditure returns were later submitted to account for the use of funds from various project accounts.

A further review of the returns and disclosures in the Financial Statements revealed the following:

- The project expenditure was not reported by their actual classes of transactions and account balances (fuel, stationery, allowances, etc.), in the revised Financial Statements; instead, they were all reported as one bulk figure titled: 'Project Expenditure'.
- Significant differences were observed in the Project income and expenditure reported in the revised Financial Statements when compared to the schedules of the same submitted for audit. The total project income reported in the revised Financial Statements was SLE2,015,218, whilst the total project income as per the schedule submitted was SLE53,969,933.01; resulting in a difference of SLE51,954,715.01. This difference represented the value of project income not recognised in the 2022 Revised Financial Statements. Similarly, the total project expenditure reported in the Revised Financial Statements was SLE3,555,257, whilst the total project expenditure in the schedules submitted for audit was SLE51,969,933.01; resulting in a difference of SLE48,414,676.01. This difference represented the total project expenditure not recognised in the Financial Statements. The issue is partially resolved.

2.47.4. Employees' Social Security Contributions not Paid

NASSIT contributions of SLE3,135,666.82 reported in the Financial Statements for the year ended 31st December, 2021 was reported as current liabilities in the Statement of Financial Position as at 31st December, 2022. This amount was not paid to NASSIT. Under Section 25 of the NASSIT Act of 2001, the University is obliged to pay NASSIT contributions that have been withheld within 15 days of the end of the month, in which it was or should have been withheld. Failure to pay NASSIT contributions increases the risk of penalty on the University.

We recommended that the Finance Director, the VC&P and the Registrar should ensure that, the outstanding employees social security contributions are paid to NASSIT and receipts submitted to the ASSL.

Official Response

The outstanding payment accruing to the Trust will be settled when funds are available, especially when the GoSL honors our Sierra Leone Government Grants-in-Aid receivables. However, a committee has been set up by the Ministry of Finance which is charged with the responsibility of off-setting this debt at source from the long outstanding Sierra Leone Government Grants-in-Aid receivables.

Auditor's Comment

The explanations provided were not supported by any evidence to indicate that the outstanding employees' social security contributions will be paid to NASSIT in the future. The issue remains unresolved.

2.47.5. Employees' PAYE Deductions not Paid to the NRA

Section 116 of the Consolidated Income Tax Act of 2008 mandated the withholding of tax by employers at source. As at 31st December 2021, the total PAYE disclosed in the Financial Statements was SLE2,435,887.59. This amount was reported as current liabilities in the Statement of Financial Position as at 31st December, 2022. The University has however not paid this amount to the NRA.

We recommended that the Finance Director, the VC&P and the Registrar should ensure that the outstanding employees' PAYE deducted are paid to the NRA and receipts submitted to the ASSL.

Official Response

The outstanding payment accruing to the Authority will be settled when funds are available, especially when the GoSL honours our Sierra Leone Government Grants-In-Aid receivables. However, a committee has been set up by the Ministry of Finance which is charged with the responsibility of off-setting this debt at source from the long outstanding Sierra Leone Government Grants-In-Aid receivables.

Auditor's Comment

The explanations provided were not supported by any evidence to indicate that the outstanding employees' PAYE will be paid to the NRA in the future. The issue remains unresolved.

2.47.6. Bank Confirmation Replies not Received

A request was made through the Vice-Chancellor and Principal and the Finance Director to five of the University's bankers to confirm the existence of the 45 bank accounts of the University and their balances as at 31st December, 2022. However, the audit team received bank confirmation replies from only two out of the five bankers. The total bank balances reported in the Financial Statements for the unconfirmed accounts amounted to SLE8,388,291.

We recommended that the Finance Director and the VC&P should follow up with the remaining three banks to reply to the auditors' request for confirmation of accounts and the closing balances as at 31st December, 2022.

Official Response

Our understanding was, since you were the ones that sent those bank confirmation letters; we thought you should be the ones to collect them from our respective banks. Except otherwise that there was instruction to send it to a designated office address, you need to check out the correspondence trail at that same address or you collect them in person. The usual practice by your team is that, you often collect them from the various banks; hence, they are awaiting you to collect them at your earliest convenience. Another challenge is, many bank managers do not even seem to understand the audit process and the bank confirmation letters sent out. A letter has been written to the respective banks with clear instructions to do so soonest. We will follow up with them and revert to you all necessities.

Auditor's Comment

Of the 45 bank accounts disclosed in Note 8 of the revised Financial Statements, confirmations were received for only nine bank accounts; leaving out 36 accounts with a total cashbook balance of SLE8,388,291 that was not confirmed.

Additionally, the total cash and bank balances of SLE17,278,475, reported in the Statement of Financial Position of the revised financial statements, was under-reported by SLE1,231,382; due to a bank overdraft in the Main Operating Account that was net off from the cash and bank balances as recorded in Note 8 of the Financial Statements. This overdraft should have been reported under current liabilities as required by the reporting framework, the International Financial Reporting Standards (IFRS). Therefore, this issue remains unresolved.

2.47.7. Monthly Bank Reconciliation Statements not Submitted for Audit

We requested for the monthly bank reconciliation statements for the year under review. However, they were not submitted by the Finance Director. Therefore, we could not verify the accuracy and completeness of the cash and bank balances reported in the Financial Statements for the year ended 31st December, 2022.

We recommended that the Finance Director should immediately submit the monthly bank reconciliation statements for audit review.

Official Response

The bank reconciliation statements were alongside the cashbooks submitted for audit as a worksheet next to the cashbooks. However, we will make them available again for your verification.

Auditor's Comment

Bank reconciliation statements were submitted during the verification exercise. Our review of the reconciliation statement submitted in respect of the Main Operating Account, showed an overdraft cashbook balance of SLE1,177,210.90; while the overdraft recorded in Note 8 of the Financial Statements was SLE1,231,382; leading to a difference of SLE54,171.10. The issue is therefore partly resolved.

2.47.8. Schedule of Biological Assets and Capital Grants not Submitted for Audit

During a review of the Statement of Financial Position as at 31st December, 2022 and the Notes to the Financial Statements, we observed that Biological Assets and Capital Grants, totalling SLE992,500 had no schedules to explain the composition of these balances.

We recommended that the Finance Director should ensure that the schedules are provided to support the figures already disclosed in respect of Biological Assets and Capital Grants in the Financial Statements as at 31st December, 2022.

Official Response

The necessary explanations relating to these assets have been duly included in Note 11 to the accounts in respect of Biological Assets. In addition, a donation register is at the same time maintained for all assets donated to the University by philanthropists, and is available for your verification. As an addendum, the University's Biological Assets include cattle, chickens and pigs for the period under review. Biological Assets are measured at the best estimated market price prevailing at the reporting date less cost to sell.

Auditor's Comment

The revised Financial Statements submitted did not contain a schedule to explain the composition of the capital Gains balance in the Statement of Financial Position. In addition, the computation of the Biological Assets value in Note 11 of the revised Financial Statements included a re-measurement gain of SLE360,496 and loss of SLE149,839 on Biological Assets. However, there was no evidence provided to justify the gain and loss. The issue remains unresolved.

2.47.9. Supporting Schedules not Available for Receivables

During the review of the Financial Statements, we observed that the total value of Sierra Leone Government Grants-in-Aid receivables and student fees receivable for FY2022 (with details given in Note 6) were to the tune of SLE40,147,583 and SLE936,852 respectively. However, these receivables disclosed were neither supported by any schedules nor a student fees arrears list for the audit team to confirm the accuracy and reliability of the figures.

We recommended that the Finance Director, the VC&P and the Registrar should ensure that frantic efforts are made by contacting officials at the MTHE and the MoF to ensure that these receivables do not become bad debts to the University and are paid accordingly. In addition, the Finance Director should submit the schedules and student fees arrears list to the ASSL.

Official Response

Relentless efforts were made by contacting all those concerned supervisory ministries in an effort to collect these outstanding debts owed by the Government of Sierra Leone, but all proved futile. Evidence of such correspondence is available should you require confirmation of this assertion. In addition, the Students' Fees Receivables brought forward from previous years have mostly been collected and hence, included in the fees' income disclosed in the Financial Statements.

Auditor's Comment

Schedules of Sierra Leone Government Grants-in-Aid receivables and Students' Fees Receivables to the tune of SLE40,147,583 and SLE936,852 respectively were not submitted for verification. As a result, we could not confirm whether the amounts, as disclosed, are correct. The issue remains unresolved.

2.48. NJALA UNIVERSITY: 2020-2021

2.48.1. No Evidence of Applicable Procurement Procedure

We observed the following:

- A review of the cashbooks revealed that payments were made from the University's International School account for procurement activities amounting to SLE45,951.72 for the year ended 31st December, 2021. There was however no evidence to show whether the required procurement procedures were followed.
- A review of the cashbooks revealed that payments were made from the Njala University Bo Campus main operating account for procurement activities amounting to SLE236,107.22 for the year ended 31st December 2020. There was however no evidence to show whether the

required procurement procedures such as: Request for Quotation/Proposal (RFQ/P) and tendering process were followed.

We recommended that:

- (i) The University Procurement Officer should ensure that the procurement documents in support of procurement activities amounting to SLE45,951.72 are submitted to the ASSL.
- (ii) The Assistant Procurement Officer should ensure that the documents in support of procurement activities amounting to SLE236,107.22 are submitted to the ASSL.

Official Response

The relevant source documents have been traced and are now available for verification.

Auditor's Comment

- No documentary evidence was submitted to confirm that procurement activities amounting to SLE45,941.72, in respect of the University's Secondary school were carried out. The issue remains unresolved.
- Documents submitted amounting to SLE181,899.13 representing 77% of the queried amount was verified, leaving an outstanding amount of SLE54,208.09 without any documentation. The issue is substantially resolved.

2.48.2. Fees not Received in Respect of SL Grant-in-Aid

We observed that the Sierra Leone Grants-in-Aid Receivable for 2021 stands at SLL28,625,575.17. We further noted that the Grants-in-Aid Receivable keeps increasing; indicating that the University has not been receiving fees in respect of Grants-in-Aid from the Central Government.

We recommended that the Vice Chancellor and Principal should engage the Ministries of Technical and Higher Education and Finance for the payment of fees in respect of Grants-in-Aid subsidies.

Official Response

Several frantic efforts had been made by the University Administration gearing towards the collection of this long outstanding amount from the Government of Sierra Leone, but all proved futile. Several exchanges of polite correspondence among Njala University, the Ministry of Finance and the MTHE regarding liquidation of the amount had been done. The latest one was sent to the MTHE on 12th January, 2022. Since that time, we are yet to hear from them. Copies of documentary evidence substantiating our claims are all readily available.

Auditor's Comment

We reviewed and verified documents submitted by the University to the MTHE regarding Grants-in-aid receivable. However, no evidence of payments by the Government was submitted for Grant-in-aid owed to the University. The issue remains unresolved.

2.48.3. Non-revaluation of the University's Assets

We observed that there was no property valuation or revaluation certificate in respect of the period under review. This was to confirm that Njala University property such as land and buildings, have been revalued.

We recommended that the Finance Director should ensure that the University's property are revalued and evidence such as valuation or revaluation certificates are forwarded to the ASSL.

Official Response

There was no revaluation work done on any of the University's properties, hence; no property valuation certificate available. However, frantic efforts are in place to do the needful in collaboration with our supervisory Ministries including the Ministry of Lands Housing and Country Planning and the Ministry of Works and Public Assets.

Auditor's Comment

The revised Financial Statements showed that the property was not revalued during the period under review. The issue remains unresolved.

2.48.4. Vehicles without Life Cards

We observed that life cards in respect of 20 vehicles owned by the University were not submitted for audit review. As a result, we could not confirm whether the vehicles were actually owned by the University; and these could result in a misstatement of the value of property plant and equipment reported in the Financial Statements.

We recommended that the Finance Officer and Director of Property Services should ensure that the life cards are made available to the ASSL.

Official Response

Most of these vehicles are even grounded and not functional; and are neither licensed, nor insured. The others were with the Anti-Corruption Commission in Freetown for the investigation of the Njala University including other public Universities. Upon completion of their investigations (of which we were cleared), the ACC returned our documents. However, the life cards were not included, and we could not find a trace of them. We made several visits in an effort to retrieve them but all prove futile.

Auditor's Comment

During the verification, we received two life cards out of the 20 that were outstanding. The issue remains unresolved.

2.48.5. Bed-floors not Seen and Verified

Review of documents revealed that 50 sets of 3 feet 6 inches wooden beds valued at SLE37,500 were procured for the students' hostels on 15th May, 2020. During physical verification, we observed that 25 of the beds were still in the store without bed floors, even though the full sets were paid for and supplied. In addition, these beds have been kept in the store for over two years and have not been put into use.

We recommended that the Dean of Students should ensure that the full sets of the 25 beds are distributed to students and evidence submitted to ASSL. Otherwise, the full amount of SLE37,500 should be recovered and paid back into the University account.

Official Response

These will be distributed on request when there are damages to existing ones and reason (s) stated for such damage and the distributed list will be handed in for verification thereafter.

Auditor's Comment

The distribution list to confirm that the 25 bed floors were distributed to the students was not submitted for review. The issue remains unresolved.

Challenges at the Various Departments

We verified the physical conditions of the various departments and the following were observed:

- The Biology Department lacked microscope for research and reading.
- The Computer Science and Information Technology Department lacked adequate computers.
- Physics and Computer Science Department lacked basic advanced analytical equipment and there was no Lab Technician.
- There was inadequate water supply at the Aqua Culture and Fisheries Management Department for the production of fish and fish feeds.

Challenges at the Njala University Hospital

We verified the physical conditions of the Njala University Hospital and the following were observed:

- The laboratory lacked reagents, microscope, refrigerator, centrifuge, incubator, air condition and substantive lab technician.
- The dispensary lacked air conditioners and morphine drug.
- The Hospital had a theatre but no surgeon.
- The female ward and labour room lacked electric fans and air conditioners
- X-ray machine was available but had not been installed for the past five years
- Ultrasound machine was not available and patients were therefore referred to Bo for ultrasound.
- The Hospital had no blood bank.
- The Hospital lacked Pharmacist and Radiographer.
- The Hospital lacked adequate nurses and CHOs.

2.48.6. Fixed Assets not Made Available for Verification

Physical verification of fixed assets revealed that assets procured by the Bo campus administration for the period under review amounting to SLE44,350 were not made available for physical verification.

We recommended that the Director of Property Services should ensure that unverified assets are made available to the ASSL.

Official Response

The assets will be made available for your audit verification.

Auditor's Comment

We verified 2 of the 18 outstanding assets procured in 2020 and 2021. The issue remains unresolved.

Challenges Affecting the Student Hostels

We verified the physical condition of the students' hostels and the following were observed:

- The hostels lacked fire extinguishers, smoke detectors, fire alarm systems and fire hydrants.
- There was lack of security presence at the hostels.
- Student accommodation was not enough to accommodate all students of the university.

2.48.7. Receipt Books not Submitted

Review of bank statements revealed that a total of SLE139,110 was collected by the University International School as fees for 2020/2021 school year. However, there was no evidence that official receipts were issued by the school. In addition, class admission and promotion lists and class registers were not submitted to support the total school fees collected for the period under review.

We recommended that the Finance Director should provide the official receipts, class admission and promotion lists and class registers used in the collection of revenue. In addition, monthly reconciliation should be done between the receipt books and bank statements for fees account.

Official Response

Fees collected for 2020/2021 school year was for Nursery one (1), two (2) and three (3) only. The school did not receive any fees subsidy for Nursery Department for the period under review. Bank slips/receipts are available for verification. In addition, copy of 2020/2021 Class list, Admission and Class Registers are also available to support the total school fees collected for the period under review for your audit confirmation. Classes one (1) to six (6), JSS one (1) to three (3), SSS one (1) to three (3) did not pay school fees for the period under review (2020/2021). Fees subsidy that was received

for the period under review (2020/2021) was for the Departments that were not paying fees; JSS and SSS. The Bank Statement will clearly spell out Deposit/Purpose/ Department

Auditor's Comment

During the verification, there was no evidence submitted to indicate that official receipts were issued for school fees collected by the University International School. The issue remains unresolved.

2.48.8. Bank Confirmations not Received

A request was made through the Vice Chancellor and Principal to the Sierra Leone Commercial Bank, Union Trust Bank, United Bank for Africa, Ecobank and Rokel Commercial Bank to confirm the bank accounts of the University and their balances as at 31st December, 2020 and 31st December, 2021. However, bank confirmation replies from the banks to confirm these accounts balances were not submitted. The total financial statements balances of these unconfirmed accounts were valued at SLE5,879,792.34 and SLE5,266,060.89 for 2020 and 2021 respectively.

We recommended that the Finance Officer should follow-up with the banks for the confirmation of bank balances.

Official Response

We have since communicated with those banks who failed to reply to the bank confirmation letters you sent during the execution stage to immediately send their replies as directed in the confirmation letter sent by your office. On the receipt of this management letter, we have again reminded them to do so immediately.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

2.48.9. Statutory Deductions not Paid to the Relevant Authorities

We reviewed the schedule of current liabilities in Note 10 of the Financial Statements and observed that PAYE taxes and NASSIT contributions totalling SLE2,435,888 and SLE3,135,667, which were deducted since 2019, were not paid to the NRA and NASSIT respectively. These figures continue to appear as current liabilities in the books of the University.

We recommended that the Finance Director should ensure that PAYE taxes and NASSIT contributions are paid to the relevant authorities and receipts submitted to the ASSL.

Official Response

The administration of NASSIT Southern Region Office and the Njala University administration have held joint meeting regarding the outstanding NASSIT contribution. We are on the verge of agreeing on a comfortable payment plan until the last amount is liquidated.

As for the PAYE taxes, this will be paid when our outstanding Sierra Leone Government Grant-In-Aid arrears is recovered from the Government or have it set-off at source on remittance and receipt forwarded to us and by extension your office as evidence.

Auditor's Comment

The audit team did not receive evidence of payments of the outstanding employees' social security contribution and the PAYE taxes. The issue remains unresolved.

2.49. EASTERN TECHNICAL UNIVERSITY – 2022

2.49.1. Lack of Staff to Support Academic and Technical Services

The University had staffing challenges since its transition in October 2021. There were inadequate funds to finance the recruitment and payment of salaries from the Ministry of Finance. Therefore,

associate and part-time staff were hired to fill the gap. This created a high financial burden on the institution as the hired staff were paid from internally generated funds.

We recommended that the Registrar should liaise with the relevant authorities to ensure that appropriate manpower planning is done to support the staffing needs of the University.

Official Response

“The administration agrees with the audit finding on the audit question above.

- *Before the upgrade of the former Eastern Polytechnic to the Eastern Technical University, the Ministry of Technical and Higher Education (MTHE), through the Tertiary Education Commission (TEC), mandated the institution to do a staff establishment showing the staff at post then and how many staff will be needed to run the University across all faculties and departments. That assessment was done and submitted to the authorities mentioned above. Also, in a bid to address understaffing, the administration advertised for the recruitment of highly qualified staff with the permission of the University Court. Interviews were conducted and recommendations made in accordance with the Universities Act of 2021, the University Ordinances and Statutes. The recommended candidates have not been brought on the Accountant General’s payroll fully by the Government. With respect to the budgeted funds requirement for the payment of salaries, the administration has done the budget and submitted to the Government. This is because, government is responsible for the payment of 75% salaries of Administrative, Academic, and Support Staff of the University. The budget needed for the smooth running of the institution as a university has been done and submitted to the Ministry of Finance through the Tertiary Education Commission (TEC) and the supervising Ministry. Actions are yet to be taken on the matters above by government.*

Auditor's Comment

Evidence of actions taken to implement our recommendations were not submitted for audit verification. These issues remain unresolved.

2.49.2. Lack of Insufficient Infrastructure and Equipment

We conducted a physical verification of the University's facilities and observed the following:

- The equipment needed for teaching and learning, especially for practical lessons, were inadequate.
- The carpentry, auto electrical and building construction workshops lacked the basic equipment needed for effective practical classes for students.
- Recent and up-to-date academic textbooks were lacking as most of the books in the library were old editions.
- The computer lab lacked electric fans or air conditioners to provide ventilation for the computers.
- The e-library was without internet connectivity. In addition, most of the computers were faulty.
- There was no cataloguing officer for sorting and cataloguing newly supplied textbooks.

We recommended that the Vice-Chancellor should ensure the following:

- As a temporary measure, the University should manage class sizes by introducing a three shift system, distance learning and weekend classes to reduce the number of students per class. This will allow for quality teaching and learning.
- With immediate effect, the Registrar should secure the services of Service Provider to fix the internet issue and repair the faulty computers.

Official Response

Introduction of a shift system known as the Extended Programme. The Extended Programme was introduced to cater for workers who want to study while working. These set of students attend classes/lectures from 4:00 p.m. to 9:00 p.m.

starting Monday through Saturday. The Programme has gained prominence and has been very effective in managing the accommodation of students.

The establishment of the Directorate of University Partnership and Resource Mobilisation. Since its inception, the Directorate has signed MoUs with several institutions and individuals who wish to assist the University in various areas. For example, there is a pending MOU with Professor Amara, who has a well-furnished STEM facility in Kenema, which will be made available to the ETU and will also buy some equipment and reagents for the University.

Despite the efforts made by the Administration, prior to the transformation of the institution from the Eastern Polytechnic to the Eastern Technical University of Sierra Leone, the Government requested the institution to do a needs-assessment of the University. The assessment was done, costed and sent to government, but no action has been taken.

The Eastern Technical University of Sierra Leone is a public institution regulated by government through The Ministry of Technical and Higher Education and the Tertiary Education Commission. The activities of the University are guided and regulated by policies. In respect of the recommendation above, during the 2022/2023 academic year admission, government, in pursuance to the fulfilment of the Radical Inclusion Policy, mandated all public universities to admit all candidates that applied and were qualified. That instruction accounted for the influx of students that were admitted that year. However, the institution has put further systems in place to guide students' admission so as to ensure continuous quality assurance going forward."

Auditor's Comment

Action has not been initiated to implement the audit recommendations. The issues remain unresolved.

2.49.3. Financial Challenge for the Effective Operations of the University

We reviewed salary payment records and held discussions with the Finance Director and the Registrar, and observed the following:

The payment ratio of 75:25 for salaries of staff by the Government and the University respectively, has placed serious financial burden on the University. The Eastern Technical University (ETU) is responsible for paying 25% of the allowances of all full-time staff on the University's payroll. In addition, the University pays in full, salaries of associate and part-time lecturers, contract and retired staff.

The total subvention and Grants-in-Aid payable to the ETU for the year was not communicated to the University beforehand. The payments were irregular, and the amounts fluctuated throughout the financial years. In addition, budgetary transfers were grossly insufficient to meet the needs of the institution.

Inadequate financing of the institution grossly affects the general performance and development of the University, which in turn impact the quality of service.

We recommended that the Vice-Chancellor & Principal should ensure the following:

- Proper arrangements are instituted with the Ministry of Finance (MoF) to ensure that government takes full responsibility for the payment of salaries to staff.
- Liaise with the MoF to ensure: (a) regular, adequate and timely payment of subventions and grants-in-aid to finance the University's approved budget; and (b) the MoF inform the University of its budgetary allocation for each financial year before or in December of the preceding year to aid adequate planning. Evidence should be forwarded to the ASSL.

Official Response

The administration acknowledges the fact that funds are inadequate for the operations of the University. However, reasonable measures have been put in place to ensure additional funds are generated outside government subvention.

A retreat organised by the MTHE in collaboration with MoF focusing on addressing the above concerns has been held, and further strategies and steps have already been taken.

The following actions have been taken:

The development of business plans/proposals. For example, business plans have been developed for the production and marketing of pure water and the establishment of the university farm. When arrangements are finalised, the projects will contribute to internal revenue generation.

The institution is also in the process to partner with Dr. Seawright to undertake a poultry project which will be financially viable for the University.

The fabrication of metal chairs for other institutions through the workshops (i.e., mechanical, carpentry and joinery, automobil engineering workshops) available in the institution.

With regard the taking over of full payment of salaries of staff by government, the institution has been and will continue to engage the Ministry of Finance through the MTHE and TEC in several meetings. The University still continues to pay 25% of staff salaries, which has hugely accounted for the high wage bill.

The administration has, over the years, raised serious concerns over the irregular figure and payment of the subvention. It is ridiculous to note that the polytechnic subvention was higher than the university's. The payment of the Grants-in-Aid is nothing good to write home about. Since 2017, the institution has not received anything from government, even though it was factored in the 2023 national budget. However, the administration will continue to knock on relevant doors to ensure that the payments are effected."

Auditor's Comment

Proper arrangements were not instituted with the MoF to ensure that government takes over the full payment of staff salaries. There was also no evidence that the University liaised with the MoF as recommended by the ASSL. The issues remain unresolved.

2.49.4. Terms and Conditions of Service not Submitted for Audit

Based on scrutiny of the University's operations, we noted that it transitioned from a polytechnic to a university in October 2021. From the minutes of the inaugural Court meeting held on 14th January 2022, the administration was advised to terminate the services of all former Eastern Polytechnic staff, and appoint those with the requisite qualification and experience. The following issues were however noted:

- Termination of employment of all staff (Academic and Admin. staff) of the Eastern Polytechnic as advised by the University Court was not instituted instead, the University continued with the same polytechnic structure.
- Computation of severance benefits due to all staff of the former Eastern Polytechnic was not done. Recognition or appropriate disclosure of severance benefit liability was not done in the University's accounting records or draft Financial Statements submitted for audit. In addition, evidence justifying payment of severance benefit or commitment from the Ministry of Finance in honouring severance benefits were not seen/submitted for audit.
- Terms and conditions of service governing the employment of all staff (academic and admin. staff) were not submitted for audit, and it was evident that one is yet to be prepared.
- The staff of the University (academic and administrative) were paid based on the polytechnic salary structure as a result, this could impact the efficiency and effectiveness of services being delivered.

We recommended that, the Registrar should ensure the following:

- The Court's decision is immediately implemented.
- Severance benefit should be computed for all staff of the former Eastern Polytechnic, and appropriate recognition or disclosure made in the University's accounting records. In addition, evidence justifying payment of severance benefits or commitment from the Ministry of Finance in honouring these payments should be submitted to the ASSL.

- The terms and conditions of service governing the employment of all staff (academic and administrative) should be submitted to the ASSL. If such a document is unavailable, one should be designed and submitted to the University Court and the supervisory ministry for approval.
- The University Court should liaise with the Ministry of Technical and Higher Education and the Ministry of Finance to come up with a strategy or roadmap in addressing the issue of salary disparity and payment. This should be in line with the salary structure of universities in Sierra Leone.
- Evidence of actions taken should be submitted to the ASSL.

Official Response

Mechanism has been put in place to implement all Court's decisions. For example, the Administration has computed and submitted the severance benefits due to all staff to the Ministry of Finance through TEC and MTHE. The audit team from the Ministry of Finance has verified all former polytechnic staff members with respect to the severance benefits payment.

*When the institution gained the university status, the polytechnic conditions of service were upgraded and aligned with the conditions of service for existing universities. A review of the harmonisation of universities conditions of service was done and was titled: **"Harmonised Conditions of Service for Senior Administrative and Academic Staff in Tertiary Institutions in Sierra Leone"**. The harmonised conditions of service were presented to the Court for approval and implementation. The Court only approved the implementation of some allowances (those that can be handled by the University) in the existing university conditions of service. The harmonised conditions of service await the approval of TEC and MTHE for its full implementation.*

Currently, the staff members continue to receive the polytechnic salary even though they are functioning as university lecturers."

Auditor's Comment

There was no evidence of a plan instituted to facilitate the implementation of the Court's decision. Our recommendation was not implemented. The issue remains unresolved.

Severance benefit has been computed for all staff of the former Eastern Polytechnic, and appropriate recognition or disclosure has been made in the University's accounting records. However, payments have not been made to staff. The issue is partially resolved.

The explanation given indicates that the conditions of service has been upgraded and aligned with same for existing universities. However, it was not made available during verification. The issue remains unresolved.

The staff of the University (academic and administrative) are currently being paid based on the polytechnic salary structure. The issue remains unresolved.

2.49.5. Notification to Unsuccessful Bidders

Our review of the procurement activities undertaken by the University revealed that all the contracts during the review period were awarded to the bidders recommended by the Evaluation Committee. However, the evidence to indicate that regret letters were sent to unsuccessful bidders stating the reasons for their rejection was not made available for audit inspection, contrary to (Section 152 (2)(o) of the PPR of 2020).

We recommended that the Procurement Officer should provide the regret letters sent to unsuccessful bidders to the ASSL.

Official Response

The Procurement Officer said that notification for non-award of contract to all unsuccessful bidders were sent.

Auditor's Comment

Our recommendation was not implemented. There was no evidence to indicate that regret letters were sent to unsuccessful bidders stating the reasons for their rejection. The issue remains unresolved.

2.50. ERNEST BAI KOROMA UNIVERSITY OF SCIENCE AND TECHNOLOGY: 2018-2021

2.50.1. Payables without Supporting Documents

From the review of the Financial Statements, the audit team noted that balances totalling SLE55,906 and SLE155,000 were reported under payables as suppliers' tax and local creditors, respectively. However, supporting documents such as creditor listings and suppliers' statements were not made available for audit.

We recommended that the Finance Director should provide the documents listed above to the ASSL.

Official Response

All supporting documents relating to payables, including the breakdown of creditors' listing, suppliers' statement and reconciliation, are now ready for inspection.

Auditor's Comment

The Finance Director did not submit the relevant documents relating to the payables reported in the Financial Statements for the Secretariat for 2018. The issue remains unresolved.

2.50.2. Encroachment on University Property

The audit team discovered that property (land) belonging to the University were not protected. As a result, several private and public structures had been erected on the University land in the Port Loko and Makeni campuses; the Secretariat and at the Government Technical Institute (GTI) in Magburaka.

We recommended that the University authorities should ensure that adequate measures are taken to protect the land of the University from further encroachment by private individuals.

Official Response

Several engagements had been held with traditional authorities and the community people in our various operational areas about the encroachment on the University land. The University had started demarcating its land property to ward off trespassers from further encroachment.

Auditor's Comment

Management's response is noted. However, no evidence was submitted to justify or confirm the action taken by Management to resolve this issue. The issue remains unresolved.

2.50.3. Management of Fixed Assets

Secretariat-Magburaka Campus

The audit team noted from the review of the assets register that the dates of purchase of some of the assets, their location, status and identification numbers were not indicated in the register. These assets, valued at SLE1,229,598 were not found during the physical verification.

We recommended that the updated assets register capturing the dates of purchase, locations, asset codes, status are made available to the ASSL. In addition, the assets valued at SLE1,229,598 should be made available for verification.

Official Response

All other issues relating to the assets register, ranging from dates to depreciation charges, had been computed in the assets register.

Auditor's Comment

- A review of the soft copy of the assets register submitted by the Secretariat and Magburaka Campus still revealed that the issue relating to dates of purchase, asset location, status and identification numbers had not been completely resolved.
- The cost of some assets on the updated register differed from that on the initial Register submitted for audit verification. Without the source documents, we could not confirm the correctness of the assets' cost included in the register. The issue remains unresolved.
- Some of the descriptions of the assets were not indicated to identify the particular type of assets in the register. One can only see the reference in the description. The issue is partially resolved.
- The assets valued at SLE1,229,598 were not made available. The issue remains unresolved.

Government Technical Institute (GTI) Campus - Magburaka

The following were observed:

- Several land and buildings belonging to the University were neither included in the assets register nor disclosed in the Financial Statements for the period under review.
- The team noted that assets found in the assets register were not part of the master assets register maintained at the Secretariat. As a result, the cost of office equipment valued at SLE260,781, procured in 2021, was not part of the University's property, plants and equipment figures reported in the Financial Statements. Furthermore, the depreciation charged on office equipment amounting to SLE25,988 was not part of the depreciation figures reported in the Financial Statements.
- The GTI assets register only recorded assets procured under the Skills Development Project in 2021. Several assets procured by the University before and during the period under review, were physically verified. They were neither recorded in the GTI, nor in the secretariat's assets register.

We recommended that the Finance Director should ensure that a stock take of all assets is carried out to determine the total assets owned and controlled by the University. After that, a comprehensive assets register should be developed and submitted for audit inspection.

Official Response

The Government Technical Institute's assets register has been incorporated in the master register of the University, and consequently, all associated cost and depreciation charges have been included in the Financial Statements.

Auditor's Comment

Our recommendations were not implemented. The issues remain unresolved.

Makeni Campus

The following were observed:

- A comprehensive assets register was not submitted for the period under review.
- Several assets said to have been procured during the period under review were not captured in the inventory register. As a result, the audit team could not ascertain whether these assets were captured in the cost of assets disclosed in the Financial Statements for the period under review.

We recommended that the Finance Director should ensure a comprehensive assets register is maintained with details of newly procured assets, and submitted to the ASSL.

Official Response

A comprehensive assets register for the Makeni Campus is now available, detailing all depreciation charges as enshrined in the University's accounting manual.

Auditor's Comment

Our recommendations were not implemented. The issues remain unresolved.

2.50.4. Salaries Paid to Staff after their Retirement

The audit team observed that the names of 10 staff members who retired from the University in 2020 and 2021 were not deleted from the payroll. The total amounts paid to those staff were SLE145,935 and SLE97,243 respectively.

We recommended that the Director of Human Resources should ensure that the names of all retiring staff are removed from the payroll promptly. Furthermore, the Finance Director should ensure that amount totalling SLE145,935 and SLE97,243 paid to the retired staff are fully recovered and evidence of recovery submitted the ASSL.

Official Response

Documents that were erroneously filed have been retrieved and are ready for inspection. The names of staff members who left the University due to resignation or death are normally sent to the Accountant General Department for deletion from the central payroll.

Auditor's Comment

Our recommendations were not implemented. The issues remain unresolved.

2.50.5. Terminal Benefits Not Paid

Interviews with key personnel and physical verification of staff revealed that contracts of staff of the then Northern Polytechnic and Port Loko Teacher's College were terminated. These staff were then incorporated into the new established Ernest Bai Koroma University of Science and Technology workforce in 2019. The audit team however noted that the end-of-service benefits were not paid. Furthermore, the University did not provide a comprehensive database of all those staff that were incorporated, and no estimate of the exact amount of the liability owed to those staff was provided for audit inspection. Similarly, the team noted that the terminal benefits were not recognised as liability in the draft Financial Statements. Furthermore, no provision was made in the Financial Statements for severance benefits.

The following were recommended:

- Details of all staff who were incorporated into the University's operation from the then PLTC and Northern Polytechnic should be made available for audit review.
- Make provision for severance benefits in the revised Financial Statements and evidence submitted to the ASSL.

Official Response

Staff members who were incorporated into the University systems during the transition period are entitled to end-of-service benefits. The Ministry of Finance has requested the full details of all our campuses and payment is expected soon. Also, a provision is made in the Financial Statements to provide for ex-gratia owed to staff over the period.

Auditor's Comment

Details of staff members who were incorporated into the University system were submitted for verification. Correspondence to the MoF to settle the outstanding terminal benefit to the concerned

staff was also submitted by the Management team to resolve the issue. However, evidence of payments of the terminal benefits to the affected staff was not provided for audit inspection. Therefore, the issue remains unresolved.

Furthermore, no provision was made for the active staff members in respect of their ex-gratia and terminal benefits. The issue remains unresolved.

2.50.6. Payment without Adequate Supporting Documents

Payments made for various activities amounting to SLE7,292,811 for the period under review were without adequate supporting documents such as receipts, delivery note, approved distribution list and signed lists of beneficiaries for goods.

We recommended that the Director of Finance should ensure that the supporting documents in respect of the expended amounts are submitted to the ASSL.

Official Response

This was a case of documents not well organised for audit inspection but action has been taken to complete the documentation of every transaction during the period under review.

Auditor's Comment

Supporting documents for the remaining payments totalling SLE261,539.59 in respect of the different years were still not submitted for verification. The issue is substantially resolved.

2.50.7. Bank Overdraft Facility without Authority

A review of the notes to the budget performance for 2020 revealed that the University had an overdraft facility agreement of SLE1,500,000 with the Sierra Leone Commercial Bank to support its operations and an authority from the MoF for the said overdraft. However, the letter of authority from the MoF was not submitted for audit inspection.

We recommended that the Finance Director submit the approval from the MoF for the overdraft facility obtained from the Bank.

Official Response

Letter of authority between the University and the Ministry of Finance for an overdraft facility is available and ready for inspection.

Auditor's Comment

A letter for the overdraft request sent to the Sierra Leone Commercial Bank was submitted for verification. However, the approval from the Ministry of Finance for the overdraft facility was not submitted for verification. The issue remains unresolved.

2.50.8. Bank Confirmation not Submitted

Bank confirmation was not submitted for two accounts maintained at the Union Trust Bank from 2019 to 2021. A total of SLE205,418 was reported in the statement of financial position for these accounts.

We recommended that the Director of Finance facilitate the submission of the bank confirmation from the University's banker.

Official Response

Cash balance at the Union Trust Bank has been recognised and disclosed in the Financial Statements.

Auditor's Comment

The bank confirmations for the two accounts maintained by the University at the Union Trust Bank were not submitted for audit verification. The issue remains unresolved.

CHAPTER III – MINISTRIES, DEPARTMENTS AND DIPLOMATIC MISSIONS

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MAIN POINTS

What We Examined

As stipulated in Section 119 (2) of the 1991 Constitution of Sierra Leone and Section 11(1&2) of the Audit Service Act of 2014, we conducted the audits of Ministries and Departments. These audits were risk-based compliance audits.

For a selected function or area within a Ministry and Department, we examine, on a test basis, a sample of transactions in a given time period and form a judgement on whether applicable laws, policies and regulations have been complied with and whether the systems and practices are adequate to exercise a reasonable level of internal control over operating activities. The areas and functions we selected for examination were those where the risk of non-compliance is high, based on our cumulative audit knowledge and experience or the nature of the activity.

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs) and relevant legislative and administrative guidelines.

As in the previous year, our audit work on Ministries and Departments included the examination of the operations of six diplomatic missions.

The findings and recommendations from the audits of the Ministries and Departments were discussed with the key personnel involved and communicated in individual management letters for their comments and necessary action. Responses received from them, where deemed appropriate, have been included in this Report.

Why It Is Important

Every year, the Legislative arm of government passes budget into law which empowers the Executive to collect revenue and make expenditure as authorised by an Act of Parliament. Therefore, any expenditure made for a purpose other than that intended by Parliament, is contrary to the law. A breach in this law erodes the confidence of stakeholders; especially civil societies and donor partners. This will also have an adverse effect on the integrity of government and its service delivery programmes.

What We Found

Irregularities identified in the audit of Ministries and Departments have been summarised under seven broad categories as follows:

- (i) Assets and Stores Management
- (ii) Procurement and Contract Management
- (iii) Expenditure Management
- (iv) Withholding and PAYE taxes not paid to the NRA
- (v) Salaries and Payroll Management
- (vi) Revenue Management
- (vii) Imprest/Advances not Retired

During the audit, the overall irregularities identified with financial impact amounted to SLE84,583(2019), SLE657,616(2020), SLE553,828(2021) and SLE138,290,185, US\$969,442.57, €39,526.42, £4,746.06 (2022) for ministries and departments, and US\$1,823.068.74 for diplomatic missions. Details of these irregularities are given in Tables 3 and 3.1.

Table 3 Summary of Irregularities with Financial Impact across Ministries and Departments											
Nature of Irregularities	2019	2020	2021	2022				Total			
	SLE	SLE	SLE	SLE	US\$	€	£	SLE	US\$	€	£
Assets and Stores Management	64,900	30,300	430,350	24,747,619	154,837	-	-	25,273,169	154,837	-	-
Procurements and Contracts Management	-	-	-	24,510,049	-	-	-	24,510,049	-	-	-
Expenditure Management	-	9,750	8,250	39,062,061	198,228	-	-	39,080,061	198,228	-	-
Withholding and PAYE taxes not Paid	19,683	19,566	13,449	42,035,938	-	-	-	42,088,636	-	-	-
Salary and Payroll Management	-	-	51,779	3,465,773	34,750	29,526	4,746	3,517,552	34,750	29,526	4,746
Revenue Management	-	-	-	2,885,565	484,627	-	-	2,885,565	484,627	-	-
Imprest/Advances not Retired	-	598,000	50,000	1,583,180	97,000	10,000		2,231,180	97,000	10,000	
Total	84,583	657,616	553,828	138,290,185	969,443	39,526	4,746	139,586,212	969,443	39,526	4,746

Table 3.1 Summary of Irregularities with Financial Impact across Diplomatic Missions			
Year	Nature of Irregularities	Amount	Total
		US\$	US\$
2014	Consular Activities	6,181.60	
2015		6,480.60	
2016		11,362.60	
2017		31,074.60	
2018		8,997.60	
2019		5,454.00	
2020		2,516.00	
2021		19,675.00	
2022		3,650.00	
			95,392.00
2014	Expenditure Management	402,596.88	
2015		229,641.88	
2016		169,939.88	
2017		191,391.88	
2018		77,009.88	
2019		77,092.88	
2020		186,670.88	
2021		91,229.88	
2022		105,118.00	
			1,530,692.04
2014	Salary and Payroll Management	-	
2015		39,108.00	
2016		49,022.23	
2017		59,832.23	
2018		49,022.24	
2019		-	
2020		-	
2021		-	
2022		-	
			196,984.70
Total			1,823,068.74

Below is a detailed explanation of tables 3 & 3.1 above.

1. Ministries and Departments

Assets and Stores Management

Irregularities observed in respect of assets and stores during the period amounted to SLE25,273,169 and US\$154,837. Included in these irregularities were SLE741,840 and US\$154,837 relating to fixed assets that were not made available by four ministries and departments for physical verification, and SLE24,531,329 for other store items including fuel, which were not accounted for by five ministries and departments.

Assets and Stores Management			
Nature of Irregularities	No. of Ministries & Departments	Amount	
		(SLE)	(US\$)
Fixed assets not made available for physical verification	4	741,840	154,837
Stores not bought to account	5	24,531,329	
Total		25,273,169	154,837

Contracts and Procurement Management

The total irregularities relating to contract and procurement management amounted to SLE24,510,049. These irregularities related mostly to reported incomplete and non-delivery of goods and services that resulted in loss of public funds.

Expenditure Management

Irregularities were observed in the disbursements of funds by 18 ministries and departments for amounts totalling SLE39,080,061 and US\$198,228. Included in these irregularities, were bank withdrawals by 10 ministries and departments totalling SLE33,004,731 {SLE29,308,761.50+ (US\$198,228 x SLE18.645)}, that were without payment vouchers and supporting documents.

Withholding and PAYE Taxes and GST not Paid to the NRA

We observed irregularities in the payment of taxes by ministries and departments. Withholding and PAYE taxes and GST totalling SLE42,088,636, were not paid to the NRA. Failure to remit taxes reduces available government revenue and ultimately the level and quality of services delivered.

Salaries and Payroll Management

Irregularities observed in the payment of staff salaries by nine ministries and departments amounted to SLE3,517,552, US\$34,750, €29,526 and £4,746. Included in the irregularities were salaries and allowances paid to unverified staff in four ministries and departments totalling SLE2,954,066.

Revenue Management

Irregularities were observed in the collection and banking of revenue. Revenues totalling SLE2,885,565 and US\$484,627 were not banked by four ministries and departments.

Revenue Management Irregularities			
Nature of Irregularities	No. of Ministries & Departments	Amount	
		(SLE)	(US\$)
Revenue not paid by 75 NGOs	1	182,500	5,000
Revenue not banked	1	461,100	50,000
Revenue not received from Youths in Fishing	1	2,241,965	-
Unpaid royalty from passport production	1	-	429,627
Total		2,885,565	484,627

Imprest/Advances not Retired

Irregularities were observed in the utilisation and retirements of imprest/advances. The sum of SLE2,231,180, US\$97,000 and €10,000 were used as imprest or advances for activities undertaken by six ministries and departments for which retirement details were not made available for inspection.

2. Diplomatic Missions

The total irregularities of US\$1,823.068.74 had been summarised under three broad categories as follows:

Nature of Irregularities	Amount US\$
Consular Activities	95,392.00
Expenditure management	1,530,692.04
Salaries and Payroll Management	196,984.70
Total	1,823.068.74

In summary, the audit outcomes of ministries and departments have not shown any considerable and sustained improvement, which are essential in preventing leakages and wastages in the system. This inaction on the part of ministries and departments will stall development, and hinder service delivery.

DETAILED FINDINGS AND RECOMMENDATIONS

3.1. MINISTRY OF FINANCE - 2022

3.1.1. Actual Expenditure Exceeding Budgeted Expenditure

We observed situations wherein actual expenditure exceeded budgeted expenditure, and the aggregate result was negative.

- The amount budgeted for staff cost and other benefits during the period under review was SLE95,503,411, and the amount spent was SLE105,256,990 as per the payroll vouchers. This resulted in a budget overrun of SLE9,753,579.

The table below gives an analysis of the overspending:

Schedule of Overspending on Personnel Cost for FY2022			
Details	Actual Payroll Cost (A) (SLE)	Budgeted Payroll Cost (B) (SLE)	Over/under Expenditure (A-B) (SLE)
Basic Salary	72,723,072.18	70,135,447.40	2,587,624.78
Transport Allowance	292,042.41	169,688.90	122,353.51
Acting Allowance	-	1,325,540.40	- 1,325,540.40
Other Allowances	32,241,875.37	16,526,318.10	15,715,557.27
Leave allowance	-	7,346,416.20	- 7,346,416.20
Total	105,256,989.96	95,503,411.00	9,753,578.96

- Similarly, the amount budgeted for recurrent and capital expenditure during the period under review was SLE19,208,923, and the actual amount spent was SLE65,566,956 as per the IFMIS. This resulted in a budget overrun of SLE46,358,033. The table below gives an analysis of the overspending:

Schedule of Overspending on Recurrent and Capital Expenditures for FY2022			
Details	Actual Expenditure in the IFMIS (A) (SLE)	Budgeted Expenditure (B) (SLE)	Over/under Expenditure (A-B) (SLE)
1290101 - General Administration and Support Services	55,628,584.18	16,806,922.50	38,821,661.68
1290104 - Directorate of stores and inventory control management	439,900.00	250,000.00	189,900.00
1290303 - Revenue and Tax Policy Division	1,189,134.00	250,000.00	939,134.00
1290304 - Research and Delivery Division	559,165.00	472,000.00	87,165.00
1290401 - Public Financial Management Reform	488,100.00	100,000.00	388,100.00
1290404 - Fiscal Risk Management Division	579,573.00	430,000.00	149,573.00
1290502- Project Fiduciary Management	6,682,500.00	900,000.00	5,782,500.00
GRAND TOTAL	65,566,956.18	19,208,922.50	46,358,033.68

We recommended that the Deputy Financial Secretary of Administration should ensure that justification for the budget overruns is submitted to the ASSL. In future, the Deputy Financial Secretary of Administration should prepare a realistic budget, taking into consideration all the activities of the different divisions, and discourage the practice of undertaking activities that were not provided for in the budget.

Official Response

We note the auditors' observations, and documents are now available for review.

Auditor's Comment

Justification for the budget overruns was not submitted to the ASSL, and as such, the issue remains unresolved.

3.1.2. Assets Management

Five vehicles procured at a total cost of SLE6,682,500 were not recorded in the fixed assets register maintained by the Ministry. Furniture and equipment acquired in FY2022 were neither recorded in the fixed assets register, nor were they marked with unique identification codes.

We recommended that the Deputy Financial Secretary of Administration should ensure that the details of the five vehicles are recorded in the fixed assets register. Additionally, the furniture and equipment should be marked with unique identification codes and the details appropriately recorded in the assets register.

Official Response

The Administration is presently working together with the Procurement, Stores, ICT, and Estate officers to develop an assets register for the Ministry that will be updated regularly.

Management will follow the due process by contracting someone to do the unique identification code.

Auditor's Comment

- The updated assets register was not submitted during the verification and as such, the auditors cannot ascertain whether the five vehicles valued at SLE6,682,500 were included in the register.
- In the absence of the updated assets register, it was not possible to ascertain whether furniture and equipment were recorded. There was also no evidence that the newly acquired assets were marked with unique identification codes.

The issues remain unresolved.

3.1.3. Information Technology (IT) Audit of the Integrated Financial Management Information System (IFMIS) - 2022

According to the ISSAI 5300, Information Technology (IT) audit can be defined as: *'an examination and review of IT systems and related controls to gain assurance or identify violations of the principles of legality, efficiency, economy and effectiveness of the IT systems and related controls.'*

We audited the IFMIS which uses the FreeBalance application software with different modules.

The focus of conducting the IFMIS audit was to provide an independent assessment to establish any operational, functional and system design deficiencies.

The significant matters identified are as follows:

Unutilised License

Upon review of the IFMIS contract, we observed that licences were paid for 848 users, which amounted to US\$932,800 (US\$1,100 per user). We however discovered that only 509 were active users of the licences. This resulted in a difference of 239 licences not being utilised. This amounted to US\$372,900.

We recommended that the Accountant General should provide justification with the relevant documentary evidence, why 800 licences were paid for, and only 509 were utilised.

In future, licences should be acquired on the basis of needs assessment, which users should fully utilise.

Lack of IT Security Policy

There was no evidence of an approved Information Security policy and guidelines that outline the security requirements, controls and procedures for managing the IFMIS.

We recommended that the Accountant General and the Director of Financial Management System and Technology (DFMST) should ensure that a robust Information Security policy and guidelines are developed and implemented to regulate the IFMIS. This will protect staff and information, set the rules for expected behaviours by users, and define the consequences of violation.

Evidence of Incident Reports not Submitted

There was no evidence in the form of security incident reports and follow-up documents to assess security controls with respect to threats to the network, database, environmental security or employees' violations.

No Penetration Test

We did not receive evidence indicating the conduct of either penetration tests or vulnerability assessments. These assessments are crucial for identifying potential weaknesses, flaws and vulnerabilities within the IFMIS that attackers could exploit.

We recommended that the Accountant General should design and implement a standardised policy and guideline to identify, assess, document, report and follow up on security incidents.

No Insurance Policy or Classification of ICT Assets

- There was no policy or classification of assets with respect to insurance coverage, leaving the Project assets vulnerable.
- There was no evidence submitted to confirm that an insurance policy covered any of the IFMIS ICT equipment or information processing facilities, worth billions of Leones since the implementation of the IFMIS project.

In the event of a disaster, critical assets and information processing facilities may not be replaced.

We recommended that the Accountant General should ensure the following:

- (i) Design a framework or policy for the classification of the IFMIS ICT equipment with respect to insurance coverage.
- (ii) Evaluate the total ICT infrastructure of the IFMIS and obtain an insurance cover to indemnify risks and protect the IFMIS from financial and economic loss.

Disaster Recovery Plan not Made Available

The ICT Department did not submit a business continuity and disaster recovery policy. The policy would provide for the management of the data centre to effectively aid the security of critical IT systems such as the Free Balance and its ICT infrastructure.

In addition, no evidence of a secondary site or backup location was identified.

We recommended that the Accountant General should develop a disaster recovery plan that covers the IFMIS within an acceptable timeframe.

Backup Files not Tested

There was no evidence to indicate that backedup files were tested since the inception of the IFMIS. Backup files may be irrelevant if not tested.

We recommended that the Accountant General should ensure that backup data are tested regularly. This will enhance the efficient and effective restoration of meaningful data at the right time.

No Source Code Agreement

We identified the absence of an escrow agreement for the FreeBalance software. There was no clause in the contract agreement stating where source codes could be kept for a third party to access the software.

We recommended that the Accountant General should obtain the vendor's IFMIS source code to ensure an escrow agreement is signed with a third party.

Key Modules not Operational

We observed that existing key modules, including fixed assets and inventory, were not utilised. Without using the implemented applications, it is evident that the GoSL is not deriving value from the investment made on the IFMIS.

We recommended that the Accountant General should ensure that the existing key modules in the IFMIS are utilised.

No Policy on Career Development

The review team did not see any evidence of policy on career development plans for the ICT staff. There were neither annual training plans, nor needs assessments to improve staff capacity.

We recommended that the Accountant General and the Ministry of Finance should develop a Career Development Plan in order to improve staff capacity and retention.

Lack of Maintenance Policy

There was no maintenance policy to ensure that reported faults were resolved within an acceptable timeframe. Faults not corrected in time may cause delays in posting transactions and generating reports. We recommended that the Accountant General and the DFMST should ensure a maintenance policy is developed and implemented without further delay.

Tax Deductions not Automated

During a review of the system, we observed that withholding tax deductions on the transactions processed through the IFMIS were not automated. The Payment Officer is expected to apply tax rates to payments manually.

We recommended that the Accountant General should ensure the upgrade of the tax functionality in the IFMIS application to automatically apply mandatory tax rates to payments.

Utilisation and Integration of Revenue Module and Software Packages

We reviewed the modules within the IFMIS to assess whether the system was integrated with other software packages. We however observed the following:

- There was no evidence to indicate that revenue functionality was used by MDAs, as there were no inputs of revenue/income details into the system by MDAs.
- The NRA's ITAS was not integrated with the IFMIS. Therefore, records were obtained from the Bank of Sierra Leone for various revenue streams into the CF and subsequently recorded in the IFMIS.

We recommended that the Accountant General, the Commissioner General and other heads of MDAs should ensure the following:

- (i) All MDAs using the IFMIS application comply with the requirements of the system
- (ii) Upgrade the revenue functionality in the IFMIS application to automatically integrate with the ITAS

3.2. MINISTRY OF PLANNING AND ECONOMIC DEVELOPMENT - 2022

3.2.1. NGO in the National Gazette without Evidence of Payments to NRA

Seventy-five NGOs (73 NGOs and two INGOs) were listed in the National Gazette published by the Ministry, but there was no evidence to indicate that they had made payments to the NRA. The expected revenue from these NGOs were SLE182,500 and US\$5,000 respectively.

We recommended that the Development Secretary should provide documentary evidence to justify that the 75 NGOs that were listed in the National Gazette had paid their fees to the NRA. Otherwise, the fees should be recovered from the NGOs and paid to the NRA, and evidence of payment forwarded to the ASSL.

Official Response

A total of 72 out of 75 NGOs are on the list of paid-up NGOs as collated by both the NGO Directorate and the NRA bank payment, and receipt records are signed by MoPED and NRA. The three NGOs are on hold due to incomplete documentation.

Auditor's Comment

Only 72 of the 75 NGOs were identified in the list of paid-up NGOs submitted by MoPED. We compared this paid-up list with the bank statement from the NRA and observed that these payments did not reflect in the designated NRA bank account. We could not ascertain whether the payments were made into the designated NRA bank account. The issue remains unresolved.

3.2.2. Increment in the Ministry's Payroll

There was no evidence in the form of promotion letters or approval from the relevant authority to justify the increment in staff salaries during the review period. We observed from our review that staff received the sum of SLE2,974,736.27 in excess of their basic salaries during the review period.

We recommended that the Development Secretary and the Human Resources Management Office should ensure that the relevant justification in respect of the increment is made available to the ASSL.

Official Response

The staff salary increments listed were part of the general salary harmonisation done by the Ministry of Finance of which MoPED was a beneficiary.

Auditor's Comment

There was no evidence submitted to suggest that MoPED benefited from a salary harmonisation done by the MoF which led to these increments. The issue remains unresolved.

3.2.3. Actual Expenditure Exceeding Budgeted Expenditure

The amount budgeted for personnel cost for FY2022 was SLE2,784,093, and the amount spent was SLE3,445,166.18 as per the payroll vouchers. This resulted in a budget overrun of SLE661,073.18 for the National Council for Civic Education and Democracy (NaCCED).

Similarly, the amount budgeted for recurrent expenditure during the period under review was SLE6,186,618, and the actual amount spent was SLE7,880,695.08 as per IFMIS. This resulted in a budget overrun of SLE1,694,077.08 for the MoPED. Details are in the table below:

Schedule Showing Budget Line Overspent in FY2022				
Account Code	Details	Budgeted Amount (SLE)	Actual Amount (SLE)	Difference (SLE)
101-0806010901	Administrative and operating cost	3,800,018	4,388,815.08	-588,797.08
101-0806010902	Supply of office equipment and furniture	1,956,600	2,051,880.00	-95,280.00
101-0806010915	Review of the institutionalised development cooperation framework	150,000	600,000.00	-450,000.00
101-0806010928	Monitoring, evaluation, and verification of NGO programmes/projects	280,000	840,000.00	-560,000.00
Total		6,186,618	7,880,695.08	-1,694,077.08

We recommended that the Development Secretary should ensure that justification for the budget overruns is submitted to the ASSL. In future, the Development Secretary should prepare a realistic budget, taking into consideration all the activities of the different divisions, and discourage the practice of undertaking activities that were not provided for in the budget.

Official Response

We note the auditors' observations and documents are now available for review.

Auditor's Comment

Justification for the budget overrun was not submitted to the ASSL. The issue remains unresolved.

3.2.4. Procurement Records not Submitted

Contrary to Section 152 of the Public Procurement Regulations (PPRS) of 2020, procurement records and associated supporting documentation for procurement activities amounting to SLE245,894.40, were not made available for inspection.

We recommended that the Assistant Director of Procurement should submit the procurement files and relevant documents for audit inspection.

Official Response

All relevant supporting documents in relation to the transactions listed are available for review

Auditor's Comment

Procurement records were not made available to the ASSL. The issue remains unresolved.

3.2.5. Bank Withdrawals without Adequate Supporting Documents

Bank withdrawals totalling SLE83,000.87, were without adequate supporting documents such as receipts, invoices and delivery notes. This was in contravention of Section 100(1) of the PFMRs of 2018.

We recommended that the Principal Accountant should submit all relevant supporting documentary evidence to the ASSL.

Official Response

All relevant supporting documents in relation to the transactions listed are available for review.

Auditor's Comment

We observed that of the SLE83,000.87 withdrawals made from the imprest account, adequate supporting documents were submitted for amounts totalling SLE39,106 representing 47% of the queried amount, leaving a balance of SLE43,894. The issue is partially resolved.

3.2.6. Key Deliverables not Met by NaCCED

The following key deliverables stated in the budget were not achieved by NaCCED:

- Constitute the NaCCED Board as per law
- Validate and approve out-of-school Civic Education Curriculum
- Develop and produce out-of-school Civic Education Training Manuals
- Validate and finalise its Strategic Plan during this period
- Implement its Fourth Generation National Action Plan (NAP 4) of the Open Government Partnership (OGP) in collaboration with CSOs and MDAs

We recommended that the Chairman of NaCCED liaise with the relevant stakeholders to ensure the implementation of all deliverables in the budgets.

Auditor's Comment

There was no Management's response or evidence of the achievement of key deliverables. The issues remain unresolved.

3.3. MINISTRY OF FOREIGN AFFAIRS AND INTERNATIONAL COOPERATION - 2022

3.3.1. Bank Withdrawals without Supporting Documents

Despite our recommendations in previous audit reports, the Ministry continues to expend public money without the use of payment vouchers and its relevant supporting documents to support the use of the funds.

In 2022, we observed that bank withdrawals amounting to SLE1,398,012 made from the Ministry's account were without payment vouchers and other supporting documents.

The Director of Administration and Finance should ensure that payment vouchers and other relevant supporting documents for the bank withdrawals are submitted to the ASSL. Otherwise, the amount should be paid into the CF.

Official Response

The documents are now available for the overseas Imprest for Audit verification and Inspection.

Auditor's Comment

Of the SLE1,398,012, payment vouchers and relevant supporting documents totalling SLE1,120,411 representing 80% of the queried amount were submitted and verified, leaving a balance of SLE277,601. The issue is substantially resolved.

3.3.2. Special Imprest for Overseas Travel not Retired

Section 124(1&6) of the PFMRs of 2018 requires special imprest to be retired 30 days after completion of the activity. This requirement was not met as retirement details were not submitted for special imprest totalling SLE985,000 paid to two officers to facilitate the travel of the Minister.

We recommended that the two officers should submit retirements in respect of the imprest to the ASSL. Otherwise, the amount should be refunded and paid into the CF.

Official Response

The documents are now available for audit inspection and verification.

Auditor's Comment

In spite of repeated requests and reminders, retirement details were not submitted for the special overseas imprest of SLE985,000. The issue remains unresolved.

3.3.3. Double Payment of Salaries to Staff

A review of the personnel files and payroll records for foreign service officers and local staff during the period under review revealed that seven staff posted to foreign missions were still receiving salaries from both headquarters and foreign missions. One staff who was repatriated and assumed duty at headquarters received salary from both headquarters and the foreign mission he was assigned to. The salaries paid to these staff amounted to SLE125,380.82 and US\$9,400 respectively.

The Director of Administration and Finance should ensure recovery of the payments from the concerned staff and the amount refunded into the CF.

Official Response

Evidence of repayment of double salaries is now available for audit inspections.

Auditor's Comment

- Of the SLE125,380.82, evidence of recovery and payments into the CF of SLE88,190.85 representing 70% of the queried amount was submitted and verified, leaving a balance of SLE37,189.97. The issue is substantially resolved.
- Salary amounting to US\$9,400 was not recovered and paid into the CF.
The issue remains unresolved.

3.3.4. Staff Failing to Report for Diplomatic Assignment

We observed that an officer was posted as a Cultural Attaché to the United Kingdom (UK) in June 2022 for which he received a total of SLE194,645 (being posting allowance of SLE112,745 and air tickets of SLE81,900 for the staff and family). There was no evidence of his assumption of duty at the UK Mission.

The Director of Administration and Finance should submit evidence of assumption of duty in respect of this staff. Otherwise, the full amount paid should be recovered and paid into the CF, and evidence of payment submitted to the ASSL.

Official Response

The said officer was appointed by State House; therefore, we have sent a letter to State House to give us information as to why the said officer did not report for duty at the Sierra Leone High Commission in London.

Auditor's Comment

A letter to State House was submitted for audit verification. However, there was no evidence that the amount had been recovered and paid into the CF. The issue remains unresolved.

3.3.5. Ineligible Payment of Child and Education Allowances

Rule 9.23 of the Civil Service Code, Regulations and Rules, 2011 guided the payment of school fees for dependent children attending school at the mission up to age 18. Our review of payment of child and education allowances to foreign mission staff revealed the following:

- Child and education allowances totalling US\$16,900, £4,746.06 and €9,038.7 were paid to nine foreign mission staff, even though the birth certificates of these children indicated that they were above 18 years.

- Amounts totalling US\$8,450 and €20,487.72 were paid to four foreign mission staff for child and education allowances, but evidence such as birth certificates and copies of passports were missing in the staff personal files.

The Director of Administration and Finance should ensure that the amounts are recovered from the staff and paid into the CF. Additionally, birth certificates and copies of passports should be submitted for children for whom US\$8,450 and €20,487.72 were paid as child and education allowances. Otherwise, the amounts should be recovered and paid into the CF.

Official Response

The Director General and Ambassador-at-Large stated that the birth certificates are now available for audit inspection.

Auditor's Comment

There was no evidence of recovery and repayment of the queried amounts into the CF in respect of payments for the child and education allowances for children over 18 years. Additionally, no birth certificates and copies of passports were submitted for the children of the four staff that were paid the child and education allowances. The issues remain unresolved.

3.3.6. Distribution of Donated Vehicles

On 4th April 2022, the Ministry received 12 vehicles (10 SUVs and two mini buses) as donations from the Government of the People's Republic of China. We observed that eight vehicles were distributed to various MDAs as reported on the Ministry's website on 5th April 2022, whilst the Ministry retained four. However, needs-assessments and the signed distribution list were not provided for inspection.

The Director General and Ambassador-at-Large should ensure that evidence of the distribution of the donated vehicles is submitted to the ASSL. Otherwise, the eight vehicles should be fully brought to account.

Official Response

The distribution list is now available for audit inspection and verification.

Auditor's Comment

Neither a distribution list nor the eight vehicles were submitted for audit inspection. The issue remains unresolved.

3.4. AUDIT OF DIPLOMATIC MISSIONS

3.5. SIERRA LEONE EMBASSY, SAUDI ARABIA: 2015 - 2022

3.5.1. Consular Activities

We reviewed the consular files and observed the following:

- A total of 230 Emergency Travelling Certificates (ETCs) valued at US\$23,000 were issued to Sierra Leoneans on gratis between 29th December, 2020 and 11th May, 2022 without letters of authority.
- Similarly, passport extensions were done for 87 Sierra Leoneans between February 2016 and October 2020 valued at US\$4,640 without evidence of payment.
- From January 2021 to December 2022, the Embassy collected a total of US\$2,335.2 from consular services such as issuance of visa and extension of passports. There was however no evidence to show that this amount was transferred into the CF.

We recommended that the Head of Chancery (HoC) should ensure the following;

- (i) Provide justification (letters of authority) for the issuance of ETCs costing US\$23,000, and for the passport extensions on gratis basis costing US\$4,640; failing which, the amount should be refunded and paid into the CF. Evidence of payment should be submitted to the ASSL.
- (ii) Transfer the amount of US\$2,335.2 into the CF, and evidence of transfer forwarded to the ASSL.

Official Response

- (i) *The current HoC assumed duty after the period under review (31st May, 2022) and had since ensured that all requests for the issuance of ETCs on gratis basis are made directly to MFAIC. However, in the absence of approval from the MFAIC, Mission was compelled to issue the necessary ETCs to our nationals on a gratis basis given their dire humanitarian situation, requiring urgent repatriation.*
- (ii) *Evidence of remittance to the CF in respect of consular services provided between January 2021 and December 2022 totaling US\$2,538.80 are available for verification.*

Auditor's Comment

Our recommendations were not implemented. Letters of authority and evidence of payments were not submitted. The issues remain unresolved.

3.5.2. Overseas Travelling Expenses without Adequate Supporting Document

We observed that the Embassy spent US\$59,590.70 on overseas travels in 2021 and 2022. These expenditures were however without adequate supporting documents such as approvals from the MFAIC, invitation letters from the organisers of the meetings and back-to-office reports for meetings attended.

We recommended that the HoC make available all supporting documents to the ASSL; failing which, the HoC who served during the period (2021-2022) refund to the consolidated fund the full amount of US\$59,590.70.

Official Response

The invitation letters were provided as supporting evidence in the submitted returns for the period January 2021 - December 2022. Evidence showing the travelling documents such as invitation letters were available in the returns that were submitted.

Auditor's Comment

Approvals from the MFAIC, invitation letters from the organisers of the meetings and back-to-office reports for meetings attended. The issue remains unresolved.

3.5.3. Local Travelling Transactions not Supported by Documentary Evidence

An amount totalling US\$31,731 was spent on local travelling between January 2021 and December 2022. Documentary evidence such as invitation letters and back-to-office reports to justify the various transactions was however not made available. We could therefore not ascertain the purpose of the travels, the activities undertaken, tasks accomplished, action points and or follow-up actions on the purpose of the visit.

We recommended that the HoC make available all supporting documents to the ASSL; failing which the full amount should be paid into the CF.

Official Response

The invitation letters were provided as supporting evidence in the submitted returns for January 2021 - December 2022. Evidence showing the travelling documents such as invitation letters were available in the returns that were submitted.

Auditor's Comment

Approvals from the MFAIC, invitation letters from the organisers of the meetings and back-to-office reports for meetings attended. The issue remains unresolved.

3.5.4. Payments without Supporting Documents

We observed from our examinations of the IFMIS print out that the Other Charges totalling US\$573,551 were remitted to the Sierra Leone Embassy in Saudi Arabia between 2015 and 2020. However, documents such as, payment vouchers, receipts, procurement documents and other disbursement related documents to support the queried amount were not submitted for audit examination.

We recommended that the HoC should submit all documents to the ASSL to support the expenditure; failing which, the full amount should be paid into the CF.

Official Response

The supporting documents of returns to the MFAIC and the Accountant General's Department for the periods mentioned below were submitted for the audit and signed for.

- *First and Second Quarters FY2015*
- *First, Second and Fourth Quarters FY2018*
- *First, Third and Fourth Quarters FY2019*
- *First, Second, Third and Fourth Quarters FY2020.*

Auditor's Comment

The documents referred to in the response are financial returns on how the monies were spent. What we demanded to examine were the payment vouchers and the relevant supporting documents but were not submitted. The issue remains unresolved.

3.5.5. Payment of Utility Bills for Diplomatic Staff

Rule 9.66 states:

"The Mission shall pay for installation and maintenance of telephones and the costs of local calls. The Mission shall pay the bills for utilities for officers' accommodation, including water, gas, electricity, and heating, where no allowances are paid."

We observed that the Embassy paid an amount totalling US\$73,343 to cover the cost of the personal domestic bills of diplomatic staff from the Other Charges allocation to the mission even though overseas and representational allowances were paid to them.

We recommended that with immediate effect, the HoC should stop the payments of utility bills to diplomatic staff.

Official Response

Unless otherwise, the relevant citations from the Code of Conduct are self-explanatory and do not appear to be in contravention of the current practice of the Mission with regards the payment of the bills concerned.

The said amount of US\$73,343, referenced in the report, does not represent the personal domestic bills of the Ambassador as stated in the finding, rather the calculated total payments made to all eight home-based staff members.

Auditor's Comment

The HoC should stop paying domestic bills for all staff until clear provisions in the laws are made regarding the payment of utility bills.

We did not state in the report that the domestic bills were the personal bills of the Ambassador. The issue remains unresolved.

3.5.6. Other Matters

We also observed the following:

- Payment vouchers did not have serial numbers.
- Salaries for some staff and other payments were made in cash, instead of through bank transfers or by cheques.
- Delays were observed in the receipt of quarterly allocations for Other Charges.
- There were challenges tracing documents in files that were processed by former workers of the Embassy.
- A large portion of the disbursements of monies for operational and administrative costs was paid as refunds for monies previously spent by staff.
- We observed that there were no provisions for medical insurance and leave allowances for local staff.
- From review of documents, we observed that the Finance Clerk gave loans to staff. Further inquiry revealed that the Embassy did not maintain the following documents;
 - a loan policy and
 - a loan register.
- The loan policy set out prescribed laws on the conduct of obtaining loans, while the register keeps records of staff that apply for loan. These two documents will put sanitary checks into loan application and protect the process from abuse, fraud and bad debts.

We recommended that the HoC should liaise with the relevant authorities to address the issues highlighted.

Official Response

- (i) *The Mission notes the observation and is in the process of instituting the proposed measure.*
- (ii) *Measures have been instituted to ensure the few local staff concerned open bank accounts for payment of their salaries.*
- (iii) *The Mission currently uses the numeric system where documents are filed in structured shelves, clearly displayed and easily accessible, based on reference numbers of correspondence and documents.*
- (iv) *The Mission acknowledges this state of affairs which is due to the late remittance of Other Charges.*
- (v) *The Mission recognises the need for leave allowance for local staff.*
- (vi) *The Mission had informed MFAIC on medical insurance for local staff, to be in conformity with the laws of the receiving state.*
- (vii) *Loan policy and register are available for verification.*

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

3.6. SIERRA LEONE EMBASSY IN THE REPUBLIC OF TÜRKIYE: 2020 - 2022

3.6.1. Inappropriate Paid Leave of Absence

During the review of the Embassy's staff establishment, we observed that two press attachés were assigned to the Embassy. Moreover, a review of their staff files revealed that one of them went on vacation leave in November 2022 and she had still not returned to her duty post. However, the Embassy continued to pay her salaries and medical insurance.

We recommended that the HoC withhold the salary of the concerned staff until she returns to her duty post.

Official Response

The issue of the staff emanated from the Independent Media Commission in a memo sent to the MFAIC, which was forwarded to this mission. As a Mission, we cannot unilaterally withhold the officer's salary if headquarters does not instruct accordingly. The correspondence pertaining for the absence of the concerned staff from the mission is available for verification.

Auditor's Comment

The correspondence from the Ministry of Information and Communication authorising the temporal release of the staff from duty was submitted for verification. However, the justification for continued payment of her salaries using the overseas rate is untenable.

The issue remains unresolved.

3.6.2. Payment of Utility Bills for Diplomatic Staff

Rule 9.66 states: "The Mission shall pay for installation and maintenance of telephones and the costs of local calls. The Mission shall pay the bills for utilities for officers' accommodation, including water, gas, electricity, and heating, where no allowances are paid."

We observed that the Embassy paid an amount totalling US\$33,334 to cover the cost of the personal domestic bills of diplomatic staff from the Other Charges allocation to the mission even though overseas and representational allowances were paid to them.

We recommended that with immediate effect, the HoC should stop the payments of utility bills to diplomatic staff.

Official Response

Instead of discontinuing the payment of utility bills, I will suggest that a review of the Civil Service Code be done immediately. Otherwise, a memo will be sent to headquarters for clarification of this section. As Head of Chancery, I will bring this to the attention of the MFAIC for their necessary advice.

Auditor's Comment

The HoC should stop paying domestic bills for all staff until clear provisions in the laws are made regarding the payment of utility bills. The issue remains unresolved.

3.6.3. Unrepaid Loan to the MFAIC

During the review period, we observed that a total of US\$11,361 was borrowed by the MFAIC in November 2020 to procure diaries, pens, etc., and to airfreight them to Freetown. However, the borrowed amount was not repaid by the MFAIC.

We recommended that the former DG, MFAIC should ensure that the loan of US\$11,361 is repaid with immediate effect. Otherwise, the amount should be recovered from the officers that approved the loan and paid into the CF.

Official Response

The memorandum was done to remind headquarters for the repayment of the said fund which has not been honoured. Another memorandum reminding headquarters on the matter will be done.

Auditor's Comment

Repayment had not been made. The issue remains unresolved.

3.6.4. Payments of Medical Bills to Patients

The Government of Sierra Leone transferred payments of medical bills for Sierra Leoneans who were to receive medical treatment in Türkiye. Our review of the systems and processes to ensure probity and accountability in using public resources revealed that funds totalling US\$93,840 were paid directly

to the beneficiaries instead of to the hospital in Türkiye. Moreover, expenditure returns were not submitted by the beneficiaries for onward submission to the Ministry of Health and Sanitation.

We recommended that in future, the HoC should ensure that payments of overseas medical bills must be made directly to the hospitals. Furthermore, medical returns from the respective beneficiaries must be submitted to ASSL. Otherwise, the officials should refund the amounts in question and paid into the CF.

Officials Response

All overseas medical payments in the future will be made directly to the hospital rather than the patients, as rightly advised. Furthermore, the mission will write to the Ministry of Health and Sanitation requesting returns from the concerned patients.

Auditor's Comment

The medical returns were not submitted for verification. The issue remains unresolved.

3.6.5. Unassigned Pool Vehicle to the Head of Mission

Rule 9.56 of the Civil Service Codes, Regulations and Rules, 2011 states:

"An appropriate representational car shall be provided for the Head of Mission. In the absence of the Head of Mission, the Chargé d' Affairs, the interim or Acting Head of Mission shall use the official car for official purposes only".

Contrary to the above provision, the Head of Mission was also provided with a pool vehicle and an additional monthly fuel of 5,544 TL (approximately US\$296), while the diplomatic staff were not assigned with pool vehicles, thereby depriving them in meeting the demands of their jobs.

We recommended that the Head of Mission should ensure that the utility vehicle is returned to the HoC to enable the smooth functioning of the Embassy's operations and whenever he is in need of the pool vehicle, he can request for it. The HoC is further advised that the additional fuel provided to the Ambassador is immediately discontinued.

Official Response

The Head of Chancery has ensured that a vehicle is assigned for staff use. He will further entreat the Head of Mission to see the reason for having the utility vehicle assigned to him to form part of the pool of the Mission. Furthermore, the additional fuel provided for the said utility vehicle assigned to the Head of Mission has been stopped with immediate effect.

Auditor's Comment

The vehicle is still assigned to the Head of Mission. The issue remains unresolved.

3.7. SIERRA LEONE EMBASSY IN ABU DHABI: 2014 - 2021

3.7.1. Records for Consular Funds Collected not Properly Maintained

We observed the following:

- No consular bank records or cashbooks were submitted for the period 1st November, 2014 to 30th June, 2018. Duplicate receipts were produced and files containing visa sticker forms and stubs were submitted. The value extracted from the sticker stubs and duplicate receipts amounted to US\$30,908.
- Bank statements and several documents pertaining monies deposited into the consulate bank account were submitted for the period between July 2018 and December 2021.

Upon review of these documents, we observed that a total amount of US\$27,406 was collected and US\$21,716 was deposited, leaving a balance of US\$5,690 not brought to account.

We recommended the following:

- The Embassy should submit to the ASSL, the missing accounting records and documents for the period between November 2014 and December 2021.
- All revenue collected for which cashbooks and bank statements were not submitted must be accounted for, and the full amount of US\$30,908 and US\$5,690 be paid into the CF.

Official Response

- *We have been able to locate the bank statements, which are now available for audit review. We have, however, not been able to trace the cashbooks and some of the documents requested by the ASSL.*
- *The issue about the missing documents was communicated to the former HoC to provide an explanation, but no response was received from him.*
- *As management we have instituted a robust internal control regime. For the current period, the following documents are now maintained such as cashbooks, bank statements and relevant accounting documents*

Auditor's Comment

Our recommendations were not implemented. The issues remain unresolved.

3.7.2. Consular Funds Collected but not Transferred into the Consolidated Funds

Total consulate fees of US\$29,632.16 were collected for the period between July 2018 and December 2021 but were not transferred into the CF.

We recommended the following:

- (i) The Embassy must ensure that all consular funds collected are remitted into the CF as mandated by the PFM Act, 2016
- (ii) The former HoC and the Financial Attaché who served during this period should pay the amount of US\$29,632.16 into the CF.

Official Response

This issue was referred to the former HoC, but he did not respond. However, all consular fees are now paid into the consular account and remitted to CF.

In 2022 the sum of US\$11,000 was paid into CF (AED40,183). The supporting documents are available for verification.

Auditor's Comment

Our recommendation was implemented. The issue remains unresolved.

3.7.3. Gratis Visa Issued without Note Verbale

The issuance of gratis visa stickers for the period under review was not supported by any note verbale. The basis upon which these free visas were granted was unknown. A total of 35 gratis visas valued at US\$3,491 were granted over the period under review.

We recommended that the HoC should ensure all necessary criteria are met before the Embassy issues a gratis visa and file the note verbale for future reference. In the absence of the note verbale, the HoCs who served during the period under review should pay back the visa fees into the CF.

Official Response

There is an MoU signed on 29th November, 2018 between the GoSL and the UAE on visas on arrival for diplomatic passport holders.

Auditor's Comment

We have reviewed the MoU signed on 29th November, 2018 between the governments of Sierra Leone and the United Arab Emirates on visas on arrival for diplomatic passport holders. We observed the content of the MoU, however, proper documentation must be maintained to ensure that those who benefited from the gratis visa met the conditions in the MoU. This issue remains unresolved.

3.7.4. Payment without Supporting Documents

We observed that total remittance to the Embassy for the period between November 2014 and December 2018, of US\$710,480, were without payment vouchers and supporting documents.

We recommended the following:

- The former HoC and FA for 2014-2018 should submit the payment vouchers and supporting documents. Otherwise, the amount should be recovered and paid into the CF.

Official Response

- *Internal controls are now in place with serially numbered payment voucher books, cash books, and other related documents.*
- *Bank statements are ready for inspection. Please note that supporting documents cannot be traced.*

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

3.7.5. Lack of Control over the Payment Process

Payment vouchers were not serially numbered and pre-printed. We also observed that neither the HoC, nor the Ambassador had certified any of these payment vouchers. Rather, the designations of these officers were written on these vouchers by the preparer of the vouchers. We further noted that in some circumstances, the amount written on the face of the voucher was different from the amounts indicated on the supporting documents. There were instances where the payment vouchers were blank. We noted that the total amount of US\$19,095 could not be traced to the financial records.

We recommended the following:

- (i) Every payment vouchers and its supporting documents must be marked 'paid' after the payment has been processed.
- (ii) The HoC and the FA should ensure that each payment voucher is backed by the required supporting documents and must be filed appropriately for future reference, and the amount of US\$19,095 should be paid into the CF.

Official Response

- (i) *We have initiated the use of serially numbered payment vouchers as recommended. The relevant supporting documents back every payment voucher.*
- (ii) *We have contacted the former HoC to respond to the other two recommendations, but we have not received any responses from him.*

Auditor's Comment

Our recommendations were not implemented. The issue remains unresolved.

3.7.6. Irregularities and Inconsistencies in Payroll Information

We examined the internal documents created by the Embassy for the payment of salaries to workers with the salary vouchers created by the MFAIC, and observed the following:

- It is required that the person whose name is on the voucher shall receive the salary. However, we noted that some of the names in the salary voucher from the MoF differed from those of staff paid by the Embassy.

- Salary documents were not submitted for 2018. In addition, salary vouchers from the MoF for 2019 were not available for inspection.
- We observed that every month, the amount remitted as salary grant was not fully utilised to pay salaries to staff. The excess amount was not refunded to the CF. They were rather used to finance operational activities.
- We further observed that the name of a staff member was duplicated on the salary vouchers prepared by the MFAIC as a driver and security officer. The respective salaries were US\$2,310 and US\$1,575. The total amount paid to the staff is US\$209,790. However, the staff in question was never paid the salaries by the Embassy. This anomaly spanned from January 2015 to July 2019.
- In some instances, the salaries indicated in the salary vouchers prepared by MFAIC were different from those paid to the Embassy staff. A prominent case was the IT officer, his salary in the salary vouchers was US\$2,520. He was paid US\$1,563.24 monthly. This anomaly covered the period from January 2015 to August 2017. The total difference is estimated at US\$29,742.70.
- Loans and advances were given to staff during the period under review. However, the Embassy did not maintain a loan register. Furthermore, the Embassy did not prepare monthly salary payroll to account for the loan deduction and other deductions. In one particular instance, a loan of US\$12,195 was given to the HoC (2014-2016) on November 8th, 2015. It was to be deducted from his March, April, and May 2016 monthly salary. There was no evidence that monthly deductions were done from his salary to repay the loan.
- In 2019 and 2020, the FA did not keep proper records for payroll transactions. It was therefore very difficult to trace salary payments made to staff and to the accounting records maintained by the Embassy. We noted further that some staff did not open bank accounts as such their salaries were paid in US dollars in cash, and in some instances, through the accounts of other staff members. In instances where salaries were paid in cash, we were unable to trace the documents where they acknowledged receipts of such salaries.
- Some staff used the Embassy Bank account for personal transactions such as paying their rent.
The July 2016 salary voucher prepared by the MFAIC had an error. The total salary for all staff was US\$49,285. However, the total indicated on the salary voucher was US\$60,095 resulting in a difference of US\$10,810.
- Diplomatic staff posted to the Embassy were paid leave allowances. However, in most cases, the documents were not seen in the files.

We recommended that the HoC ensure the following:

- (i) A proper payroll system is put in place by the Embassy, which reconciles the monthly amount disbursed for salaries and the actual amount paid to the staff of the Embassy. In the event the amount of US\$29,742.70 is not paid to the staff, it should be paid into the CF.
- (ii) Maintain a Loan Register
- (iii) Salaries are paid into bank accounts opened by each staff
- (iv) Evidence that the loan of US\$12,195 taken by the HoC (2014-2016) was recovered and evidence of payment submitted to the ASSL
- (v) Salary documents and vouchers for 2018 and 2019 are submitted to the ASSL
- (vi) The difference of US\$10,810 identified in the payroll voucher should be paid into the CF.

Official Response

Loans to staff members have been suspended

Auditor's Comment

Our recommendations were not implemented. The issues remain unresolved.

3.8. SIERRA LEONE EMBASSY IN GENEVA, SWITZERLAND: 2012 - 2022

3.8.1. Consular Fees not Transferred to the Consolidated Account

We observed from the total amount of US\$199,635.05 paid into the consular bank account, that the sum of US\$77,466.78 was transferred into the CF, leaving a balance of US\$122,168.27 that was utilised without the authority of the MoF.

We recommended that the HoC should ensure that the outstanding amount of US\$122,168.27 be transferred into the CF.

Official Response

In respect of consular monies not transmitted into the CF, the Mission wishes to inform the ASSL that it had to resort to utilising consular revenue due to the fact that the Other Charges were at the time insufficient to meet the recurrent expenses of the Mission and were in any case not remitted on time.

The consular fees were used to buy furniture for the office and for Ambassadors' residences since no funds were remitted for that till 2022.

In addition, the Mission did not receive funds for medical insurance for officers till late 2020. Therefore, the consular fees were sometimes utilised, especially when the Other Charges were inadequate and very irregular. Though the situation has improved, Other Charges are still inadequate to meet the operational cost of the very important and expensive Mission Station.

In 2022, all consular undertakings were remitted to the CF.

Auditor's Comment

Of the outstanding amount of US\$122,168.27, evidence of consular undertakings of 2022 amounting to US\$21,015.02 representing 17% of the queried amount was submitted and verified, leaving a balance of US\$101,153.25. The issue remains unresolved.

3.8.2. Difference between Revenue Collected and Revenue Paid to Consular Fees Account

We observed that consular fees totalling US\$220,557.70 were collected and recorded in the Consular Fees Register during the period under review. Of this amount, only US\$199,635.06 was paid into the Consular Fees Account, leaving the outstanding amount of US\$21,163.

We recommended that the HoC should ensure that the outstanding amount of US\$21,163 is paid into the consular bank account.

Official Response

The Mission did not receive funds for medical insurance for officers till late 2020. Therefore, the consular fees were sometimes utilised, especially when the Other Charges were inadequate and very irregular. Though the situation has improved, Other Charges are still inadequate to meet the operational cost of the very important and expensive Mission Station.

Auditor's Comment

The outstanding amount was not paid into the consular account. The issue remains unresolved.

3.8.3. Unclaimed Salaries not Paid into the Consolidated Fund

An accumulated unclaimed salary amounting to US\$156,432 between the period 2014 and 2017 was not paid into the CF and there was also no evidence that payments were made to the intended staff. We recommended that the former HoCs and FA should pay the unclaimed salaries for 2014 to 2017 into the CF.

Official Response

When the said driver's contract was terminated, a new driver was hired and headquarters informed accordingly. His name was however not included on the salary voucher of the Mission. He was receiving the salary that was assigned to the terminated driver.

Auditor's Comment

There was no evidence that the unclaimed salaries were paid to the new driver. The money should be refunded by the former HoCs and FA during the period 2014 to 2017 and paid into the CF. The issue remains unresolved.

3.8.4. Poor Management of Fixed Assets

The following were observed:

- Vehicle log books and operating records were not maintained.
- Furniture and equipment of government in the chancery and residences of staff were not coded.
- The assets register was not properly maintained to include details such as cost of assets, PV/invoice numbers, serial numbers, date of acquisition, description and other relevant details.
- An asset management policy on the movement and replacement of assets was not in existence.
- The mission was without a utility vehicle. Therefore, staff used their personal vehicles in support of the operations of the Mission. Of utmost concern was the fact that the Ambassador was in custody of a vehicle that was meant to be used for utility together with the representational car that had already been assigned to him.
- The amount given to the Head of Mission as rent was not enough to cater for a rented accommodation that befits his status. We observed that the Ambassador was living in a high rise accommodation located in a congested area that was prone to insecurity.

We recommended that the HoC should with immediate effect ensure the following:

- (i) Drivers are supplied with vehicle log books or operating records.
- (ii) All assets are marked with unique identification codes at the chancery and residences of the HoC.
- (iii) The fixed assets register is properly maintained by recording all relevant information in the register; and an assets management policy is established.
- (iv) The utility vehicle should be parked at the Chancery, and used as a pool vehicle. In an event there is need for use, it should be requested.
- (v) The MoF look into the possibility of giving attention to the housing situation that is affecting staff of the mission, but most importantly, the Ambassador.

Official Response

All of the recommendations will be implemented. In respect of the additional vehicle assigned to the Ambassador, the Mission wishes to inform the ASSL that the representational vehicle is used entirely for official engagements, and is parked at the chancery after official hours. The additional vehicle was assigned to the Ambassador to be used for emergency engagement after official hours. The utility vehicle assigned to the HoC has always been available to other staff who are

engaged in official assignments. The Deputy Ambassador was assigned a vehicle upon his assumption of duty and remains with him to date.

Auditor's Comment

Our recommendations were not implemented. The issue remains unresolved.

3.8.5. Governance Issues

A strategic plan that guides the direction and sets the overall long term goals of the mission was not in existence. An operational plan highlighting yearly activities and targets that focus on implementation of the right procedures, processes and policies was also not in operation.

There were also no evidence of management as well as general staff meetings in enhancing the operations of the mission.

We recommended that with immediate effect, the HoC should ensure the following:

- (i) Strategic and operational plans are developed to guide the operations and reporting mechanisms with the Embassy; and
- (ii) Management and staff meetings are held to discuss operational and other issues in order to enhance the growth of the Embassy.

Official Response

Recommendations are noted and will be implemented accordingly.

Auditor's Comment

In the absence of evidence of a draft strategic and operational plans as well as minutes of management and staff meetings, the issues remain unresolved.

3.8.6. Outstanding Contributions to the United Nations and other International Organisations

Outstanding contributions to the United Nations (UN) and other international organisations were not paid by the GoSL for several years. The total amount owed to the UN and other bodies in US Dollars and Swiss Franc amounted to US\$2,319.73 and CHF521,000.54 (US\$547,034.94) respectively.

We recommended that the MoF should ensure that immediate action is taken to clear the backlog of arrears owed to the UN and other international organisations so that Sierra Leone will not lose opportunities granted by these organisations.

Auditor's Comment

There was no official response in relation to this finding. The issue remains unresolved.

3.9. SIERRA LEONE EMBASSY IN IRAN: 2015 - 2022

3.9.1. Accountable Register not Maintained

We observed that the Embassy failed to maintain accountable document register for the proper recording of visa stickers and receipts books.

We recommended that the HoC should develop and maintain an accountable document register to record the existing visa stickers and receipt books.

Official Response

The Mission maintains an accountable document register. The Mission will register the relative documents in a ledger, from this instant.

Auditor's Comment

There was no evidence to suggest that an accountable documents register has been developed. The issue remains unresolved.

3.9.2. Documents not Submitted for Audit

The following documents were not submitted for audit:

- (i) For 2015 to 2018:
 - Cashbooks
 - Expenditure vouchers
 - Revenue records
- (ii) For 2019 to 2022:
 - List of bank accounts
 - Bank Statements
 - Bank reconciliations

We recommended that the HoC should ensure that all records are kept for all transactions of the Embassy and submitted for audit purpose.

Official Response

As already sated, the Mission does not have a bank account in Iran. However, we would request bank statements through our Embassy in the United Arab Emirates (UAE) where the Mission's remittances are deposited.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

3.9.3. Consular Fees

Section 36 (1) of the Public Financial Management Regulations, 2018 states that: "Vote Controller of budgetary agencies and sub-vented agencies and other entities in the central government shall submit a bank reconciliation statement of the month to the Accountant-General of all bank accounts managed by them."

There was no bank statement, therefore no bank reconciliation for the period under review.

We recommended that, reconciliations should be done between the bank statements and cashbooks on a monthly basis.

Official Response

Management would henceforth if the recommendations of the ASSL are implemented.

Auditor's Comment

The issue remains unresolved.

3.9.4. Lack of Segregation of Duties

Section 54 of the Public Financial Management Regulations, 2018 states that:

"No public officer whose duty involves the assessment of non-tax revenue, or the issuance of an order of payment, shall be authorizes to collect public monies to post collections into cashbook or into the computerized financial management system."

We observed that the secretary was solely in custody of the visa stickers and receipt books. Furthermore, issuance of receipts and collection of monies for visas issued by the Embassy was done by same. As a result, the Embassy was unable to account for US\$6,500.

We recommended that the HoC should ensure the following:

- (i) Take custody of visa stickers and receipt books and then issue to the secretary upon request. In addition, ensure the visa stickers and receipts are issued serially.

- (ii) Separate the responsibilities of the issuance of visa stickers, collection of cash and issuance of receipts.
- (iii) The US\$6500 should be investigated and paid into the CF immediately.

Official Response

Management wishes to inform the ASSL that from January 2019 – December 2022, all monies from consular activities were paid into the CF in Freetown save the deference of US\$150 (One Hundred and Fifty United States Dollar) which was received after the payment of US\$1500 (One Thousand Five Hundred United States Dollar) in to the CF in Freetown. The remaining US\$150 which is in the custody of the Finance Officer (FO) would be deposited in to the CF together with revenues for 2023.

Please be inform that the seeming delay in the payment of consular fees in to the CF in Freetown over the years, is due to the fact that, payments could only be made when an officer is travelling to Sierra Leone from Tebran. It is therefore worth noting that the money under review was received by management during 2016-2018.

Auditor's Comment

We note the response of the client and hereby state that no receipt was submitted in support of payments claimed to be made into the CF. There was also no response from the client in respect of recommendations on the segregation of duties. The issues remain unresolved.

3.9.5. Supporting Documents (Receipts) Written in Persian Language

The receipts attached to the documents were written in Persian language and not all of them were translated into English which made it impossible to verify some of them for accuracy.

We recommended that the HoC should ensure that the interpreter translate and sign all documents which are not in English.

Official Response

Management would implement the recommendation of ASSL.

Auditor's Comment

There was no evidence that the HoC has initiated action on the audit recommendation.

The issue remains unresolved.

3.9.6. Payment of Utility Bills for Ambassador

Rule 9.66 states: *"The Mission shall pay for installation and maintenance of telephones and the costs of local calls. The Mission shall pay the bills for utilities for officers' accommodation, including water, gas, electricity, and heating, where no allowances are paid."*

We observed that the Embassy paid an amount totalling US\$6,694 to cover the cost of the personal domestic bills for the Ambassador from the Other Charges allocation to the Mission, even though representational allowances were paid to him.

We recommended that with immediate effect, the HoC should stop the payments of utility bills to the Ambassador.

Official Response

Management would implement the recommendations made by the ASSL regarding utilities paid for the Ambassador's residence.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

3.9.7. Payment without Supporting Documents

During the audit, we observed that withdrawals were made from the Other Charges account for hospitality payment to the Ambassador amounting to US\$18,900. Of utmost concern was the fact that the amount was utilised by the Ambassador without any supporting documents to justify its use.

We recommended that the HOC should ensure that the relevant documents in support of the utilisation of the funds should be submitted for inspection; otherwise the said amount should be refunded.

Official Response

Management would implement the recommendations made by the ASSL regarding utilities paid for the Ambassador's residence and hospitality allowance.

Auditor's Comment

The relevant documents in support of the utilisation of the funds were not submitted. The issue remains unresolved. `

3.10. SIERRA LEONE EMBASSY IN KUWAIT: 2009 - 2022

3.10.1. No Pool Vehicle for the Embassy's Operations

We observed that the Embassy was constraint with utility vehicles to carry out its day-to-day operations. A review of the assets register revealed that there were only two vehicles at the Embassy that the GoSL provided; one was assigned to the HoC and the other assigned to the Ambassador. Staff with vehicles sometimes had to use their personal vehicles to undertake official assignments.

We recommended that the MoF should look into the possibility of providing funds to the Embassy, for the acquisition of a utility vehicle for the effectiveness of the Embassy's operations.

Official Response

Management strongly agrees with the findings and recommendation herein. Management however wishes to state that this Mission had written three memoranda to headquarters conveying therein the urgent need for the procurement of one utility vehicle. Unfortunately, our request had not been favourably considered. Management therefore wishes to note that it would continue to liaise with the MoF with the view of securing approval to provide the requisite funds to purchase the said vehicle.

Auditor's Comment

Our recommendation was not implemented. This issue remains unresolved.

3.10.2. Service Charter not Displayed at a Conspicuous Place of the Embassy

Interviews with the current HoC and an inspection of the chancery building revealed that, service charter was not displayed at a conspicuous location of the Embassy.

We recommended that the HoC should ensure that a service charter is developed and placed in a conspicuous area within the Embassy, and on the Embassy's website, to provide information about the Embassy's services and their related costs.

Official Response

No response was given to this finding.

Auditor's Comment

There was no evidence to indicate that a service charter had been developed and displayed at the Embassy's premises. The issue remains unresolved.

3.11. MINISTRY OF BASIC AND SENIOR SECONDARY EDUCATION (HQ) - 2022

3.11.1. Distribution of Laboratory Equipment to Schools without Science Streams and Laboratories

The European Union supported the Ministry with the supply of laboratory equipment to 56 secondary schools nationwide. There was no evidence that a needs assessment was carried out to determine the schools that should receive these equipment. We also observed that even though some schools did not have science streams and laboratories, yet they were supplied laboratory equipment. Furthermore, schools with science streams and laboratories that were in dire need of these laboratory equipment were deprived of such opportunities.

We recommended the following:

- (i) The Director of Inspectorate should provide evidence of the needs assessment carried out in the selection of the beneficiary schools.
- (ii) The Director of Inspectorate should retrieve the equipment from schools without science streams and/or laboratories, and redistribute them to schools in dire need.
- (iii) Failure to retrieve the equipment from schools without science streams and/or laboratories, the Director of Inspectorate should take responsibility of any wear and tear on the equipment.

Official Response

A total of 54 schools across the nation benefited from this support which were identified to have good science laboratories (a good number still needed repairs/rehabilitation) before and during the Annual School Census in 2020. The lack of science laboratory equipment was identified as their felt need.

At the moment, about 80% of those identified schools have so far received the science equipment; installed and in use.

However, the Ministry is working on retrieving the equipment from those schools that do not have need for them, to be supplied to other needy schools.

Auditor's Comment

Our recommendations were not implemented. The issues remain unresolved.

3.11.2. Insufficient Supply of Exercise Books to Schools

In spite of the requirement that books will be supplied to pupils based on the number of subjects offered, we observed that exercise books were not supplied to the schools based on the number of subjects offered. During our visits to selected schools within the Western Area, we observed that some pupils were supplied four exercise books even though they were offering nine subjects. We also observed that the specifications (based on the number of pages) in the Ministry's Store Issue Vouchers were different from the actual books received and verified in the schools. For instance, instead of supplying 120 pager exercise books as indicated in the Store Issue Vouchers (SIV), 80 pager exercise books were supplied to the schools.

We recommended that the Deputy Director of Education, Western Urban should ensure that pupils are supplied exercise books based on the number of subjects offered and with the correct specification.

Official Response

Management admits that this has been a trend over the years. This is because the total number of exercise books originally budgeted for does not always match the ever-growing roll of pupils in schools at the time the books are supplied. This means that more pupils are admitted into schools on a daily basis than the total number of books supplied to the schools for distribution to the pupils as against the total number received for the District.

Auditor's Comment

Our recommendation was not implemented. The issue remains unresolved.

3.11.3. Failure to Supply Beds and Accessories to Five Boarding Home Schools

In 2021, the Ministry entered into a contract agreement with suppliers for the supply and installation of beds and accessories to five boarding home schools, for a contract sum of SLE4,272,278. The contract agreement stipulates that the supplies were to be completed within 12-14 weeks after signing the contracts. Even though advance payments totalling SLE1,858,524 were made to the suppliers in March 2022, there was no evidence of supplies. Additionally, the performance bonds submitted by these suppliers had expired and there was no evidence of renewal.

The Permanent Secretary should urge the suppliers to execute the contract immediately or the contract be terminated and the total amount paid to the contractors is recovered (with interest) and paid into the CF.

Official Response

- *Management notes the queries on the inaction by the Ministry to urge the defaulting suppliers to meet their obligations.*
- *The Ministry has however written officially to those suppliers urging them to comply with the execution of the contract terms with a clearly defined ultimatum to terminate the contract should they fail. Management promises to follow up until the contract is fully executed or otherwise, and progress will be duly communicated to the Audit Service Sierra Leone.*
- *Copies of the letters to suppliers as evidence of action taken are available for verification.*

Auditor's Comment

Copies of letters to the suppliers were submitted and verified. However, there was no evidence that the beds and accessories had been supplied or the amount fully recovered and paid into the Consolidated Fund. The issue remains unresolved.

3.11.4. Salaries Paid to Non-staff

We observed that salaries totalling SLE12,754 were paid to staff members who had resigned from the Ministry. One of them was paid a total salary of SLE3,428 for four months after his resignation, and the other was paid SLE9,326. This contravenes Section 112(2) of the PFMRs of 2018 and Rule 12.4 of the Civil Service Code, Regulations and Rules of 2011.

We recommended that the Director of Human Resources should ensure that the names of the staff in question are immediately removed from the Ministry's payroll. The total salaries paid to them should be recovered and paid into the CF, and evidence of payment forwarded to the ASSL.

Official Response

Former staff whose names were on the payroll and received salaries after resignation have been communicated to officially with an instruction to pay the said monies into the Consolidated Fund and have acknowledged receipt of the correspondence and promised to pay by instalment.

Auditor's Comment

The Director of Human Resources submitted letters sent to the former staff requesting refund of the amounts. There was however no evidence of recovery of the total amount of SLE12,754 from the former staff or an agreed payment plan to give comfort that the amount will be recovered. The issue remains unresolved.

3.11.5. Salaries Paid to Staff not Available for Physical Verification

A total of 71 staff whose names were on the salary voucher did not show up for physical verification. However, a total salary of SLE1,480,281 was paid to 46 of the 71 staff in FY2022.

The Director of Human Resources should ensure that the concerned staff make themselves available for physical verification. Otherwise, their names should be deleted from the payroll.

Official Response

The concerned staff have been contacted and queries sent to them for not availing themselves for physical verification. Copies of the queries are available for verification.

Auditor's Comment

The Director of Human Resources submitted copies of queries sent to staff that did not show up for physical verification. In spite of this, the staff in question did not avail themselves for physical verification, and their names continue to exist on the salary vouchers. The issue remains unresolved.

3.11.6. Assets not Made Available for Physical Verification

We requested for a physical inspection of a sample of assets owned and controlled by the Ministry as at 31st December, 2022. During this exercise, we observed the following:

- A total of 15 vehicles and 25 motorbikes were not made available for physical verification
- A LaserJet Printer valued at SLE13,500 assigned to the Senior Assistant Secretaries was also not made available for physical verification.

The Senior Stores and Inventory Officer and the Assistant Secretary for Fleets Management should ensure that the unverified vehicles, motorbikes, and printer, are made available for physical inspection.

Official Response

The leadership of the Ministry is in receipt of the report from the Senior Assistant Secretary about the office break by an unknown thief, for which the Ministry has taken administrative measures which include an internal investigation as well as a police investigation which is ongoing. The outcome of that will be submitted for the attention of the Audit Service Sierra Leone.

Auditor's Comment

Management's comments on the unverified assets are noted. However, there was no evidence of a police report in respect of the ongoing investigation alleged to be carried out by the Ministry. The 15 vehicles, 25 motorbikes, and the LaserJet Printer were not made available for physical inspection. The issues remain unresolved.

3.12. MINISTRY OF BASIC AND SENIOR SECONDARY EDUCATION, MOYAMBA DISTRICT: 2020 - 2022

Below is a summary of key outcomes from the audit of the MBSSE, Moyamba District:

- There were only seven School Quality Assurance Officers to monitor and supervise the operations of 654 schools across the 14 chiefdoms in the District.
- There were not enough trained and qualified teachers in the District, especially in far-to-reach chiefdoms.
- We observed lack of adequate teaching and learning materials in most of the schools in the District.
- Physical verification of assets and interview with the Deputy Director revealed that the MBSSE was challenged with essential office equipment such as laptop computers, printers, and photocopiers to carry out official duties in the Ministry. There was also no internet facility in the office to support regular and fast communication.
- The storage facilities were inadequate to accommodate all store items of the Ministry.

We recommended that the Deputy Director, and other stakeholders should ensure that the issues above are immediately addressed to enhance effective service delivery.

3.13. MINISTRY OF BASIC AND SENIOR SECONDARY EDUCATION, BO DISTRICT - 2022

Below is a summary of key outcomes from the audit of the MBSSE, Bo District:

- There were not enough trained and qualified teachers in the District, especially in far-to-reach chiefdoms.
- We observed lack of adequate teaching and learning materials in most of the schools in the District.
- Physical verification of assets and interview with the Deputy Director revealed that the MBSSE was challenged with essential office equipment such as laptop computers, printers, and photocopiers to carry out official duties in the Ministry. There was also no internet facility in the office to support regular and fast communication.
- The Ministry had no storage facility, instead they were using the Home Economics Centre as a store which was without shelves and pallets, and had damaged doors and windows.
- A review of the list of schools in Bo District revealed that there were 352 unapproved schools.
- There were no pre-primary schools in six chiefdoms, and no senior secondary schools in nine chiefdoms in the District.
- The sum of SLE179,112.92 was allocated as government grants for two quarters in FY2022 through the Bo City Council. The Ministry was not able to access these funds due to a High Court order (Garnishee Order) by the sitting Judge who stopped payments from all accounts maintained and operated by the Bo City Council. This prevented the Ministry from executing its annual work plan.

We recommended that the Deputy Director, and other stakeholders should ensure that the issues above are immediately addressed to enhance effective service delivery.

3.14. MINISTRY OF BASIC AND SENIOR SECONDARY EDUCATION, BOMBALI DISTRICT – 2022

Six motorbikes (AEL 917, ARI 860, ARK 457, ARK 458, ARJ 408 & ARJ 578) were not presented for verification, even though the staff to whom these motorbikes were assigned were still in post at the time of the audit.

We recommended that the Deputy Director should ensure that the six motorbikes are made available to the ASSL.

3.15. MINISTRY OF TECHNICAL AND HIGHER EDUCATION (HQ) – 2022

3.15.1. Allowances Paid to Sierra Leoneans Studying Abroad

Contrary to Section 100(1) of the PFMRs of 2018, the total of SLE2,421,847.91 was paid to various embassies as allowances to Sierra Leoneans studying abroad on scholarship for which expenditure returns were not submitted for audit.

We recommended that the Principal Accountant should inform the HoCs of the concerned foreign missions to submit expenditure details and returns to the ASSL.

Official Response

The HoCs of the concerned foreign missions were contacted; expenditure details and returns have been submitted for verification.

Auditor's Comment

From the total of SLE2,421,847.91, expenditure returns of SLE2,398,795.68 representing 99% of the queried amount were submitted and verified, leaving a balance of SLE23,052.23.

The issue is substantially resolved.

3.15.2. TVET Education not Sufficiently Funded

We observed that there was no indication of the effective rollout of the TVET Policy developed in 2019. Some TVET institutions lacked the equipment and laboratory facilities needed to implement planned programmes to enhance technical and vocational training.

We recommended that the Chief Technical and Higher Education Officer should ensure the implementation of the TVET Policy and the provision of laboratory facilities to TVET institutions.

3.16. MINISTRY OF TECHNICAL AND HIGHER EDUCATION, SOUTH - 2022

3.16.1. Inadequate Supervision on the Implementation of the Skills Development Fund Grants

Skills Development Fund (SDF) grants were given to 37 vocational institutions to assist them with their operational costs. Four out of the 37 institutions that received a total of SLE5,438,708.50 did not avail themselves for audit. Additionally, there was no evidence of the existence of two institutions that received a total amount of SLE900,079.50.

We recommended that the Deputy Director, South and Chief Technical and Higher Education Officer should ensure that the responsible personnel for the distribution of the SDF grants should ensure that the four institutions account for the funds received and the amount to the two institutions that did not show evidence of existence, should be recovered from those who authorised the payments and deposited into the CF.

Official Response

(i) Monitoring of Ministry's activities in the Region including SDF is the core responsibility of Regional Directors and logistics constrains for effective monitoring is communicated to the Chief Technical and Higher Education Officer in all performance reviews.

(ii) This recommendation will again be discussed with the Chief Technical and Higher Education Officer and the PS. Letters have also been sent to institutions for submission of documents for verification.

On the part of those not found, the Regional Office will communicate with HQ for the attention of SDF.

Auditor's Comment

We observed the following on the Management's response during the verification exercise:

- (i) Of the four institutions, only one (Haikal Organisation) submitted documents for verification. The other three institutions that received a total of SLE4,321,958.50 did not submit their documents, nor made themselves available for verification, despite several requests.
- (ii) Additionally, there was no evidence that the two institutions included in the beneficiary list with a total amount of SLE900,079.50 were in existence for the period under review. The issue remains unresolved. See details in the table below:

3.16.2. General Observation

- (i) The Deputy Director was the only staff assigned to the Regional Office, and responsible for the supervision of all Technical and Higher Education institutions in the four districts in the Southern Region.
- (ii) An imprest system was not in existence in the District Office for the period under review.
- (iii) There was no fixed assets register.

3.17. MINISTRY OF AGRICULTURE AND FOOD SECURITY (HQ) - 2022

3.17.1. Non-compliance with Contract Agreement for Machine Rings Operation

The Ministry signed a contract with 14 private business organisations on 16th March, 2021 for the establishment and management of agricultural machinery services for farmers and farming groups in various communities in 14 districts. The contract stated that agricultural machinery services (tractor, power tiller, and equipment) should be provided to private businesses that shall pay the lease in installments within a year period; commencing March 2022.

We however observed that contrary to Section 16.3 of the Contract Agreement between the MAFS and the 14 private business organisations, a total lease payment of SLE19,464,733.40 due in the period under review had not been paid by the private businesses to the Government for the use of machinery services provided to them by the MAFS.

We recommended that the Chief Accountant should ensure that the 14 private businesses pay into the Consolidated Fund, the amount due to the Government and submit evidence of payments for audit verification.

Official Response

Management has taken steps to inform and urge the 14 private businesses of the machine ring services to take obligation and pay into the mechanisation account as indicated in the contract of the e-voucher scheme.

Auditor's Comment

During the verification, evidence of payment of SLE19,464,733.40 into either the Consolidated Fund or the Mechanisation Account was not submitted. The issue remains unresolved.

3.17.2. Verification of E-voucher Transfers to Farmers

In a bid to transform the Agricultural Sector, MAFS embarked on a landmark policy initiative. Two of the four key landmark initiatives included the private sector led farm mechanisation through the establishment of machine rings and farmer service centres and the e-wallet system to foster efficiency, transparency as well as cost reduction in the Government's input delivery.

In view of the above, we conducted a verification exercise on beneficiary farmers on the list submitted by the Ministry with respect to the e-voucher system in which 12,000 farmers were to benefit from fertilisers, seed rice, herbicides and tools from agro-dealers and machine rings operators for a contract cost of SLE5,616.25 for each beneficiary farmer. Below are our observations from the verification exercise:

No.	Location visited	Observations
1	Western Area & Bombali	<ul style="list-style-type: none"> ▪ Telephone calls were made to 21 farmers in the Western Area and 14 in Bombali District, but they were unreachable, despite several attempts made before, during and after the verification exercise. Furthermore, the telephone numbers of 12 individuals in the Western Area whose names were among the list of beneficiaries alleged to have benefitted from amounts totalling SLE67,395 were serially numbered from 030-906362 to 030-906373. This sequential order in which these numbers appeared raised suspicion. ▪ Ten farmers in the Western Area and seven in the Bombali District contacted and informed the auditors that they did not receive any of the e-voucher items such as fertilizers, seed rice, herbicides, and tools worth SLE 95,476.25. ▪ The team also observed that the names of seven pin-coded staff of the Ministry in Bombali District including the District Agriculture Officer were found on the list of farmers and benefitted SLE39,313.75 from the scheme. ▪ Twenty-one of the farmers visited or contacted via phone informed us that they did not receive the full package of the e-voucher scheme. ▪ The head of one 15-member farmer group in Kamaranka Town informed us that instead of supplying them tools worth SLE84,244, they were given cash totalling SLE12,000.
2	Kenema District	Telephone discussion with farmers revealed that they did not receive e-voucher regarding the cash transfers. However, they did receive seed rice and fertiliser.
3	Kailahun District	Some farmers reported that they received some quantities of fertilisers, but could not confirm whether transactions were done through e-vouchers.
4	Kono District	<ul style="list-style-type: none"> ▪ Two farmers reported that they were not aware of any e-voucher transfers, nor did they receive seed rice, herbicides, fertilisers and tools. ▪ Some only received fertilisers.
5	Bo District	<ul style="list-style-type: none"> ▪ We observed that the procedure for the selection of the beneficiary farmers regarding the Agro-farmers' subsidy (e-voucher scheme) by MAFS was unclear. No documentary evidence was submitted in respect of the criteria used for the selection of farmers. As a result, we could neither verify whether the beneficiary farmers were selected based on merits, nor could we confirm whether all the beneficiaries were actually engaged in farming. ▪ We verified the phone numbers submitted by the beneficiary farmers and made direct calls to 30

No.	Location visited	Observations
		<p>farmers who were on the list of beneficiaries. We observed that 29 of the phone numbers we contacted were either switched off or not registered. The one beneficiary number that rang confirmed that she did not receive any subsidy whether in the form of cash or farm inputs. This is an indication that the funds were not used for their intended purposes but were diverted to personal use.</p> <ul style="list-style-type: none"> ▪ We compared the list of farmers submitted by the Ministry in Bo, to the list received from the headquarters in Freetown and observed that the total number of farmers submitted by Bo was 700, whilst the list sent from headquarters stated 947 farmers as beneficiaries. No explanation was provided by headquarters for the excess 247 farmers. The total value of funds paid to the excess 247 farmers amounted to SLE1,387,213.75.

In light of the above, it is apparently clear that the scheme did not yield or achieve the desired objective. We recommended that the Permanent Secretary and Director of PEMSD should recover the e-voucher payments involved as indicated in the findings above, and refund into the CF, the amount allegedly paid to the said farmers.

Official Response

The e-voucher support system caters for farmers' input or services through electronic means (phones). During the farmer's registration process, we discovered that some of the farmers who registered from hard-to-reach communities were without phones and phone numbers which brought in the provision of simcards from Airtel and Africell mobile companies.

At the time of the audit, service providers of the under-mentioned districts were still not paid (Western Area, Kono, Kenema, and Kailahun). In any case, it is now confirmed that Bombali has been paid.

Tools are out of the input system; land preparation is done by the machine Ring Operator Managers.

The claims of Mr. Joseph Benson Sesay (head of 15-member farmer group) to have accepted money on behalf of the farmers amounting to {SLE12,000} instead of the inputs violates the policy shift initiative and in itself a crime punishable by law. Therefore, Management is requesting Mr. Joseph Benson Sesay to bring the evidence to the Ministry for further engagement; both the Agro dealer and the recipient have committed the same crime.

The e-voucher support system for smallholder farmers takes the form of 1. Land preparation, 2. Seeds, 3. Fertilisers and 4. Agrochemicals

The total in cash amounts to five thousand, six hundred and sixteen Leones and twenty-five cents (SLE5,616.25) per farmer or beneficiary. It is, therefore, strange to note that a farmer can receive one of the items without the other.

Besides, Kenema, Kono, Kailahun, and Western Areas were not yet paid at the time of the audit.

Shockingly, it is a surprise to note that the names of staff members were mentioned as beneficiaries for 2022 e-voucher scheme in Bombali district. While the Ministry frowns at such act, internal investigations have been instituted and findings so far revealed that the seven mentioned staff were not the farmers whose names were on that list as alleged (See the beneficiaries list for ease of evidence)

1. Zainab Sesay - 077-047-202
2. Musa Kalokoh – 076-706-539
3. Albaji Kamara – 079-570-866

4. *Hawanatu Kamara – 075-837-054*
5. *Samuel Foenah – 080-435-970*
6. *Abu Bakar Koroma – 077-722-170*
7. *Mohamed Kamara – 077-047-202*

Auditor's Comment

The official response did not address the issues raised. In addition, evidence of recovery and refund of e-voucher payments of SLE2,976,611.90 (SLE1,589,398.75+SLE1,387,213.15) allegedly made to farmers was not submitted for verification. The issue remains unresolved.

3.17.3. Rehabilitation Work not Done

Total amounts of SLE148,550 on PV00148, and SLE148,600 on PV00150, dated 27th December 2022 were expended in respect of the rehabilitation of staff quarters and the Teko Training Centre in the Bombali District respectively. Efforts by the team of auditors to physically inspect the sites claimed to have been rehabilitated however proved futile. An interview with the District Agricultural Officer (DAO) revealed that he had no idea of such work done.

Similarly, an amount of SLE147,900 on PV00142 dated 20th October, 2022 in respect of payment for the rehabilitation of the Ministry's guest house and staff accommodation in Kenema was expended. Efforts to physically inspect the rehabilitation site however proved futile. An interview with the DAO in Kenema revealed that he was not aware of any rehabilitation work done. As a result, we did not ascertain whether government resources were being prudently managed.

We recommended that the Chief Accountant should submit evidence of rehabilitation work carried out. Otherwise, the amounts expended should be paid into the Consolidated Fund, and evidence of payments submitted to the ASSL.

Official Response

For Bombali, there was an error in the description on the voucher. Instead of administrative building, it was erroneously written quarter. This activity was actually planned and executed before the period under review. We have however contacted the DAO and he has proved beyond all reasonable doubt that the site is available for inspection. The wrong wording was used, instead of quarter, as it was an administrative building that was rehabilitated.

Auditor's Comment

The team was unable to physically verify the rehabilitation works done in Kenema and Bombali Districts. The responsible personnel in the Ministry were not available to identify the facilities that were claimed to have been rehabilitated. The issues remain unresolved.

3.17.4. Donated Fertilisers not Physically Inspected

We observed that on 29th October, 2022 at the Queen Elizabeth II Quay, the Ministry received 97,823 bags of fertilisers donated by the Moroccan Government. Between the period of 30th October and 3rd November 2022, a total of 81,580 bags of these fertilisers were transported to Stores One, Three, Four, and the Black Store in Kissy. A quantity of 16,243 bags were kept in a private store at the Queen Elizabeth II Quay. During a verification to ascertain the existence and conditions of the fertilisers on 20th March and 19th April 2023, the following were observed:

- We were unable to physically count the 81,580 bags of fertilizers (23,569 bags held at Store One, 14,488 bags held at Store Three, 33,046 bags held at Store Four, and 10,540 bags held at Black Store Kissy). The fertilisers were not properly stacked. We requested for the fertilisers to be reorganised, but the head of the store informed the team that there was no manpower available to help. As such, we did not confirm the actual quantities held in these stores.

- Despite several requests, the team was not granted access to the Queen Elizabeth II Quay to verify the 16,243 bags of fertilisers worth SLE 24,364,500. Without access to the store, we were unable to physically count the said fertilisers, and therefore did not confirm whether the items were still in the store.

We recommended that the Permanent Secretary should ensure that auditors are granted access to physically verify the fertilisers.

Official Response

For the delivery of donated fertiliser, Management is in the process of accessing funds to meet the logistical needs of the delivery to all districts for end-users.

It is true that previously there were obstacles in accessing various warehouses where the fertilisers are kept because of the administrative procedures. A team of auditors from the Audit Service Sierra Leone has now visited all the said areas requested for audit purposes.

Secondly, the Permanent Secretary has instructed the Store and Inventory Officer and team to physically pack accordingly for auditors to have easy reporting.

Auditor's Comment

With respect to access to the Queen Elizabeth II Quay store to physically verify 16,243 bags of fertilisers alleged to have been kept in the said store, management still failed to grant the auditors access to carry out the verification.

We again visited Stores One, Three, Four, and the Black stores in Kissy. However, we did not verify the fertilisers in these stores as they were found in a disorganised manner. The issue remains unresolved.

3.17.5. Management of FM World Combined Harvesters and Mobile Grain Dryers

A review of payment vouchers and stores records revealed that 51 FM World Combined Harvesters and 94 Mobile Grain Dryers costing SLE3,100,000 were delivered in October 2022. Upon review of the allocated stores ledger at the Mechanical Stores at Kissy, we observed that eight FM World Combined Harvesters and 87 Mobile Grain Dryers were still awaiting distribution. In addition, physical inspection revealed that these FM World Combined Harvesters and Mobile Grain Dryers awaiting distribution were found at various areas within the store compound. This exposed them to adverse weather conditions as some of the machines were covered with grass and dust. In spite of promises by the Permanent Secretary to put modalities in place to distribute the items to the beneficiaries, the items were still in store.

We recommended that the Permanent Secretary should ensure these machines are immediately distributed to the intended users to prevent wear and tear and wastage of government resources.

Official Response

The Permanent Secretary has given instruction to the officers at the mechanical store at Kissy to develop a mechanism to release all the items to the intended users including world combined harvesters, mobile grain, and dryers. A distribution list was developed in 2022 and consequently, actions taken but few of the items are yet to be collected by the beneficiaries. Management will inform them accordingly.

The Ministry will however ensure the process will continue to clear the store.

Auditor's Comment

The audit team was provided with a letter dated 5th January, 2023 from the Permanent Secretary instructing the engineer designated at the Kissy Stores to distribute tools to farmers.

We are however concerned that the machines were still in store as at the time of verification.

The issue remains unresolved.

3.17.6. Standing Imprest not Retired

Contrary to Section 124(1,2&3) of the PFMRs of 2018, standing imprest totalling SLE400,055.00 was not fully retired. As such, we cannot ascertain whether the said amount was utilised for the intended purpose.

We recommended that the Chief Accountant should submit the retirement details and records to the ASSL. Otherwise, the amount should be recovered and paid into the CF.

Official Response

The unavailability of the documents in question could have been an oversight; however, they are still available for Audit inspection.

Auditor's Comment

Retirement details relating to standing imprest totalling SLE373,355 representing 93% of the queried amount were submitted and verified, leaving a total of SLE26,700.

The issue is substantially resolved.

3.17.7. Payments without Adequate Supporting Documents

Contrary to Section 100(1) of the PFMRs of 2018, documents such as receipts, signed beneficiary list, delivery note, reports in respect of various activities amounting to SLE5,835,142.99 were not available for inspection.

We recommended that the Chief Accountant should ensure that the relevant payment documents are submitted to the ASSL.

Official Response

The necessary documents are available for audit inspection.

Auditor's Comment

Of a total of SLE 5,835,142.99, supporting documents such as receipts, signed beneficiary lists, delivery notes, and reports were submitted for various activities totalling SLE5,725,382.99 representing 98% of the queried amount, leaving a balance of SLE109,760. The issue is substantially resolved.

3.17.8. Distribution Lists not Available to Account for Uniforms

A total of SLE98,784 was spent on the supply of office uniforms for 92 female and 160 male staff. However, a distribution lists to confirm whether these items were actually delivered to beneficiaries was not submitted for audit inspection. Discussions held with some members of staff revealed that it has been years since uniforms were distributed to staff.

We recommended that the head of stores should submit the signed distribution lists for audit inspection. Otherwise, the amounts expended should be paid to the CF.

Official Response

The signed distribution lists are available for audit inspection.

Auditor's Comment

Signed beneficiary lists for 47 female and 79 male uniforms were verified; leaving a balance of 45 female and 81 male uniforms without evidence of distribution. Additionally, these uniforms were not made available for physical verification. The cost with respect to the outstanding staff uniforms was SLE49,392 (representing 50% of the total contract value). The issue is partially resolved.

3.18. MINISTRY OF AGRICULTURE AND FOOD SECURITY, BOMBALI DISTRICT- 2022

The following were the key outcomes of the audit of the Ministry of Agriculture and Food Security, Bombali District:

3.18.1. Payments without Adequate Supporting Documents

Payments totalling SLE20,954, relating to funds received from the Bombali District Council and the Makeni City Council were made without adequate supporting documents such as receipts, reports, signed lists of beneficiaries, approved distribution lists and contact details of beneficiaries were not submitted for audit inspection.

We recommended that the Finance Officer ensure that the required supporting documents are submitted to the ASSL.

3.18.2. Inadequate Control over the Management of Fixed Assets

We observed the following:

- The Fixed Assets Register (FAR) maintained for the recording of assets was not updated to capture details such as the purchase price of assets. The coding on the assets register did not match the physical codes on the assets.
- Some of the assets owned and controlled by the Ministry were not included in the FAR. For instance, four motorbikes donated to the Ministry by JICA for agricultural activities assigned to various staff were not included in the assets register. Similarly, a review of the life cards submitted for audit revealed that three motorbikes assigned to staff by JICA were neither included in the assets register, nor presented for inspection.
- Three of the four motorbikes donated by JICA were presented for inspection. Additionally, 13 motorbikes recorded in the FAR were not available for inspection. Further discussions with key staff on the unverified motorbikes revealed serious control issues regarding the management and use of the motorbikes. In this regard, we observed the following:
 - a) Two staff transferred to other districts failed to hand over their motorbikes to the Ministry.
 - b) The District Crop Officer who had retired in 2022 failed to hand over a motorbike assigned to him by the Ministry.
 - c) A former Livestock Officer who died in 2021, had a Star TVS motorbike with registration number AOR 479. This motorbike listed on the FAR was yet to be retrieved from the deceased's family.
- Seven of the 15 motorbikes donated to the Ministry by JICA were without identification codes.
- Life cards for 19 motorbikes were not submitted for audit inspection.
- The licences and insurance for 11 motorbikes had not been renewed since 2021.
- The Ministry's buildings and land were not properly managed. The Administrative buildings, Mechanical Engineering buildings, staff quarters at Mayanka, IDA compound, Teko Veterinary Laboratory, Teko Guesthouse, and the Ministry's compound were not included in the assets register submitted for audit inspection.
- There had been massive encroachment by the community on the Ministry's land without evidence of approval of the District Director.

We recommended that the DAO should ensure the following:

- (i) The FAR is updated immediately to include missing information on all assets owned and controlled by the Ministry.
- (ii) The inventory lists of the asset are displayed at every office.

- (iii) Assets are coded within the shortest possible time, and the codes should match those in the FAR.
- (iv) Motorbikes owned and controlled by the Ministry are duly registered and insured with the appropriate authorities before being assigned to staff. Expired licences and insurance should be immediately renewed.
- (v) All motorbikes including those given to transferred, retired and deceased staff are retrieved and made available for inspection. Otherwise, the staff to whom the motorbikes were assigned should pay back the full cost and evidence of recovery forwarded to the ASSL.
- (vi) Action is taken to ensure that all unlawful occupants within the quarters quit within the shortest possible time, and that the Ministry's land is surveyed and demarcated.

3.18.3. Lack of Adequate Staff in the Ministry

During the audit, we observed that some staff had served the Ministry for considerable period as volunteers without any action taken to regularise them. For instance, the stores and accounts functions were performed by volunteers.

In addition, volunteers were acting as Block Extension Supervisors (BES) and Frontline Extension Workers (FEWs), responsible for monitoring and recovering agricultural inputs from farmers. The lack of sufficient approved staff to assist the Ministry in delivering its mandates in the District resulted in using some volunteers to aid them with their work.

We recommended that the DAO and the Human Resources Officer (HRO) should liaise with the appropriate authorities at headquarters to address the staffing issue.

3.19. MINISTRY OF AGRICULTURE AND FOOD SECURITY, BO DISTRICT-2022

3.19.1. Combined Harvesters in the Possession of a Private Farmer

Three combined harvesters transferred from the Ministry's headquarters in Freetown to the District Office in Bo, were kept by a private farmer in a store at Senehun Village instead of the District Agriculture Store in Bo.



Photo showing the machine in the store of a private farmer

There was no evidence of approval from the Permanent Secretary, an agreement with the private farmer, or a letter of transfer in respect of these machines.

We recommended that the DAO should ensure that the three combined harvesters are immediately retrieved to the Bo office and evidence submitted to the ASSL.

Auditor's Comment

The DAO did not provide any response or evidence that the recommendation was implemented. The issue remains unresolved.

3.19.2. General Observations

- Nineteen motorbikes were not available for physical verification.
- The names of five of 37 staff on the staff list were not available for physical verification

3.20. MINISTRY OF AGRICULTURE AND FOOD SECURITY, MOYAMBA DISTRICT: 2020-2022

The following were the key outcomes of the audit of the Ministry of Agriculture and Food Security, Moyamba District:

- Utility vehicles and motorbikes to enhance movement of personnel within the district for effective agricultural service delivery were not available. An interview with the with the DAO revealed that, a motorbike was procured for the Crops Officer by the Moyamba District Council; however, this was not made available to the Ministry by the Council.
- Agricultural tools such as hoes, shovels, cutlasses, and watery can for nursery attendants were not available.

We recommended that the CAO and the PS should ensure that the challenges above are immediately addressed to enhance effective service delivery.

3.21. MINISTRY OF AGRICULTURE AND FOOD SECURITY, PUJEHUN DISTRICT: 2020-2022

3.21.1. Lacked an Official Vehicle

The Office lacked an official vehicle to enhance effective service delivery within the Pujehun District. We recommended that the CAO and the PS should ensure that an official vehicle is assigned to the District Office.

3.22. MINISTRY OF HEALTH AND SANITATION (HQ) - 2022

3.22.1. Works Contracts not Monitored

The Ministry awarded contracts worth SLE75,493,118 to 15 contractors in 2021 for the rehabilitation of 12 government hospitals and the construction of three DHMT offices in various districts. The contractors received 30% as advance payments totalling SLE21,342,544 after signing the contracts.

We however observed some anomalies in the contract administration that resulted in increased contract costs and substandard work done by the contractors. Even though the Ministry was to contract the service of consultant engineers to monitor and supervise these contracts, there was no evidence that this was done. It was also strange to note that timelines/durations of the contracts were not included in the terms of the contracts. Over a year after signing the contracts, works have not been completed and continued to be executed at a slow pace. This was contrary to Section 30 of the Public Procurement Act of 2016 which requires that the procuring entity shall be responsible for the

administration of contracts into which it enters, as well as the monitoring of the performance of such contracts.

We recommended that the Procurement Committee should ensure the immediate hiring of the required consultants, and also engage with the contractors to review the contracts and contract durations.

Official Response

The Ministry of Finance is the authority that is responsible for the issuance of the certificate of approval before any contract is signed. The delay in contracting the consultant engineers to monitor and supervise the work of these contractors was due to delays by the Ministry of Finance in issuing a certificate of approval.

Auditor's Comment

The Ministry could not submit evidence of reminder letters to the Ministry of Finance for the delays in issuing a certificate of approval in contracting the consultant engineers to monitor and supervise the work of these contractors. As at the time of this report, the services of the consultant engineers have not been sourced. Additionally, there was no evidence that the contracts have been reviewed to include timelines/contract durations. The issue remains unresolved.

3.22.2. Expenditure Returns not Available for Overseas Training

In spite of our recommendations in previous audit reports, and contrary to Section 100(1) of the PFMRs of 2018, the Ministry continue to pay for overseas training without receiving expenditure returns to support those payments. For instance, in FY2022 the sum of SLE3,880,592 expended on overseas training for medical personnel was without adequate supporting documents such as request and approval of sponsorships, invoices and receipts for fees paid whilst on overseas training.

We recommended that the Director of Financial Resources should ensure that expenditure returns are obtained from all beneficiaries and are immediately submitted to the ASSL.

Official Response

Request and Approval of sponsorship were effectively attached to payment vouchers in the FreeBalance system. However, these documents are available for audit verification.

Receipt for fees and air tickets have been submitted by four medical doctors and are available for audit verification. The remaining doctors have been contacted for same.

Auditor's Comment

Of the total overseas training expenditure of SLE3,880,592, supporting documents amounting to SLE1,076,719 representing 28% of the queried amount were provided and verified, leaving a balance of SLE2,803,873. The issue remains unresolved.

3.22.3. Bank Statements not Submitted for Audit

Despite the initial request for documents that were annexed to the engagement letter sent to the Ministry of Health and Sanitation, and several follow-ups made, bank statements in respect of 91 bank accounts were not submitted for audit inspection. As such, we cannot ascertain whether appropriate procedures were followed in the management of the income and expenditures in respect of these accounts.

We recommended that the bank statements are immediately submitted for audit inspection.

Official Response

Management tried to reach 31 account holders of which we received responses from five offices. The Ministry also reached out to the Accountant General, to provide bank statements for the queried accounts for which we are still awaiting responses.

Auditor's Comment

Bank statements for 60 of the 91 bank accounts were submitted leaving the balance of 31 accounts for which bank statements were not submitted. The issue is partially resolved

We reviewed the 60 bank statements submitted during the verification and observed that withdrawals were made totalling SLE3,978,934.66 and US\$198,228.44. In spite of several requests, payment vouchers and supporting documents were not submitted for the amounts withdrawn. The issue remains unresolved

3.22.4. Missing Fixed Assets

We observed the following:

- In spite of repeated requests, 14 Hewlett Packard (HP) Pavilion (Intel Core i5) laptop computers, 12 (120 4G LTE), Africell modems, one HP laptop and an adaptor, and one Canon camera (EOS 4000D) were not available for physical verification. Further investigations revealed that these assets were reported stolen from the Directorate of Policy, Planning and Information in September 2021. There was however neither a police report, nor evidence of internal investigation.
- A total of 285 vehicles in the Western Area were not made available for physical verification.
- Five vehicles donated to the Ministry, with a total value of US\$154,837.13 were not included in the assets register, and these vehicles were also not made available for physical verification.

We recommended that the Director of Policy, Planning and Information should ensure that the police and internal investigation reports are obtained in respect of the missing items and forwarded to the ASSL.

We also recommended that the Director of Support Services should ensure that the donated vehicles are made available for physical inspection.

Official Response

- (i) *The theft incident occurred on 13th September, 2021. The matter was reported to the police post at Yonyi Building. The CID was invited and initiated investigations. The Police have not issued a report after several efforts to obtain it from them.*
- (ii) *On 28th April 2022, the Permanent Secretary of the Ministry of Health and Sanitation sent a request to the head of the CID for the police report on the burglary incident that occurred on 13th September, 2021 at the Directorate of Policy Planning and Information.*
- (iii) *The report fee was paid to CID and up to date the report has not been written or delivered.*

Auditor's Comment

A letter of request for the police report of the theft incident was provided. However, the police report was not made available during the audit verification. The issue remains unresolved.

There was no official response for the missing vehicles and no evidence that the recommendations were implemented. The issue remains unresolved.

3.22.5. Key Deliverables not Achieved

As part of the assessment of services delivered during 2022, we examined the Ministry's budget for FY2022 to determine the level of achievements of key deliverables.

We noted that the Ministry's vision to ensure a functional national health system to deliver efficient, high-quality healthcare services that are accessible, equitable and affordable for everybody in Sierra Leone could not be achieved. The following key deliverables for 2022 were not met:

- Development and operationalisation of the Health Sector Policy and the Overseas Medical Policy

- Constituting the Hospital Boards
- Development of a Professional Code of Conduct for Health Workers.
- Launching the Health Financing Strategy, including plans for a National Health Insurance Scheme.
- Outsourcing the National Emergency and Medical Services (NEMS)
- Establishing a new management structure for tertiary and secondary hospitals

We recommended that the Chief Medical Officer and the Permanent Secretary should ensure that these key deliverables of the Ministry are prioritised for a functional national healthcare system to deliver efficient, high-quality health care services.

Auditor's Comment

There was no official's response on evidence that the recommendation was implemented. The issue remains unresolved.

3.22.6. Common Issues Observed Across Hospitals and Other Healthcare Service Facilities

We selected and examined the operational effectiveness of a sample of six hospitals and other healthcare facilities in the Western Area. The following were observed:

3.22.7. Recurring Audit Issues on Service Delivery

Six government hospitals (i.e., Connaught, Ola During, Rokupa, Lakka, King Harman Road and the Princess Christian Maternal Hospital) were selected and assessed, in order to know how medical and hospital service delivery were managed during 2022. In as much as the specific detailed findings have been communicated to each of the hospital management, we have included key observations that need the Ministry's immediate action. These observations are listed below:

- There were ineffective ambulance services. We observed that there was no ambulance at the King Harman Road Maternal and Child Health Hospital and the Rokupa Government Hospital. Two of the ambulances at the Connaught Hospital were grounded and/or not fitted with the required equipment for use. The Ola During Children's Hospital had only one fully equipped ambulance. The ambulance at the Lakka Government Hospital had an odometer reading of 28,686 km, and a malfunctioning air conditioning system. We further observed that one of the ambulances at the Princess Christian Maternity Hospital was used as a utility vehicle, due to the poor condition of the hospital's utility vehicle.
- Store records were poorly managed. We noted that the hospital cannot provide sufficient records for drugs received, distributed, and or returned. Because of this, we cannot place reliance on the utilisation of supplied drugs for the period under review.
- We conducted an inspection tour of the six hospital stores and observed a huge stockpile of expired drugs.
- The controls over staff attendance at the hospitals were not effective. We noted that there was poor supervision over staff attendance.

The objectives of people going to hospitals and having the required treatment could not be met. Additionally, lives could be lost if immediate action is not taken by management to address the issues highlighted.

We recommended that the Chief Medical Officer and the Medical Superintendents/Hospital Care Manager should ensure that the hospitals are fully capacitated for effective service delivery.

Official Response

See Management's responses on Connaught, Ola During, Lakka, Rokupa, King Harman Road, PCMH, SLeSHI and NEMS.

Auditor's Comment

The identified key challenges affecting the selected health facilities have not been addressed by the Ministry. The issues remain unresolved.

3.22.8. Statutory Deductions not Paid

We noted that selected hospitals and other healthcare facilities did not pay withholding and PAYE taxes, and as required by Section 117(4) of the Income Tax Act, 2000 and NASSIT as required by Section 25 of the NASSIT Act, 2001. A review of payment records in respect of the use of funds allocated to these hospitals and facilities revealed that unpaid statutory deductions for 2022 amounted to SLE3,018,461.87. Details of the withholding taxes paid and unpaid are given below:

No.	Details	Total	Withholding Taxes	PAYE	NASSIT
		SLE	SLE	SLE	SLE
1	National Emergency Medical Services (NEMS)	2,008,874.64	302,453.64	900,923.00	805,498.00
2	Sierra Leone Social Health Insurance (SLeSHI) Scheme	328,011.80	328,011.80	-	-
3	PCMH Hospital	111,341.27	111,341.27	-	
4	Connaught Hospital	487,652.35	487,652.35	-	
5	Lakka Hospital	19,125.01	19,125.01	-	
6	King Harman Road	63,456.80	63,456.80	-	
	Total	3,018,461.87	1,312,040.87	900,923.00	805,498.00

We recommended that the management of these hospitals and other health facilities should ensure that they pay these statutory deductions to the relevant authorities.

Official Response

(i) NEMS

We commit to paying SLE153,910.18 (Jan-June 2022 arrears) and SLE148,543.85 (Jul-Dec. 2022) arrears in Q3 (2023) and Q4 (2023) respectively.

(ii) SLESHE

The Management of the Sierra Leone Social Health Insurance Scheme (SLeSHI) is fully aware of the tax policy and therefore have been using the Ministry of Health and Sanitation's TIN number to effect tax payments. As an autonomous authority in anticipation, the Management of SLeSHI was advised by the NRA to apply for a separate TIN number which management did even before the commencement of the 2022 audit exercise. The process took too long for NRA to create TIN number for SLeSHI This has caused delay in effecting tax payments.

However, Management is committed and will ensure payment is done for the aforementioned amount of SLE328,011.80 as instructed. Receipt will be submitted to ASSL immediately for verification.

(iii) Princess Christian Maternity Hospital

They stated that they have sent a letter to the Commissioner of Domestic Tax Department at the NRA through the Permanent Secretary, for the hospital to be provided with a Taxpayer Identification Number (TIN). We are however waiting on their response to effect the payment.

(iv) Connaught Government Hospital

Withholding taxes are normally deducted from individual payments with the understanding that they will be aggregated at the end of the month and paid to the NRA. The Hospital management has in most cases found it difficult to make such payments to NRA. This is so because in addition to not having a TIN, the Hospital is always faced with emergencies

that need to be urgently addressed and its financial resources are always insufficient to address such emergencies. The Hospital being a lifesaving institution is in many a time left with no option but to utilise those funds to save lives with the hope that they will be paid later when funds and the TIN are made available. The Hospital Care Manager further provided a payment plan of how they intend to pay the accrued withholding taxes which starts on the 15th July, 2023 and ends on 6th July, 2024.

(v) Lakka Government Hospital

They have filled the TIN form online and the Accountant has been following up with the NRA in order for the hospital to get a registration form.

(vi) King Harman Road Maternal and Child Health Hospital

The Hospital has secured a TIN and have started the process of payment of all withholding taxes.

Auditor's Comment

Management's responses and payment plans relating to non-payment of statutory deductions have been noted. In addition, of the unpaid statutory deductions of SLE3,018,461.87, payment records for withholding taxes totalling SLE156,315.28 representing 5% of the queried amount were submitted and verified, leaving SLE2,862,146.59. The issue remains unresolved.

3.23. MOYAMBA GOVERNMENT HOSPITAL: 2020 - 2022

The following were the key outcomes of the audit of the Moyamba Government Hospital:

- One of the two ambulances in the Hospital and the utility vehicle were faulty and not repaired. An interview with the Medical Superintendent revealed that the Hospital was mostly challenged with funding to repair and maintenance the hospital vehicles.
- Medical equipment such as biochemistry analyser and haematological analyser used to diagnose liver and kidney function, were not available.
- There was inadequate supply of the Free Healthcare initiative drugs, and consumables such as paracetamol 500mg, amoxicillin tabs 500mg, ibuprofen 500mg, erythromycin 500mg, needles, and cotton wool. These drugs were in high demand in terms of usage by patients, and as such, frequently ran out of stock. This stock-out usually led to the risk of patients buying substandard or counterfeit drugs from peddlers on the street.
- There was no evidence of supply of diet for the whole of 2022 financial year.
- The hospital kitchen was constrained with adequate staff, cooking utensils and cleaning materials.
- Most of the hospital wards and buildings had damaged ceilings, broken windows, damaged wash hand basins and toilets, destroyed roofs, and faulty electric fans and air conditioners. We also observed that some of the hospital wards lacked nurses' station and adequate space to accommodate patients and this may affect effective health care service delivery.
- There was inadequate accommodation for hospital staff.
- The Hospital did not have essential office equipment such as: laptops, printers, photocopiers, air conditioners or standing fans for ventilation, in several administrative offices and the wards.

We recommended that the Medical Superintendent and the PS should ensure that the challenges above are immediately addressed to enhance effective service delivery.

3.24. KENEMA GOVERNMENT HOSPITAL- 2022

The following were the key outcomes of the audit of the Kenema Government Hospital:

- The Hospital lacked sufficient medical equipment which had the possibility of limiting the effective implementation of the vision and mission on which the hospital was established. The table below gives details of urgently needed equipment:

Status of medical equipment	
Not available	Inadequate
<ul style="list-style-type: none">▪ CT- Scan machines▪ Ultrasound machine for the general population▪ Patient and cardiac monitors▪ Standard operating tables▪ Urology ultrasound machine▪ Orthopaedic machine	<ul style="list-style-type: none">▪ Microscope▪ Reagents▪ Anaesthesia machines▪ Theatre operating instruments▪ BP machines▪ Glucometers▪ Thermometers▪ General surgery set▪ Caesarean section set▪ Operating ceiling lights

- There was no pipe borne water supply for the general hygiene of patients as the existing pipes were damaged during the construction of roads within the Kenema township and had not been repaired. Instead, water is fetched by means of “jerry cans” as the existing borehole cannot supply sufficient water during the dry season
- Many of the Hospital's assets had been damaged for a long time. For instance, seven vehicles and one ambulance were not roadworthy. These assets are found in different locations within the Hospital's premises, making the compound unattractive, and this poses danger to the general public.
- A total of 328 staff had been voluntarily employed for a long time, but were yet to be approved by the Ministry and the Health Service Commission. In addition, there were no stipends or compensatory allowances paid to them to support their daily personal expenses to and from work.
- There was inadequate office space for staff. For instance, there was no office space for the Data Entry Clerk and the Referral Coordinators.
- The stores were not inspected and supervised regularly by assigned senior personnel. This was evidenced by the following:
 - (i) The store had stockpiles of expired drugs, which had been there for a long time without being disposed of.
 - (ii) There was only one refrigerator in the store for drugs. This refrigerator was not enough for drugs under the cold chain.
 - (iii) We further observed that the store lacked trolleys to help carry bulky drugs or items to the various units.

We recommended that the Medical Superintendent and the PS should ensure that the challenges above are immediately addressed to enhance effective service delivery.

3.25. KAILAHUN GOVERNMENT HOSPITAL - 2022

The following were the key outcomes of the audit of the Kailahun Government Hospital:

3.25.1. Lack of Medical Equipment and Instruments

Most of the Units in the hospital lacked basic medical equipment and instruments, materials and facilities which have the possibility of limiting the effective implementation of the vision and mission on which the hospital was established. The table below gives details of urgently need equipment and instruments:

Status of medical equipment, instruments, materials, drugs and facilities	
Unit	Items not Available
Operating Theatre	<ul style="list-style-type: none"> ▪ Anaesthetic drugs ▪ Antibiotic prophylaxis ▪ Surgical consumables ▪ Surgical instruments ▪ Other equipment, such as standard operating lights, and oxygen concentrators
Laboratory Department	<ul style="list-style-type: none"> ▪ Blood glues test trips ▪ Various test kits ▪ EDTA (Ethylene diamine tetra acetic acid) Test tubes ▪ Anti-Sera A, B, AB and D ▪ Microscope slides ▪ Blood Safety Lancets ▪ Haematology analyser reagent (probe cleanser)
Idiopathic Pulmonary Fibrosis (IPF) Unit	<ul style="list-style-type: none"> ▪ Essential medical items ▪ Emergency drugs like Diazepam ▪ Gloves
Special Care Baby Unit (SCBU)	<ul style="list-style-type: none"> ▪ Emergency diapers for babies ▪ Emergency baby formula ▪ Emergency plaster ▪ Emergency baby clothes ▪ Lack of IPC (Infection Prevention and Control) materials ▪ Bed linens for babies and caretakers ▪ K.M.C (Kangaroo Mother Care) room
X - Ray Unit	<ul style="list-style-type: none"> ▪ Battery for the x-ray machine ▪ Air condition
Admission Wards	<ul style="list-style-type: none"> ▪ Functional thermometer ▪ BP machines
Paediatric Ward	<ul style="list-style-type: none"> ▪ IPC Materials such as cotton wool, bed linens ▪ Lack of mattresses ▪ Lack of Emergency Plasters for cannulation ▪ Lack of emergency drugs such as phenobarbital and phenytoin for anticonvulsant.

We recommended that the Medical Superintendent, the Chief Medical Officer, and the PS should ensure that the challenges above are immediately addressed to enhance effective service delivery.

3.25.2. Long Serving Volunteers not Approved by the Ministry

There were 88 qualified and experienced staff who had been working for more than three years without being approved. In addition, there were no stipends or compensatory allowances to support their daily

personal expenses to and from work. For instance, the storekeeper was not a pin code staff and was not being paid.

We recommended that the Medical Superintendent ensures the Minister of Health and Sanitation and the Health Service Commission are contacted to take action to regularise the stay of these staff if they are needed for the hospital's proper functioning. As an interim measure, these staff should be placed on some monthly incentives, whilst the issue of permanent and pensionable employment is being considered.

3.25.3. Control Failures Over Hospital Medical Stores

The stores were not inspected and supervised on a regular basis by assigned senior personnel. This was evidenced by the following:

- The store's inspection report justifying that the Hospital's store was not regularly verified and made available for audit review.
- The store had stockpiles of expired drugs, which had been there for a long time without being disposed of.
- There was a lack of adequate space for the storage of medical supplies.
- A refrigerator for the storage of drugs under a cool chain was not available.
- There was no evidence of basic training in the handling and managing of drugs and medical equipment.

We recommended that the Medical Superintendent should ensure the following:

- (i) The store is regularly inspected by the Storekeeper and an assigned senior personnel, and a written report sent to the Medical Superintendent for appropriate actions/references.
- (ii) A report of the expired drugs be sent to the Ministry of Health and Sanitation upon receipt of this report for appropriate action to be taken.
- (iii) That funds are set aside for the expansion of the existing store and acquisition of refrigerator for the storage of drugs under the cool chain.
- (iv) Basic training is provided with particular emphasis on store staff handling and managing drugs and medical equipment.

3.26. KONO GOVERNMENT HOSPITAL – 2022

The following were the key outcomes of the audit of the Kono Government Hospital:

3.26.1. Lack of Medical Equipment, Instruments, and Specialised Doctors

The hospital lacked basic medical equipment and instruments, and specialised doctors which have the possibility of limiting the effective implementation of the vision and mission on which the hospital was established. The table below gives details of urgently needed equipment and instruments:

Status of medical equipment, drugs and instruments	
Not available	Inadequate
<ul style="list-style-type: none"> ▪ Centrifuge ▪ Suction Pump Machine ▪ Incinerator for medical waste ▪ C-Pap (Continuous positive airway pressure) machine for both Adult and Pead/Neonate ▪ Patient-ventilator 	<ul style="list-style-type: none"> ▪ Hospital Beds and Mattresses ▪ Bedside lockers ▪ Bed screen ▪ Electronic blood pressure machine ▪ Bedside table ▪ Microscope ▪ Reagents

Status of medical equipment, drugs and instruments	
Not available	Inadequate
<ul style="list-style-type: none"> ▪ Adult Weight Scale ▪ CT- Scan machines ▪ Ultrasound scan for the general population ▪ Operating light 	<ul style="list-style-type: none"> ▪ Anaesthesia machines ▪ Theatre operating instruments ▪ BP machines ▪ Glucometers ▪ Thermometers ▪ General surgery set ▪ Operating ceiling lights ▪ Essential and specialised drugs
Status of Specialised Doctors	
<ul style="list-style-type: none"> ▪ General Surgeons ▪ Paediatric Surgeons ▪ OBGY (Obstetrics Gynaecologist) Specialist ▪ Physician Specialist ▪ Midwife ▪ Surgical CHOs 	<ul style="list-style-type: none"> ▪ Medical Doctors – only one available ▪ State Registered Nurse

We recommended that the Medical Superintendent, the Chief Medical Officer, and the PS should ensure that the challenges above are immediately addressed to enhance effective service delivery.

3.26.2. Lack of Control over Fixed Assets Management

In spite of several requests, the assets register for assets owned and controlled by the Kono Government Hospital was not presented for audit. Many of the Hospital's assets had been in deplorable condition for quite a long time. A review of the Medical Superintendent's report on the challenges of the hospital revealed that two ambulances (China Aide and Kono Progressive Union) and two Toyota Land Cruisers (ADF-319 and ALB-176) has not been roadworthy for a long period of time and no measures taken for the timely repairs of these vehicles.

We recommended that the Medical Superintendent should ensure that the assets register is submitted to ASSL. Also, the Chief Medical Officer and PS should ensure the repairs and maintenance of the vehicles or replace them to enhance effective healthcare service delivery.

3.26.3. Long Serving Volunteers not Approved by the Ministry

A review of the staff list and physical verification of staff revealed that a total of 203 staff had been employed on a voluntary basis for a long time and were yet to be approved by the Ministry and the Health Service Commission.

We recommended that the Medical Superintendent should ensure that the Minister of Health and Sanitation and the Health Service Commission are contacted to absorb these volunteers into the mainstream health system.

3.26.4. Management of the Hospital Medical Stores

The stores were not inspected and supervised on a regular basis by assigned senior personnel. This was evidenced by the following:

- The store's inspection report justifying that the Hospital's store was regularly verified was not made available for audit review.
- The store had stockpiles of expired drugs, which had been there for a long time without being disposed of.
- There was a lack of adequate space for the storage of medical supplies.

- A refrigerator for the storage of drugs under a cool chain was not available.
- There was evidence of basic training in the handling and managing of drugs and medical equipment.

We recommended that the Medical Superintendent should ensure the following:

- (i) The store is regularly inspected by the Storekeeper and a written report is sent to the Medical Superintendent for appropriate actions.
- (ii) A report of the expired drugs is sent to the Ministry of Health and Sanitation upon receipt of this report.
- (iii) That funds are set aside for the expansion of the existing store and acquisition of refrigerators for the storage of drugs under the cool chain system.
- (iv) Basic training is provided with particular emphasis on store staff handling and managing drugs and medical equipment.

3.27. BO GOVERNMENT HOSPITAL - 2022

3.27.1. Lack of Surgical Drugs and Medical Consumables

We observed that there was an inadequate supply of anaesthetic drugs and medical consumables such as bupivacaine, ephedrine, lidocaine, 90ml spanner needle, gauze, diclofenac, phenobarbitone, co-trimoxazole, perforated plaster and abdominal pack during the year under review.

We recommended that the Medical Superintendent and the Hospital Pharmacist should collaborate with the Directorate of Drugs and Medical Supplies, the NMSA and other stakeholders at the MoHS to ensure that there is adequate supply of not only surgical drugs and medical consumables but also other kinds of drugs in a timely manner to avoid stock-out and other eventualities.

3.27.2. Management of Storage of Drugs and Other Medical Consumables

We observed the following:

- The Hospital store was not conducive for the storage of drugs. We physically inspected the hospital store and observed that the storage capacity was inadequate to keep drugs and other items supplied by the Directorate of Drugs and Medical Supplies through the National Medical Supplies Agency and other partners.
- During the rainy season, water kept flowing through the doors and windows of the store, and this caused damage to the drugs and medical consumables in the store.
- The Hospital store lacked electricity air conditioners to provide light and the required temperature for drugs.
- We physically verified drugs and medical consumables and observed that several expired drugs were still kept at the hospital store. Furthermore, the storage of expired drugs in the hospital store had made it difficult to keep the additional supply of potent drugs and medical consumables due to lack of space.

We recommended that the Medical Superintendent should ensure that there are proper and adequate storage facilities to protect the potency of the drugs and medical consumables supplied. In addition, efforts should be made to remove and dispose of expired drugs in the hospital store.

3.27.3. Double Payment of Rent Allowances to Two Medical Doctors

We reviewed bank statements, cashbooks, and payment vouchers regarding payments made by the Hospital and observed that rent allowances were paid twice to two medical doctors from the two bank accounts. The two doctors were paid annual rent allowances of SLE5,000 each. We further observed

that on 8th August 2022, a cheque valued at SLE10,000 was withdrawn from the Bo Government Hospital account at the Sierra Leone Commercial Bank. Similarly, on 15th August 2022, a cheque valued at SLE20,000 was also withdrawn from the Bo Government Tertiary Hospital account at the Union Trust Bank. The Hospital management could not justify the basis of duplicating payments of rent allowances of SLE10,000 from the two hospital bank accounts to the two medical doctors.

We recommended that the MS should recover the excess payment of SLE10,000 (SLE5,000 per doctor) from the doctors and the amount paid into the Consolidated Fund.

Official Response

Due to urgency, Management decided to use internal funds to pay rent for the two doctors. This money was however withdrawn from the GoSL allocation and paid into the revenue account. Documents are available to substantiate this claim.

Auditor's Comment

The bank statement in respect of the revenue account was submitted for verification. We however could not identify the particular transaction to prove that the funds withdrawn to pay these two doctors were reimbursed into the account. In addition, no evidence of a bank deposit slip was submitted for verification. The issue remains unresolved.

3.27.4. No Evidence of Payment of Withholding Taxes to the NRA

During a review of the bank statements of the Hospital Account held at the Union Trust Bank, we observed a bank transfer of SLE132,033, in respect of withholding taxes made to the NRA on 31st January 2022. Further investigation revealed that the schedule of withholding taxes attached to the bank transfer letter amounted to SLE38,775, leaving a balance of SLE93,258 without schedule. In addition, no NRA receipt was made available for review as evidence to confirm payment of the total amount of SLE132,033.

We recommended that the Medical Superintendent and the Accountant should ensure that the NRA receipts to support the payment of the withholding taxes are submitted for audit inspection.

Official Response

The Hospital was unable to pay withholding taxes because it had no TIN. Previously, the sum of SLE132,033 was paid to the NRA as confirmed in the bank statement, but a formal receipt is yet to be received.

Auditor's Comment

The queried documents such as NRA receipts and withholding tax schedules were not submitted for verification. Therefore, the auditors could not confirm whether the payments to the NRA actually related to withholding taxes. The issue remains unresolved.

3.27.5. No Evidence of Extension and Formal Recruitment of Staff

We observed the following:

- Evidence of extension of service by the Human Resources Management Office was only available for three of the four employees who retired during the year under review. The extension of contract for the one staff (the Matron) had elapsed since 30th November 2022, and there was no evidence of renewal.
- The personnel file of the Hospital Secretary had no documentary evidence to indicate that the recruitment followed due procedures.

We recommended that the Medical Superintendent should ensure that evidence of extension of service of the one employee and the personal file of the Hospital Secretary are submitted to the ASSL.

3.27.6. Missing Assets

The Hospital management bought a HP monitor for the X-ray Unit valued at SLE6,590 and one air conditioner for the Scanning Unit valued at SLE5,300, that were not marked with unique identification codes. These assets were reported missing and the matter was said to be reported to the Sierra Leone Police. However, there was no evidence of a police report or actions taken to recover the stolen HP monitor.

We recommended that the Hospital Secretary and the Head of X-ray Unit should ensure that a police report is submitted to the ASSL, Otherwise, the amount should be refunded and paid into the CF.

3.28. REGIONAL GOVERNMENT HOSPITAL MAKENI - 2022

3.28.1. The Schedule of the Requirement for the Supply of Diets was not Submitted

During the review of the regular and special diet contract agreements, we observed that the schedules of requirements regarding regular and special diets were not made available for audit inspection. As a result, we could not ascertain whether the required items were delivered.

We recommended that the schedules of requirements regarding the said contracts are made available to the ASSL.

Official Response

Management has written to both suppliers to make the schedule of requirements available before the next supply.

The Director of Procurement is copied in these letters, which are ready for verification.

Auditor's Comment

Upon verification, a copy of the letter sent to the suppliers requesting the schedule of requirements was submitted for verification. However, the schedule was still not submitted for verification even though the request was sent. The issue remains unresolved.

3.28.2. Staff on Ministry's Payroll not on Hospital Staff List, and not Available for Physical Verification

A review of the payroll records and physical verification conducted revealed that the names of 69 staff on the Ministry's payroll were not on the staff list submitted and examined during the audit. Also, 71 staff whose names appeared on the Hospital's staff list did avail themselves for physical verification.

The MS, the HRO and the Hospital Matron should ensure the following:

- Constant supervision and monitoring of staff are enhanced, and punitive measures taken against staff who fail to report for duty on time.
- The 71 staff should avail themselves for physical verification. Failing which, the Human Resources Management Office should be informed accordingly to take necessary action against the defaulting staff.

Official Response

It is the responsibility of the Ministry to update the nominal payroll to coincide with our staff list. Some of these staff have been posted elsewhere since 2019 upwards. These staff have been unassigned from our payroll. There are some staff who had passed away and whose names have still not been removed from our facility, but the payroll captures them as staff of the hospital. There are staff on study leave who are still captured in our list.

We also completed our internal staff verification list which was conducted just after the audit. This document is readily available for verification.

Auditor's Comment

Upon physical verification, we observed the following:

- Of the 69 staff, 26 had been transferred to another hospital, two were reported dead and 14 were verified as staff working in the hospital. No evidence was submitted to justify the whereabouts of the remaining 27 staff. Consequently, the outcome of the verification exercise suggests that the hospital's staff list was not updated. The issue is partially resolved.
- Of the 71 staff, 58 were verified, leaving a balance of 13 not physically verified. The issue is partially resolved.

3.28.3. Debts Owed to Various Suppliers and Service Providers by the Makeni Regional Hospital

A review of the Makeni Regional Hospital documents revealed that the Hospital owed debts to various suppliers and service providers as at 31st December 2022. This amounted to SLE9,428,753.00. Of this amount, SLE6,923,668.00 relates to utilities (EDSA and SALWACO) which have been long outstanding, whilst SLE1,551,400 and SLE980,685 relate to diet and cleaning respectively. This is particularly significant as interviews conducted with officials of the Hospital revealed that some donor partners were providing support partly to cover the Hospital's water rate and electricity bills.

We recommended that the MoHS should ensure that the debt position of the Makeni Regional Hospital is settled to restore its reputation to various suppliers and service providers within the shortest possible time.

Official Response

A letter was sent to the Ministry of Health last year regarding the debt of the Hospital to suppliers and utility providers (EDSA and SALWACO). The Hospital will not be able to pay these debts which have accrued since it started operations. CHAMPS has been however supporting the Hospital in making some payments to EDSA and SALWACO. Therefore, the administration has written to CHAMPS to make the receipts of their payments available for verification by the audit team.

The Hospital had also issued SLE30,000 cheque payments to EDSA. However, there were some difficulties in processing the cheque between our bank and theirs. This cheque is still with us and ready for verification.

Auditor's Comment

The letter sent to the Ministry for the water rate and EDSA bills debts to be paid was submitted for verification. From the total debts of SLE9,428,753.00 owed, SLE84,647 was paid for utilities (EDSA and SALWACO) by the Ministry of Health headquarters and CHAMPS Makeni, leaving a balance of SLE9,344,106. As at the audit verification date, a cheque of SLE30,000 has still not been cleared. The issue remains unresolved.

3.29. DISTRICT HEALTH MANAGEMENT TEAM, KENEMA - 2022

3.29.1. Missions and Operations of the DHMT not Effectively Done

The following issues that affected service delivery were observed:

- Quarterly drugs are not received on time from the Central Medical Stores through the District Medical Stores for delivery to the various Peripheral Health Units (PHUs). As a result, the PHUs ran out of essential drugs.
- Medical equipment such as BP machines, scales and salter scales, thermometer pulse oximeters, glucometers and strips, drip stands, and IPC materials were not available in the PHUs.
- Medical labs in the PHUs were not equipped with reagents and other medical equipment.

- Delay in accessing PHUs and lack of ambulances to escort pregnant women to referral hospitals, resulted in high maternal mortality rate.

We recommended that the DMO should ensure the following:

- (i) Frequent engagements of stakeholders and health partners to ensure that each plays a role in the effective healthcare service delivery in the District.
- (ii) Essential medical equipment should be provided to enhance the sustainability of quality health service delivery to communities.

3.29.2. Management of the Hospital Medical Stores

Expired assorted drugs were packed in a container. No report was however submitted justifying that these expired drugs had been reported to the Ministry of Health and Sanitation for appropriate actions to be taken. The keys to the container housing the expired drugs were in the custody of the Storekeeper alone.

We recommended that the DMO should ensure the following:

- (i) A report of the expired drugs be sent to the Ministry of Health and Sanitation upon receipt of this report for appropriate action to be taken.
- (ii) One set of the keys to the container should be kept with a senior officer, and another with the Storekeeper.

3.29.3. Lack of Control over Management of Fixed Assets

The following issues were noted:

- Only 11 out of 19 vehicles were roadworthy, while the remaining eight were alleged to have been grounded for years.
- Four of the eight grounded vehicles were not available for physical verification, and one (with registration number AFT 583) had its number plate removed and placed on an unregistered ambulance.
- Fifty-one of 53 motorbikes were not made available for physical verification.

We recommended that the DMO should ensure that the grounded vehicles are repaired, licenced and that the missing vehicles are made available for physical verification.

3.29.4. Long Serving Volunteers not Approved by the Ministry

There were qualified and experienced health practitioners who had been working on voluntary basis for more than three years without approval. In addition, there were no stipends or compensatory allowances paid to them, in order to support their daily personal expenses to and from work.

We recommended that the DMO, the PS and the Health Service Commission should absorb these volunteers into the mainstream health system, in order to aid the proper functioning of the Hospital.

3.30. DISTRICT HEALTH MANAGEMENT TEAM, KAILAHUN - 2022

3.30.1. Missions and Operations of the DHMT not Effective

The following issues were observed:

- Quarterly drugs were not received on time from the Central Medical Store through the District Medical Store for delivery to the various peripheral health units (PHUs). As a result, the PHUs ran out of essential drugs.
- Inadequate functional delivery kits and delivery beds in most of the PHUs

- Non-availability of reagents/test kits to screen for some essential medical or obstetric conditions at PHU levels (e.g. reagent to test for protein in urine to diagnose pre-eclampsia, glucose, etc.)
- Stock ran out of non-consumables like (providon, gauze, adhesive gloves)
- Medical equipment such as BP machines, scales and salter scales, thermometer pulse oximeters, glucometers and strips, drip stands, and IPC materials were unavailable in the PHUs.
- Medical labs in the PHUs were not equipped with reagents and other medical equipment.
- Delay in accessing PHUs and lack of ambulances to escort pregnant women to referral hospitals, resulted in high maternal mortality rate.

We recommended the following:

- (i) Frequent engagement of stakeholders and health partners to ensure that each plays a role in the effective and efficient healthcare service delivery in the District.
- (ii) Essential medical service equipment should be provided to enhance the sustainability of quality healthcare service delivery to communities.

3.30.2. Management of the Hospital Medical Stores

Expired assorted drugs were packed in a container. No report was however submitted justifying that these expired drugs had been reported to the Ministry of Health and Sanitation for appropriate actions to be taken. The keys to the container housing the expired drugs were in the custody of the Storekeeper alone.

We recommended that the DMO should ensure the following:

- (i) A report of the expired drugs be sent to the Ministry of Health and Sanitation upon receipt of this report for appropriate action to be taken.
- (ii) One set of the keys to the container should be kept with a senior officer, and another with the Storekeeper.

3.31. DISTRICT HEALTH MEDICAL TEAM, KONO - 2022

3.31.1. Lack of Medical Equipment and Specialised Doctors

The Hospital lacked basic medical equipment and specialised doctors.

The table below gives details of urgently needed equipment and instruments:

Status of medical equipment and instruments	
Not available	Inadequate
<ul style="list-style-type: none"> ▪ Bed light lockers ▪ Bed Screen ▪ Electronic blood pressure machine ▪ Centrifuge ▪ Suction Pump Machine ▪ Operating light ▪ Pulse Oximeter ▪ Patient monitor ▪ Nebulizer ▪ Incinerator for medical wastes ▪ C-pap machines ▪ Patient ventilator 	<ul style="list-style-type: none"> ▪ Hospital beds and mattress ▪ Bed side table ▪ Adult weight scale

Status of medical equipment and instruments	
Not available	Inadequate
Status of Specialised Doctors	
	<ul style="list-style-type: none"> ▪ General Surgeon – One Needed ▪ Paediatric Surgeons – One Needed ▪ Obstetrician – Gynaecologist (OBGY) Specialist – Two Needed ▪ Physician Specialist – Three Needed ▪ Midwife – Six Needed ▪ State Registered Nurse –10 Needed ▪ Surgical CHO's – four Needed

We recommended that the DMO, the Chief Medical Officer and the Chief Administrator(CA) of the Koidu New Sembehun City Council should ensure that through appropriate budgeting, funds are sourced and set aside for purchasing and recruiting these equipment and specialist doctors.

3.31.2. Management of the Hospital Medical Stores

The stores were not inspected and supervised on a regular basis by assigned senior personnel. This was evidenced by the following:

- The Hospital maintained store card records and store ledger to record individual store items. However, the Storekeeper and Pharmacist did not provide the M-Supply system that recorded all medical supplies received and distributed.
- The store's inspection report justifying that the Hospital's store was regularly verified was not made available for audit inspection.
- The store had stockpiles of expired drugs, which had been there for a long time without being disposed of.
- There was lack of adequate space for the storage of medical supplies.
- A refrigerator for the storage of drugs under a cool chain was not available.
- There was no evidence of basic training in the handling and management of drugs and medical equipment.

We recommend that the DMO should ensure the following:

- (i) The Storekeeper and the Pharmacist make available the M-Supply system for audit verification.
- (ii) The store is regularly inspected by the Storekeeper, and a written report on the said inspection is sent to the Medical Superintendent for appropriate actions.
- (iii) A report of the expired drugs is sent to the Ministry of Health and Sanitation upon receipt of this report for appropriate action to be taken.
- (iv) That funds are set aside for the expansion of the existing store and acquisition of refrigerators for the storage of drugs under the cool chain.
- (v) Basic training is provided with particular emphasis on store handling and the management drugs and medical equipment.

3.31.3. Poor Management of Fixed Assets

Most of the Hospital assets were in deplorable condition for quite a long time. Four vehicles and one ambulance were not roadworthy for over 10 years. These assets were parked in different locations within the premises of the DHMT making the compound unsightly.

We recommended that the District Medical Officer should ensure that the vehicles and ambulance are immediately repaired and put into use.

3.31.4. Long Serving Volunteers not Approved by the Ministry

There were 84 qualified and experienced staff who had been working for more than three years without being approved. In addition, there were no stipends or compensatory allowances to support their daily personal expenses to and from work.

We recommended that the District Medical Officer in collaboration with the PS and the Health Service Commission should regularise the stay of the staff if they are needed for effective service delivery. As an interim measure, these staff should be placed on some monthly incentives whilst the issue of permanent and pensionable employment is being considered.

3.32. DISTRICT HEALTH MANAGEMENT TEAM, BOMBALI - 2022

3.32.1. PHU not Rehabilitated

During the review of payment records, we observed that a total of SLE47,000 was paid to Barham Enterprise on 18th August 2022, the same day the contract was signed between the Makeni City Council and the contractor to rehabilitate the Red Cross PHU at Mabanta Road in Makeni. Further verification of the said activity revealed that it was not undertaken.

We recommended that the DMO should ensure that the rehabilitation work at the Red Cross health facility is done. Otherwise, the amount should be refunded to the Makeni City Council account, and evidence of payment forwarded to the ASSL.

Official Response

Makeni City Council is responsible for the rehabilitation of Red Cross PHU since it's procurement-related and the activity is within their purview. It should be noted that the Red Cross CHP has a catchment population of 30,212 and women of child bearing age of 6,707 with a very dysfunctional labour ward as a result of leaking roofs during the rains. There was an urgent need to address this challenge towards health service delivery. However, according to MCC during the auditing exercise, rehabilitation was ongoing during that period. We would like the ASSL to conduct the final verification of the entire exercise based on the prescribed BOQ via MCC.

Auditor's Comment

The responsibility to confirm that the rehabilitation has been completed before the payment process is initiated rests with the DHMT.

During the verification, we noted that works valued at SLE37,060 were not undertaken.

The issue remains unresolved.

3.32.2. Comprehensive Fixed Assets Register not Maintained

We observed that a comprehensive assets register was not maintained. As such, the DHMT did not include in the FAR the Bombali DHMT MCH Aide School assets, the District Medical Stores, the TB/DOT Unit and the tools and equipment at the garage. Moreover, the responsible officer to whom the assets were assigned and the source of funding for the assets were not included in the FAR. Additionally, two tricycle ambulances (grounded) and several motorbikes which were physically verified were not included in the FAR.

There were also several non-functional computers and equipment in the FAR.

We recommended that the Accountant and the Transport Officer should ensure that the FAR is updated and evidence submitted to the ASSL.

The DMO should ensure that non-functional assets are either repaired or disposed of to free up space at the DHMT stores.

Official Response

There was a huge challenge in maintaining the assets register, as some donor partners did not inform the DMO or the Assets Management Committee, when donating those assets to the responsible persons. During the audit exercise, the MCHA, DMS & TB/DOT units were not included in the comprehensive assets register; they were maintained separately. The tools used for repairs of government vehicles and motorbikes weren't procured by the DHMT, neither with funds from the GoSL; they are privately owned. However, the DHMT will ensure that the fixed assets register will be updated upon verification, and the assets registers for MCHA School, DMS & TB/DOT Units are now available for verification.

Management is aware of those grounded vehicles; some for over a decade now. The FAR did indicate that, these vehicles are not roadworthy. The DHMT wrote to the Transport Managers at the Ministry of Health and Sanitation last year for boarding of those grounded vehicles, so that the DHMT can remove those dysfunctional assets from the FAR. A copy of the letter is with the District Transport Officer for confirmation.

Auditor's Comment

An assets register for the Administrative Unit was submitted to the audit team for verification. It did not however include vehicles and motorbikes owned and controlled by the DHMT. Meanwhile, FARs for MCH Aide School, District Medical Store, and TB/DOT Units that were not submitted were later submitted for verification. We observed that acquisition date, coding and status of some important assets were not included in the FAR of the MCH Aide School. The issue is partially resolved.

3.32.3. Assets not Available for Inspection

We observed the following:

- We could not verify eight vehicles, 36 motorbikes, and 13 computers and equipment owned and controlled by the DHMT. Moreover, we could not verify 32 assets including furniture, computers, and equipment transferred by the DiCOVERC- Bombali to the DHMT.
- Seven vehicles were without engines and other major parts despite being recorded as roadworthy vehicles in the FAR.
- Even though two vehicles and three motorbikes included in the FAR had been transferred to the Karene DHMT, we observed that no formal transfer documents were submitted for review.
- Despite other unserviceable ambulances at the Bombali DHMT, a serviceable white unregistered Land Cruiser Hearse ambulance (with engine number 1HZ-0785068 and Chassis number JTGRB71J5E7018142) was transferred to the Makeni Regional Government Hospital. The engine and other major parts of the said Land Cruiser Hearse were not seen at the DHMT premises for verification.

We recommended the Transport Officer should ensure the following:

- (i) Facilitate the verification of all outstanding assets.
- (ii) Documents for the transfer of vehicles and motorbikes to the Karene DHMT are submitted to the ASSL. Furthermore, the FAR should be updated to reflect the assets owned and controlled by the Bombali DHMT.
- (iii) The missing parts of the Toyota Land Cruiser, that was sent to the Makeni Regional Hospital, are returned to the DHMT for future use.

Official Response

All motor vehicles at the DHMT were verified with the exception of some motorbikes, which were assigned at PHUs. The NaCOVERC did not submit motorbikes and vehicles to DHMT. All items handed over to the DHMT by NaCOVERC were not distributed to the various units until verified by the ASSL. Those equipment that were not verified during the audit exercise, are now available for verification.

The Management of the DHMT is aware of the transfer of vehicles and motorbikes to Karene DHMT. There is an official handing-over letter for the transfer of vehicles and motorbikes to Karene. The formal transfer document is now available for verification and these assets have been removed from the FAR.

The Management of the DHMT through the DMO is aware that, the MS at the Makeni Regional Hospital requested for the transfer of the body of the Toyota Land Cruiser bearse (which has been dysfunctional and not road-worthy) to the accident-hit ambulance at the regional hospital. This was approved by the DMO after consultation with the National Transport officer at MoHS. However, during the audit exercise, the repair and maintenance of the said vehicle was ongoing. Therefore, the remaining parts of the Toyota land cruiser are now available for verification.

Auditor's Comment

The assets were still not produced for audit verification. The issue remains unresolved.

3.32.4. Staff not Available for Verification

We could not verify three pin-coded staff and two volunteers whose names were included in the DHMT staff list, in spite of repeated requests.

We recommended that the District Human Resource Officer should ensure the said staff avail themselves for physical verification. Otherwise, the two staff should refund the gross salary paid to them during the year to the Consolidated Fund, and evidence of payment submitted to the audit team for review.

Auditor's Comment

Management's response was not provided. A staff with pin code 102381 and two volunteers were however verified, leaving two unverified staff. The District Human Resource Officer should inform the Ministry of the unverified staff who were paid a total salary of SLE40,293 in 2022 for their names to be deleted from the payroll. Furthermore, efforts should be made to recover the amount from the staff in question. The issue is partially resolved.

3.32.5. Lack of Infrastructure at Community Health Centres

We verified seven of the 82 healthcare facilities within the Bombali DHMT and observed the following:

- There were poor or no Infection Prevention and Control (IPC) facilities like incinerators, placentas, and burning pits at the Stocco CHP. Therefore, the facility could not offer childbirth delivery service at the centre but only provides child-care services. Furthermore, there was no proper triage system at the Stocco CHP.
- The Stocco CHP's building appeared to be very small to serve its catchment population of 13,897, especially during Thursdays when suckling mothers visit for routine child-care.
- All the facilities visited lacked proper storage facilities.

3.32.6. Specific Findings on PHUs

Name of PHU	Findings
Masuba CHC	<ul style="list-style-type: none"> ▪ The facility has no glucometer ▪ The ceiling at the drugstore was damaged. ▪ There was no provision for purchasing EDSA top-ups in the facility.
Sierra Leone Red Cross CHC	<ul style="list-style-type: none"> ▪ There was poor or no Infection Prevention and Control (IPC) facilities like incinerators, placentas, and burning pits at the centre. ▪ The labour room condition was not conducive as there was no running water and the expected maintenance by MCC was not been done. ▪ There was no provision for the purchase of EDSA top-up in the facility.

Name of PHU	Findings
Kamasikie MCHP	<ul style="list-style-type: none"> ▪ The MCHP at Kamasikie lacked adequate accommodation facilities for nurses. The facility had three Nurses with a provision of housing for only two. ▪ The toilet facility was also poor as the pit for the available one is full. ▪ The submersible pump supplying water to the facility was faulty.
Manjoro MCHP	<ul style="list-style-type: none"> ▪ There was no pin-coded nurse at the Manjoro PHU. All three nurses at the facility were volunteers, including the In-Charge nurse. ▪ The roof at the facility had leakages. ▪ The Labour room had no bathroom.
Kamabai CHC	<ul style="list-style-type: none"> ▪ The facility had three pin-coded staff with five volunteers. ▪ The facility had a faulty plumbing system in the labour room. ▪ The Solar system at the facility was not active at night. ▪ The only available motorbike at the facility was faulty. ▪ The facility had no NEMS services for months.
Binkolo CHC	<ul style="list-style-type: none"> ▪ The facility had one delivery bed, which was faulty at the time of the audit, and had two sets of delivery kits. ▪ The facility had no waste management zone, and the staff quarters have leaking roofs.
General Observations	
<ul style="list-style-type: none"> ▪ We further observed that all the CHOs in the facilities visited had not been provided with medical licences. ▪ There was no proper refuse disposal at the DHMTs. ▪ The functioning Milla water tanks were not clean enough for safe drinking water. ▪ Fire extinguishers at the Bombali District Medical Store had not been recharged for a considerable period. ▪ Some drugs procured by the Makeni City Council were near their expiration dates. 	

We recommended that the DMO and the Health Authorities in Freetown should ensure that necessary actions are taken to upgrade the infrastructure for effective health delivery services.

3.33. PRIMARY HEALTH CARE, BO-2022

3.33.1. Faulty and Inadequate Equipment at the District Medical Store

The following were observed during physical inspection of the Bo District Medical Store:

- All the air conditioners and fans were not functional.
- There was only one refrigerator at the District Medical Store which was inadequate.
- There was low EDSA power voltage. The stand-by solar at the facility was faulty and its batteries and inverters needed replacement.

We recommended that the DMO and other relevant authorities should immediately address the poor conditions of the district medical store.

3.33.2. Limitations to Access Funds for Service Delivery

The PHC could not access its funds to implement activities in its annual work plan/budget. Further examination revealed that even though SLE278,050 was allocated in FY2022, the PHC could not access SLE151,954 due to a High Court order '*stop-payment order (garnishee order)*' on the Bo City Council's accounts. This prevented the PHC from carrying out key activities in the annual work plan for 2022.

We recommended the DMO and the Chief Administrator, Bo City Council, should collaborate with the Local Government Finance Department and the MOHS to ensure adequate budgetary support to the PCH for effective health service delivery.

3.33.3. Review of Fleets Management

There were inadequate vehicles and motorbikes to enhance effective operations within the District. We observed that 18 vehicles were faulty and some had been grounded for a very long time.

Only two ambulances were available to serve the 147 PHUs within the District.

We recommended the Fleets Manager, the DMO and other relevant authorities should ensure the immediate repairs and maintenance of the faulty vehicles and that additional ambulances should be provided to enhance service delivery.

3.33.4. General Observations

In spite of recommendations in previous reports, we observed the following:

- The Fixed Assets Register was not updated to account for all assets owned and controlled by the PHC in Bo District, and assets in the main office in Bo were not marked with unique identification codes.
- Staff personal files were not updated with relevant documents such as degree and diploma certificates, evidence of annual staff appraisals, and even birth certificates
- Regular stock counts not carried out

3.34. MINISTRY OF DEFENCE - 2022

3.34.1. Tendering Process not Followed

Contrary to Section 37(1) of the Public Procurement Act of 2016, there was no evidence of the tendering process before contract signing for the provision of repairs and maintenance services for 41 vehicles at a contract price of SLE1,594,260.

Similarly, three RFQs were not submitted for the procurement of air conditioners, repairs and maintenance, for which a total of SLE20,790.00 was paid to the contractors. This was in contravention of Section 45(1) of the Public Procurement Act of 2016 which requires that quotations shall be requested in writing from as many bidders as practicable, but from at least three bidders.

We recommended that the Head of the Procurement Unit submit evidence of the tendering process and three RFQs for audit inspection.

Official Response

Evidence that the appropriate procedure was followed and other relevant documents are now available for inspection.

Auditor's Comment

Evidence of the tendering process and three RFQs were not submitted. The issue remains unresolved.

3.34.2. Actual Expenditure Exceeding Budgeted Expenditure

In our review of the Ministry's approved budgets and the IFMIS, we observed material variances between the budgets and actual expenditures for 17 budget lines. The amount budgeted for FY2022 was SLE103,857,705.12 and the amount spent was SLE223,078,137.98; thereby resulting in an excess spending of SLE119,220,432.86.

Details are in the table below:

Schedule showing budget areas affected by overspending and unsupported expenditure for FY 2022			
Budget Activity Code	Budgeted Amount (SLE)	Actual Amount (SLE)	Variance Amount (SLE)
407040107	20,657,700.00	24,092,616.09	(3,434,916.09)
407040108	1,092,940.00	2,777,152.00	(1,684,212.00)
407040109	1,415,980.00	3,959,169.31	(2,543,189.31)
407040125	3,500,000.00	16,078,730.00	(12,578,730.00)
407040111	36,400.00	400,800.00	(364,400.00)
407040105	2,506,075.00	2,988,030.00	(481,955.00)
407040119	2,000,000.00	4,554,047.70	(2,554,047.70)
407040127	328,930.00	464,520.00	(135,590.00)
407040128	1,200,000.00	7,750,975.98	(6,550,975.98)
407040121	1,865,817.00	2,311,669.95	(445,852.95)
407040126	300,000.00	2,372,422.50	(2,072,422.50)
407040101	32,311,100.00	62,240,858.26	(29,929,758.26)
407040102	12,170,000.00	48,848,586.00	(36,678,586.00)
407040103	18,671,800.00	28,596,954.03	(9,925,154.03)
407040104	500,000.00	541,501.00	(41,501.00)
407040132	3,500,000.00	11,777,751.16	(8,277,751.16)
407040133	1,800,963.12	3,322,354.00	(1,521,390.88)
Total	103,857,705.12	223,078,137.98	(119,220,432.86)

We recommended that the Assistant Director of Budget should ensure that justification for the budget overruns is submitted to the ASSL. In future, the Assistant Director of Budget should prepare a realistic budget, taking into consideration all the activities of the different divisions, and discourage the practice of undertaking activities that were not provided for in the budget.

Auditor's Comment

There was no official response or evidence that the finding was addressed by Management. The issue remains unresolved.

3.34.3. Fuel for Generator Usage not Accounted for

Section 13 (1) of the Public Financial Management Act of 2016 requires the vote controller of a budgetary agency to be responsible for prudent, effective, efficient and transparent use of the resources of the budgetary agency. During 2022, a logbook and other relevant documents to account for fuel alleged to have been issued to standby generators worth SLE19,515 were not submitted for audit inspection.

We recommended that the Acting Assistant Director of Human Resources should ensure that fuel is fully brought to account; failing which the amount should be recovered and paid into the Consolidated Fund.

Auditor's Comment

There was no official response or evidence that the finding was addressed by Management. The issue remains unresolved.

3.34.4. Bank Withdrawals without Payment Vouchers and Supporting Documents

In violation of Section 100(1) of the PFMRs of 2018, bank withdrawals from the Imprest Account number 112007481 held at the Bank of Sierra Leone (BSL), totalling SLE295,398.11 were without payment vouchers and the relevant supporting documents.

We recommended that the Principal Accountant submit the payment vouchers and relevant supporting documents; otherwise, the amount should be refunded into the Consolidated Fund.

Official's Response

The documents requested for are now available for audit inspection.

Auditor's Comment

Contrary to Management's response, evidence of payment vouchers and the relevant supporting documents to substantiate withdrawals amounting to SLE295,398.11 were not submitted. Additionally, there was no evidence that the said amount was refunded into the Consolidated Fund. The issue remains unresolved

3.34.5. Allowances for Overseas Training without Adequate Supporting Documents

The RSLAF Policy 21 on study leave requires that for courses longer than one-year duration, study leave students are to present an annual progress report; otherwise, this will result in removal from the study leave scheme, and students are liable to repay costs. We however noted that overseas training allowances paid to 26 personnel on various courses, totalling SLE953,829.55, were without annual progress reports, course completion certificates and debriefing forms. We were informed by the Assistant Chief of Defence Staff, Training and Doctrine (ACDS, Trg./Doc) that the concerned personnel have been requested to submit the relevant documents. However, evidence was not submitted to substantiate this claim, as at the time of writing this report, the supporting documents were not made available for audit inspection.

We recommended that the ACDS, Trg./Doc should ensure that the RSLAF personnel on overseas courses submit their various annual progress reports and course completion certificates. Otherwise, the amount should be refunded into the Consolidated Fund and evidence submitted to the ASSL

Official Response

On this note, the Directorate of Defence Training, Education and Doctrine (DDTED) has compiled progress reports and end-of-course certificates for personnel in the marked close list forwarded by Director of Organisation Management and Audit (DOMA); with the necessary remarks. The remaining document/progress reports will be forwarded immediately upon receipt from personnel on overseas courses.

In view thereof, I am directed to please submit the course certificates and progress reports for your necessary action as requested.

Auditor's Comment

Of the SLE953,829.55 expended on overseas training allowance for 26 personnel, supporting documents were received and verified for an amount of SLE658,852.26 in respect of 17 personnel, representing 69% of the queried amount, leaving a balance of SLE294,977.29 in respect of nine personnel, for which the relevant documents were not submitted. The issue remains partially resolved.

3.34.6. Imprests not Retired

Contrary to Section 124(1&6) of the PFMRs of 2018, standing imprest totalling SLE255,377 and special imprest totalling SLE366,501 were not retired. Additionally, there was no evidence that these monies were paid back into the Consolidated Fund.

We recommended that the imprest holders should submit the retirement details for audit inspection. Otherwise, the amounts should be refunded into the Consolidated Fund.

Official Response

The documents requested are now available for audit inspection.

Auditor's Comment

The verification exercise revealed the following:

- Of the SLE255,377 expended from standing imprest, retirement details in respect of SLE189,877 representing 74% of the queried amount, were submitted and verified leaving a balance of SLE 65,500. The issue is substantially resolved.
- Of the SLE366,501 expended from special imprest, retirement details were submitted for payment of SLE32,821 representing 91% of the queried amount, leaving a balance of SLE333,680. The issue is substantially resolved.

3.34.7. Payments for Ramadan Logistics for MoD without Distribution List

The Ministry paid SLE71,271.90 to Fantomas Services for the supply of Ramadan logistics. In spite of repeated requests, the distribution list was not submitted.

We recommended that the Forces Chief Imam submit the distribution list to the ASSL. Otherwise, the amount expended should be paid in to the Consolidated Fund.

Official Response

Relating to the above subject matter, I do hereby submit the attached distribution list of Ramadan logistics delivered at JLU by Fantomas Service.

Auditor's Comment

A breakdown of the distribution list of Ramadan logistics signed by the Forces Chief Imam was submitted. The signed distribution list acknowledging receipt of the Ramadan Logistics by recipients were however not made available for verification. The issue remains unresolved.

3.34.8. Bank Statements and Cashbooks for Six Bank Accounts not Submitted

In spite of repeated requests, bank statements and cashbooks were not submitted for seven bank accounts. This was a violation of Section 91(1a) of the PFMA of 2016, and by extension, Section 119(2) of the 1991 Constitution of Sierra Leone. Details of the six bank accounts are in table below:

No.	Account Name	Bank Name
1	RSLAF PEACE SUPPORT A/c	RCB
2	Defence DEPT.SPECIAL A/c	BSL
3	RSLAF Soldiers Discharged on Medical Grounds	BSL
4	RSLAF Horton Academy (US\$)	SLCB
5	RSLAF Horton Academy (SLE)	SLCB
6	Gender and Equal Opportunities	SCB

We recommended that the Principal Accountant should ensure that the bank statements and cashbooks are submitted for inspection.

Official Response

In relation to these six accounts, the responsible officers are working on it, in a bid to provide the relevant information.

Auditor's Comment

The bank statements and cashbooks for the six bank accounts were not submitted for audit verification. The issue remains unresolved.

3.34.9. Asset Register not Updated

We observed that assets acquired by the Ministry worth SLE409,440 were neither recorded in the fixed assets register, nor were they marked with unique identification codes.

We recommended that with immediate effect, the Deputy Secretary responsible for Finance and Administration (DSF&A) should make available an updated asset register detailing assets procured, and ensure assets are marked with unique identification numbers and evidence submitted to the ASSL.

Auditor's Comment

There was no official response or evidence that the finding was addressed by Management. The issue remains unresolved.

3.34.10. Assessment of the Operational Effectiveness of Various Units, Barracks and Other Regiments

1. The Joint Logistic Unit (JLU)

A physical inspection of the Unit revealed the following:

- Even though reports were made to the chain of command for the refurbishment of the Supply Service Squadron storage facilities, there was no evidence of actions taken by Management to address the issues. We noted leaky roofs and floors at the Joint Logistic Unit Ordinance at Murray Town
- Fire extinguishers lacked tags containing information as to when they were to be serviced or refilled.
- The petroleum oil and lubricant storage facilities and structures such as the filling station, one fuel pump machine and the shipping containers used for lubricant storage, were in deplorable state. The team sighted a facility in disrepair as there were cracks on the walls, as well as the shipping containers and surface layer concrete hosting the underground tanks. The roof was also destroyed.

We recommended that the Director General should seek funds from the Ministry of Finance and take remedial actions to address the defects noted at the JLU.

Auditor's Comment

There was no official response or evidence that the finding was addressed by Management. The issue remains unresolved.

2. The Joint Medical Unit

At the 34 Military Hospital, we observed the following:

- The Triage Department did not have an automated system to capture the data of all military personnel and their beneficiaries.
- There was no utility vehicle at the hospital. Strangely, the ambulance at the hospital was used as a utility vehicle.
- There were limited drugs available at the pharmacy. An essential drug like paracetamol was not available at the pharmacy. The head of the pharmacy revealed to the audit team that since August 2022, the pharmacy had not received any supply of drugs.
- Major facilities like the x-ray room; the ECG (electrocardiogram) room and one of the haematology analysers for the study of blood disorders were non-functional at the JMU for the period under review, and as at the time of writing this report. Despite the above, a total of SLE53,752.55 was paid to a service provider for medical services due to faulty equipment, and a monthly running cost totalling SLE1,200,000 was provided to the JMU for the period under review. There was no evidence of actions taken by management to repair the equipment.

We recommended that the Commanding Officer should liaise with the DG to ensure that the issues identified are immediately resolved to enhance effective service delivery.

Auditor's Comment

There was no official response or evidence that the finding was addressed by Management. The issue remains unresolved.

3. The Barracks and Other Regiments

During our visit to various barracks and other regiments in the Western Area, we observed the following:

- There was a lack of access to safe drinking water for consumption and other domestic purposes at the Juba, Wilberforce, and Murray Town barracks.
- Poor sanitation facility was one of the major challenges evidenced at the Juba and the Murray Town barracks.
- We noted inadequate accommodation and housing facilities. The Juba, Murray Town, Wilberforce and Seventh Battalion barracks did not have adequate quarters to house all military personnel deployed to these barracks.
- There was no perimeter fence at all the barracks visited. As a result, there was evidence of encroachment at the Murray Town, Goderich and Wilberforce barracks.

We recommended that the Chief of Defence Staff (CDS) in collaboration with the Director General (DG) should ensure that the needs identified in the barracks and other regiments of the RSLAF are immediately communicated to the Ministry of Finance for adequate funding to address them.

Auditor's Comment

There was no official response or evidence that the finding was addressed by Management. The issue remains unresolved.

3.35. MINISTRY OF LANDS HOUSING AND COUNTRY PLANNING (HQ) - 2022

3.35.1. Failure to Present Documents for Audit

Contrary to Section 36(1) of the Audit Service Act of 2014, the Principal Accountant refused to produce NRA receipts, application forms, and evidence of citizenship records for 400 files relating to the lease and sale of state lands.

We recommended that the PS should ensure that the Principal Accountant provide the documents to the Auditor-General for audit, failing which sanctions stipulated in Section 36(1) of the Audit Service Act shall be applied.

Auditor's Comment

We were not provided with management's response or evidence of submission of revenue documents. The issue remains unresolved.

3.35.2. Revenue Collected not Paid to the Consolidated Fund

Section 44 (1) of the PFMRs of 2018 requires that all public monies, including but not limited to tax and deposit of non-tax revenue shall be paid into the Consolidated Fund, unless otherwise provided by an Act of Parliament.

Contrary to the above, our audit disclosed that revenue from the land lease rental, and sale of land (freehold), amounting to SLE461,100 and US\$50,000 were not paid into the Consolidated Fund.

We recommended that the Principal Accountant and the NRA Revenue Collectors submit evidence of payment into the Consolidated Fund. Otherwise, the amount should be paid into the Consolidated Fund.

Auditor's Comment

We were not provided with management response or evidence of payment into the Consolidated Fund. The issue remains unresolved.

3.35.3. Reconciliation between the Ministry's and the NRA's Revenue Records not Submitted

There was no reconciliation between the Ministry's Records Unit and the NRA for the period under review. As a result, we noted that the balances in the NRA cashbook were greater than those of the Ministry's records by SLE689,277 for October and November. Similarly, we noted that the cashbook balances in respect of the Ministry were greater than those of the NRA's by SLE12,030,169.5 for January to September, and December 2022.

We recommended that Principal Accountant and the NRA Revenue Collectors carry out reconciliation between the NRA and the Ministry and investigate all identified discrepancies.

Auditor's Comment

We were not provided with a management response or evidence of implementation of recommendations. The issue remains unresolved.

3.35.4. Payments without Supporting Documents

In contravention of section 100(1) of the FMRs of 2018, the sum of SLE805,032 was withdrawn from the Land Shelter Development Account at the Bank of Sierra Leone without PVs and the relevant supporting documents. Similarly, SLE591,064.750 were expended without adequate supporting documents such as receipts, report of activities, signatures of recipients, certificate of work done and SLRSA vehicle examination certificate.

We recommended that the Principal Accountant should submit the PVs and relevant supporting documents for audit inspection. Otherwise, the amounts should be refunded and paid back into the Consolidated Fund.

Auditor's Comment

We were not provided with management's response or evidence of implementation of the recommendation. The issue remains unresolved.

3.35.5. Beneficiary Lists not Submitted to Support Payments

The sum of SLE341,754 was collected by three individuals for various purposes. Receipts, and signed list of beneficiaries were not submitted for audit inspection.

We recommended that the Principal Accountant should make available evidence of acknowledgement of receipt by the actual beneficiaries. Otherwise, the said payment should be disallowed and the amount refunded and paid back into the Consolidated Fund.

Auditor's Comment

We were not provided with management's response or evidence of implementation the recommendation. The issue remains unresolved.

3.35.6. Staff Receiving DSA without Evidence of Attending Functions

The Ministry alleged to have undertaken a series of activities in the Lungi Economic City for which DSAs to the tune of SLE367,126.72 were alleged to have been paid to various staff. There were no requests, concept notes, back-to-office reports, and other pieces of evidence to confirm that the alleged activities actually took place.

We recommended that the Principal Accountant should submit evidence of attendance, participation and the relevant documents to support this payment. Otherwise, the amount should be refunded and paid into the Consolidated Fund.

Auditor's Comment

We were not provided with Management's response or evidence of implementation of the recommendation. The issue remains unresolved.

3.35.7. Artificially Procurement Splitting to Evade National Competitive Bidding Method

In contravention of Section 37(2) of the PPA of 2016, the Ministry artificially split procurement activities into smaller amounts, using RFQs instead of the NCB method, in a bid to evade competitive procurement procedures.

We observed the following:

- The procurement of stationery amounting to SLE144,900 for January to December 2022 was split into three contracts, thereby avoiding the use of NCB.
- Similarly, the procurement of computer and ancillaries to the tune of SLE462,500 was split into eight contracts, thereby avoiding the use of NCB.

We recommended that the PS should investigate the cause of the procurement infractions and any officer found culpable should be appropriately penalised.

Auditor's Comment

We were not provided with Management's response or evidence of implementation of the recommendation. The issue remains unresolved.

3.35.8. Salary Paid to Staff not Available for Verification

We observed the following:

- The names of 17 staff on the Ministry's payroll were neither on the staff list, nor were they available for verification. The total salaries paid to these staff in FY2022 amounted to SLE1,091,976.
- Of the 177 personnel that were requested for verification, 34 did not avail themselves, despite several further requests by the audit team. The salaries paid to these unverified staff in FY2022 amounted to SLE305,667.96.

We recommended that the Acting Assistant Director and the Human Resources Officer should ensure that the differences between the payroll and staff list are investigated and corrected, and the staff should avail themselves for verification. Otherwise, the names of these staff should be removed from the payroll, and the salary paid recovered and paid into the Consolidated Fund.

Auditor's Comment

We were not provided with Management's response or evidence of implementation of the recommendations. The issue remains unresolved.

3.35.9. Assets not Marked and Recorded in the Fixed Assets Register

Despite our recommendations in the previous years' audit, the controls over the management of the Ministry's fixed assets were not adequate. In FY2022, assets procured totalling SLE608,445 were neither marked with unique identification codes, nor were they recorded in the Fixed Assets Register.

We recommended that the Permanent Secretary should ensure that all the assets procured are marked with unique identification codes, and the fixed assets register is also updated.

Auditor's Comment

We were not provided with Management's response or evidence of implementation of the recommendations. The issue remains unresolved.

3.35.10. Assets not Available for Inspection

The following anomalies were observed:

- A Toyota Hiace with registration number ABP 114 was not available for verification.
- A vehicle that was used by the former Deputy Minister of Lands, Housing and Country Planning was said to have been stolen. However, there was no evidence of a police report.
- The life cards in respect of four vehicles owned by the Ministry were submitted for audit inspection.
- Ten computers and five extension cables valued at SLE26,650 were not available for inspection.

We recommended that the Transport Officer should ensure that the vehicles, life-cards and police report are made available to the ASSL. In addition, the Stores Officer should make available the 10 computers and extension cables.

Auditor's Comment

We were not provided with Management's response or evidence of implementation of the recommendations. The issue remains unresolved.

3.36. MINISTRY OF LANDS, HOUSING AND COUNTRY PLANNING, SOUTH-2022

The following are key outcomes from the audit of the Ministry of Lands and Country Planning:

3.36.1. Lack of Town Planning and Housing Services in Three Districts

The regional office was not carrying out land-related services such as the issuance of building permits, laying out of new settlements, site inspections, and the supervision of private construction technicians in the districts of Bonthe, Pujehun, and Moyamba.

We recommended that the Regional Director of Surveys and Lands should ensure that the issuance of building permits, laying out of new settlements, site inspections and the supervision of private construction technicians are available to all districts within his purview.

3.36.2. Lack of Logistical Support

Despite the regular demand for field visits by the technical staff of the Ministry to plan new settlements, conduct site inspections, grant building permits, and survey lands, we observed that the Regional Office did not receive budgetary allocations to meet recurrent expenses such as utility bills and cost of stationery items. In addition, there was no evidence of a vehicle or motorbike provided to ensure the effective performance of their functions.

We recommended that the Permanent Secretary should ensure that:

- (i) The Regional Office is supported with monthly or quarterly imprest to facilitate its smooth functioning.
- (ii) Utility vehicles and motorbikes are provided to the regional team to facilitate field work and consultations with various stakeholders in the districts under their purview.

3.36.3. Increased Volunteers at the Regional Headquarters

Verification of staff confirmed that the Regional Office was supported by 14 volunteers assigned to different technical units. An interview with the Regional Director further attributed the high level of volunteers to understaffing, even though there was no evidence of a manpower plan being communicated to the Permanent Secretary to address the human resources needs of the region.

We recommended that the Regional Director and the Assistant Director, Human Resources Management should ensure that a detailed manpower plan is submitted to the Permanent Secretary for immediate action.

3.36.4. Working Environment not Conducive

The working environment of the Ministry was far from ideal. The administrative building which housed the office of the Regional Director and other key staff of the ministry was in a dilapidated state, with ugly scenes such as open ceilings, broken furniture, and naked cables not befitting a critical central government institution like the MLHCP.

Similarly, the other building housing the Regional Surveyor was also littered with broken furniture. There were no fans or air conditioners to ensure an ideal working atmosphere for staff.

We recommended that the Regional Director and the PS should ensure that the regional office is refurbished and fully furnished to provide a conducive working environment for staff of the MLHCP regional offices.

3.37. MINISTRY OF LANDS, HOUSING AND COUNTRY PLANNING, EAST - 2022

3.37.1. The Mission and Vision of the Ministry was not Effectively Carried Out

We noticed that there was no effective implementation of the vision and mission on which the Ministry was established in the region. The following is a summary of what we observed:

- There was no official vehicle for the Regional Director, Regional Housing Officer, and Regional Town Planning Officer.
- The Housing and Country Planning division was without photocopiers, scanners, and printers.
- There was no internet facility at the Regional Office. Clerical duties requiring the use of the internet were done at public internet cafes.
- A lot of site developments were ongoing in the district without building permits. This was due to inadequate personnel at the housing division and a lack of mobility to conduct monitoring.
- There was inadequate documentation for the lease of government land. Documents relating to the lease of government land within the region were not made available for audit review; consequently, we could not determine the revenue that should have been generated from the leases for the period under review.
- The service delivery charter was not displayed on the ministry's notice board or in a conspicuous place for the period under review.

We recommended that the Regional Director and the PS in the Ministry's headquarters, should ensure that these issues are immediately addressed to enhance effective service delivery within the region.

3.38. MINISTRY OF SOCIAL WELFARE (HQ) - 2022

3.38.1. Request for Quotation Method Used Instead of National Competitive Bidding

Contrary to the provision in Section 40(1a) of the PPRs of 2020, we observed that for the procurement of printing services from DELs Enterprises worth SLE288,038, the RFQ method was used instead of the NCB without evidence of authority from the Procurement Committee of the Ministry with concurrence from the NPPA for the compliance deviation.

We recommended that the Senior Procurement Officer should submit evidence of authority from the Procurement Committee with concurrence from the NPPA for using the RFQ method instead of the NCB.

Official Response

On 17th February 2022, the Procurement Committee held a meeting to discuss the forthcoming National Conference for Trafficking in Persons which was urgent and scheduled on 28th February, 2022. In that meeting, all discussions related to the above activity are in the Procurement Committee meeting minutes and is attached for ease of reference. This procurement activity was time-bound and also was a flagship programme.

Auditor's Comment

Evidence from the Procurement Committee was submitted. Concurrence from the NPPA to use the RFQ method instead of the NCB method was also not made available to the ASSL. The issue is partly resolved.

3.38.2. Artificially Procurement Splitting.

In contravention of Section 37(2) of the PPA of 2016, the Ministry artificially split procurement activities into smaller amounts, using Request for Quotations (RFQs) instead of the National Competitive Bidding (NCB) method in a bid to evade competitive procurement procedures.

We observed that on the procurement of hotel accommodation for staff of the Post-Ebola Recovery Social Investment Fund (PERSIF) Project worth SLE110,375, the Senior Procurement Officer issued two sets of requests for quotation (RFQ) to the same bidder. This was an attempt to divide the procurement into lower values in order to avoid the NCB procurement method and award the contract to the same service provider. We further observed that RFQs submitted were from two bidders and these were not completed and signed. The local purchase orders were also not signed by the service provider.

We recommended that the PS should investigate the cause of the procurement infractions and any officer found culpable should be appropriately penalised.

Official Response

For the Procurement of Accommodation for PERSIF Project, there were two activities combined which are goods and services respectively, and because both were needed one should have been done without the other and considering the margin the entity decided to implement.

Auditor's Comment

The authority from the NPPA for splitting procurement activities was not submitted to the ASSL.

3.38.3. Irregularities in the Management of Fleets

The following were observed:

- Four vehicles were not made available for audit verification.
- The team discovered that the Ministry's vehicles had expired insurance coverage.
- There was significant discrepancy between the number of life cards submitted by the Ministry and the total count of owned vehicles and motorbikes. The Ministry's records indicated

ownership of 19 vehicles and 47 motorbikes, but life cards were only submitted for seven vehicles. Of the seven life cards examined, we observed that five of them were registered in the names of donors and not the Ministry.

- Thirty-two motorbikes donated to the Ministry in 2021 were neither registered with the Sierra Leone Road Safety Authority (SLRSA), nor insured with an insurance company.

Official Response

Unverified vehicles - the background of the four unverified vehicles is as follows: the vehicle assigned to the former Minister of Social Welfare has not been handed over to the Ministry to date. The vehicle assigned to the Deputy Minister has been bought according to a letter written to the owner. Details of procedures and processes could be traced to the Ministry of Transport and Aviation. The vehicle with registration number AJX 021 is parked at a garage off Kingharman Road. The vehicle with registration number AMA 414 has been with the Sierra Leone Association of Ebola Survivors (SLAES) since 2017 and their contact numbers not reachable.

Insurance coverage - evidence of request letter for the insurance and license of those vehicles is available for verification.

Life Cards and the Total Count of Vehicles - life cards for the remaining 12 vehicles were burnt down in a fire incident in 2019. The life cards for the 47 motorbikes were not handed over to the Ministry by the donor partner. The request for invoices for life cards bearing the Ministry's ownership has been sent to the SLRSA. The list of user names is almost complete except for Kono and Kailahun.

Auditor's comment

The following are verification conclusions from the audit exercise

Issue	Verification Comments
Unverified Vehicles	We noted response. As at the time of writing this report, the vehicle assigned to the former Minister had not been returned. Additionally, two of the four vehicles were not available for inspection. The issue remains unresolved.
Insurance coverage	Evidence was not available to indicate that the vehicles had been insured and licensed. The issue remains unresolved.
Life cards and Vehicles Count	We noted Management's comment on the disaster of 2019 and the non-submission of life cards by the donors to the Ministry. The request for invoices for the change of ownership from the donors, to the Ministry, was not submitted for audit inspection. The issue remains unresolved.

3.39. MINISTRY OF SOCIAL WELFARE, SOUTH – 2021

3.39.1. Management of the Bo Remand Home

The following were observed during an inspection of the Bo Remand Home:

- There was lack of segregation of duties. The officer-in-charge alone was responsible for the supervision of inmates, requesting and receipt of monthly items, issue of store items, and other administrative activities.
- Reformation activities such as teaching, mentoring and training of inmates were absent.
- The health and safety conditions of the inmates was poor. There were no medical officer, and emergency treatment facilities such as first aid kits and medical supplies.
- Mattresses for the available beds were worn out and inadequate. The beds were also without bed nets.

- There was only one vehicle, which was mainly used for utility purposes. This impacted the timely transportation of inmates for court proceedings.

The Acting Deputy Director and the Senior Support Officer should liaise with the key authorities in the Ministry's headquarters in Freetown and other stakeholders to ensure that the challenges above are immediately addressed to enhance effective service delivery.

3.39.2. Management of Fixed Assets

The following issues were identified:

- Fixed assets were not marked with unique identification codes. In some instances, the codes in the asset register did not match the code marked on the assets.
- Two motorbikes (XL 125L and X1125L) were unlicensed and uninsured.

We recommended that the Acting Deputy Director should ensure that assets are coded and reconciled with the assets register. The Acting Deputy Director should also ensure that the motorbikes are immediately licenced and insured.

3.40. MINISTRY OF SOCIAL WELFARE, EAST- 2022

3.40.1. Poor Collaboration and Coordination with the Disability Commission

Four motor-tricycles (kekeh) were transferred from the Ministry of Social Welfare in Freetown to the Kenema Office to empower persons with disabilities. These motor-tricycles were to be handed over to the Opportunity Training Centre (OTC), in order to select and train disabled persons to ride motor-tricycles as a means of transportation business to reduce street begging and improve their livelihoods. Physical verification revealed that the motor-tricycles had not been used since they were handed over to the Ministry in Kenema. Further inquiries revealed that there was no active committee to decide how the motor-tricycles should be distributed. An interview with the Deputy Director of Social Welfare revealed that the Sierra Leone Roads Safety Authority (SLRSA) should train riders, and license the motor-tricycles on behalf of the OTC. Despite several engagements with the Director at the SLRSA Kenema Office, there was however no action taken to get them licensed and beneficiaries trained.

We recommended that the Deputy Director of Social Welfare should ensure that these motor-tricycles are the immediately distributed and put into use, in order to avoid loss of public funds.

3.40.2. No Holding Centre for Children in Conflict with the Law

Contrary to the provisions of the Child Rights Act of 2011, there was no holding centre in the entire region for the safe custody of children in conflict with the law. Even though the Ministry had acquired a piece of land for the construction of a remand home and holding centre for children, no funding was provided for the construction work.

We recommended that the Deputy Director, in collaboration with headquarters, local councils, and development partners should ensure the provision of funds for the construction of a safe holding centre for children in the region.

3.41. MINISTRY OF GENDER AND CHILDREN'S AFFAIRS, (HQ): 2021 & 2022

3.41.1. No Evidence of Competitive recruitment of Contract Staff

From the sampled payments, we verified payments to various contract staff totalling SLE288,421. Evidence of a competitive recruitment procedure as stipulated in Rule 2.1 of the Civil Service Code, Regulations and Rules of 2011, was not submitted for audit inspection.

Competitive recruitment could not have been undertaken to engage these contract staff. Consequently, competent or individuals with the required skills-set could not have been identified and engaged. The Senior Permanent Secretary should submit evidence of recruitment of these contract staff for audit inspection

Official Response

Management takes note of the findings. Competitive recruitment was done and evidence of their recruitment is available for inspection.

Auditor's Comment

Appointment letters for these staff were submitted and verified. Evidence of a competitive recruitment procedure was however not submitted to the ASSL. The issue remains unresolved.

3.41.2. Salary Paid to Non-staff

The name of a Senior Assistant Secretary with pin code 127598 who died in June 2021, was on the Ministry's payroll for 18 months, July 2021- December 2022. A total salary of SLE23,094 was paid for the 18-month period. There was no evidence that a request had been made for the removal of her name from the payroll voucher.

We recommended that the Senior Permanent Secretary should inform the Director General, HRMO, and the Accountant-General of the death of this staff and consequently the removal of her name from the payroll voucher. Evidence of this communication should be submitted to the ASSL.

Official Response

The Human Resource Management Office was officially informed of the death of the staff. The death benefit was prepared and sent to the Human Resources Management Office for processing and payment. A copy of the memorandum to the Director General, Human Resource Management Office, is available for inspection.

Auditor's Comment

The Memorandum to the Director General, Human Resource Management Office, informing about the death of the said staff on 11th June 2021 was submitted and verified. In spite of this, salaries were still paid into the account of the deceased staff up to December 2022. This issue remains unresolved.

3.41.3. Payments without Supporting Documents

Bank withdrawals amounting to SLE2,383,902 in FY2022 were without payment vouchers and the relevant supporting documents.

We recommended that the Senior Accountant must ensure that documentary evidence in support of the expended amounts is submitted for inspection; otherwise, the whole amount should be refunded and paid into the Consolidated Fund and evidence of payment forwarded to the ASSL.

Official Response

Management takes note of the findings and all payment vouchers and relevant supporting documents of those transactions are available for inspection. Payment records of the procurement and the computers are available for inspection.

Auditor's Comment

Of SLE2,383,902, payment vouchers and supporting documents totalling SLE2,262,152 representing 95% of the queried amount were submitted and verified, leaving a balance of SLE121,750. The issue is substantially resolved.

3.41.4. Withholding Taxes not Paid to the NRA

There was no evidence that withholding taxes totalling SLE46,968.98 (SLE18,589.17 in FY2021 and SLE28,379.81 in FY2022) were paid to the NRA.

We recommended that the Senior Accountant should ensure that the withholding taxes are paid to the NRA and evidence of payment submitted to the ASSL.

Official Response

Management takes note of the findings. Evidence of payment of withholding tax to NRA is available for inspection.

Auditor's Comment

From the total of SLE46,968.98, evidence of payment of withholding taxes was submitted for SLE24,751.81 representing 53% of the queried amount, leaving an outstanding amount of SLE22,217.17. The issue is partly resolved. A detailed breakdown of the outstanding withholding taxes is given below:

Year	Tax payment queried SLE	Amount paid SLE	Outstanding Amount SLE
2021	18,589.17	8,800.00	9,789.17
2022	28,379.81	15,951.81	12,428.00
Total	46,968.98	24,751.81	22,217.17

3.42. MINISTRY OF GENDER AND CHILDREN'S AFFAIRS, EAST - 2022

3.42.1. No Holding Centre for Children in Conflict with the Law

Contrary to the provisions of the Child Rights Act of 2011, there was no holding centre in the entire region for the safe custody of children in conflict with the law.

We recommended that the Acting Director, in collaboration with the Ministry's headquarters, local councils, and development partners should ensure the provision of a safe holding centre for children in the region.

3.43. MINISTRY OF FISHERIES AND MARINE RESOURCES – 2022

3.43.1. Excess Daily Subsistence Allowance (DSA) Paid to Staff

Two staff were nominated to participate in the 27th Conference of Parties (COP27) of the United Nations Framework Convention on Climate Change (UNFCCC) in Sharm El Sheikh, Egypt from 6th to 18th November 2022. The Ministry of Finance paid DSAs totalling SLE103,059 to the two staff in respect of overseas travel. The DSA recomputed by the auditors using the UN International Civil Service Commission DSA rate amounted to SLE60,664.28. This, therefore, resulted in an excess payment of SLE42,394.73.

We recommended that the PS should recover the excess payment from the individual beneficiaries and refund same into the Consolidated Fund.

Official Response

The submission was made by the Ministry of Environment to cabinet for approval which was further reviewed by the MoF. The reviewed and approved DSA was then forwarded to MFMR for action.

Auditor's Comment

During verification, evidence of refund of excess DSA by the Ministry of Finance was not submitted. The issue remains unresolved.

3.43.2. Assets not Available for Physical Inspection

We observed that assets procured, totalling SLE153,300, were neither recorded in the fixed assets register, nor were they available for physical inspection.

We recommended that the Senior Stores and Inventory Control Management Officer should record these assets in the fixed assets register, and also make them available for physical inspection. Otherwise, the value of these assets should be paid into the Consolidated Fund.

Official Response

The observation has been noted. Moving forward the MFMR will ensure detailed information on the asset register is captured. However, the updated asset register is available for inspection.

Auditor's Comment

An updated fixed asset register was not presented and assets procured were not made available for verification. The issue remains unresolved.

3.44. MINISTRY OF WORKS AND PUBLIC ASSETS - 2022

3.44.1. Uncompetitive Procurement

Contrary to Section 45(1&2) of the PPA of 2016, our examination of the financial records of the Ministry revealed that items valued at SLE2,476,302 were procured for various activities without alternative price quotations. In addition, the evaluation report and other supporting documents such as suppliers' certificates of registration, certificates of incorporation, tax registration, and tax clearance certificates were not produced to substantiate procurement.

We recommended that the Senior Procurement Officer provide the relevant documents for audit inspection.

Official Response

This particular audit query was misdirected because all the requested documents were completed and supplied to the Account Unit for the issuance of payments. Until the requested evidence in the form of three quotations, Local Purchase Order (LPO), evaluation reports, and other supporting documents are completely supplied to the account unit if not payment will not be made. Since the said payment has been effected, the Account Unit is in charge of the said documents.

Auditor's Comment

Management's response is noted. However, we would like to bring to the attention of management that Request for Quotations (RFQ) and Local Purchase Order (LPO) must be handled by the Procurement Unit and not the Accounts Unit. During the verification, we were provided with RFQs and LPOs for amounts totalling SLE1,833,302 representing 74% of the queried amount, leaving a balance of SLE643,000. The issue is substantially resolved.

3.44.2. Payments without Adequate Supporting Documents

Internal payment vouchers submitted which amounted to SLE6,040,553 were without adequate supporting documents such as receipts, invoices, delivery notes, and contract agreements. This was contrary to Section 100(1) of the PFMR of 2018.

We recommended that the Principal Accountant should ensure that adequate documentary evidence to support the expended amounts, is submitted for inspection.

Official Response

The supporting documents with regard to the said transactions have been put together for your verification.

Auditor's Comment

We were provided with supporting documents relating to payments totalling SLE4,639,743 which represented 77% of the queried amount, leaving a balance of SLE1,400,810. The issue is substantially resolved.

3.44.3. GST not Paid to the NRA

Section 31(1) of the GST Act of 2009 stipulates that a GST-registered supplier who makes taxable supplies is required, at the time of the supply, to issue the recipient with an original GST invoice, for the supply.

Contrary to the above provision, payment vouchers with an aggregate invoice value of SLE171,700 and an inputted GST of SLE22,396 revealed that payments were made to suppliers for taxable supplies, but no GST invoices were provided for audit inspection.

We recommended that the Principal Accountant should provide evidence of the GST invoice to justify payments made to the NRA. Otherwise, the appropriate authorities would be advised for recovery of the payment.

Official Response

The Ministry does not deal with suppliers who are not registered with the NRA. All transactions are done with suppliers who prepare their monthly returns to the NRA. Going forward, GST invoices will be taken from suppliers.

Auditor's Comment

Management's response is noted. Our recommendation was however not implemented as evidence of GST invoices to justify payment made to the NRA was not provided for verification. The issue remains unresolved.

3.44.4. General Observations

The following were observed:

- We physically verified the Ministry's assets and observed that despite the fact that the Ministry had a budget for infrastructural maintenance, the Youyi Building lift which serves all the Ministries was not in operation during the period under review. This had caused a lot of problems for staff and visitors to get to the various offices.
- The team noticed that several occupants including businesses are located at the Pademba Road Works Yard without paying rent.
- A list of all registrations of petroleum storage facilities, wharfs, jetties, mini hydro and drainage infrastructure nationwide was not provided for audit inspection.
- A list of all approved allocated lands within government quarters, allocation of government quarters, rental, and lease of government property was also not provided to the audit team.

3.45. MINISTRY OF YOUTH AFFAIRS - 2022

3.45.1. Revenue not Received from Fishing Groups

A review of the project revenue register revealed that 14 fishing groups did not pay the monthly sum of SLE2,174.861 into the project account for 12 months. This resulted in a significant loss in revenue which amounted to SLE365,376.65 (SLE2,174.861x12x14).

We also observed that 70 fishing youth groups that signed contracts with the Ministry had exceeded the 18-month duration granted for payment of fishing accessories to the scheme as stipulated in the

MoU. Of the total expected revenue of SLE2,735,314.70, only SLE858,725.89 was paid by the fishing groups, leaving a balance of SLE1,876,588.81.

We recommended the following:

- (i) The field officer should pay SLE365,376.65 to the project account and evidence of payment submitted to the ASSL.
- (ii) The Permanent Secretary and the Project Manager should develop a policy through which youth fishing groups should make a 50% deposit of the cost of the boat in the project account as a requirement before contracts are awarded. The outstanding amount should be recovered from the fishing groups and paid into the projects account.

Official Response

- (i) The loan recovery for 2022 was very challenging considering the budgetary constraints that caused staff to scale down, therefore the field officers who were almost always around the beneficiaries to prompt them to pay were laid off due to a lack of funds to absorb their salaries, thus significantly affecting payment. In 2018, the Project procured motorbikes for all the field officers to support them with monitoring. Due to a lack of funds for routine maintenance, all the motorbikes were grounded beyond repairs, affecting the ability of staff to monitor and prompt beneficiaries to make monthly payments. The project has been without a vehicle for the whole of 2022 to date, thus affecting the ability of the PIU team in Freetown to monitor the beneficiaries and prompt them to pay. Despite all the challenges faced with the project, mechanisms were put in place, wherein, the M&E Officer, M&E Assistant, and the Loan Recovery Supervisor, supported the loan recovery process through regular visits to the various project sites across all seven districts, mostly at their own cost, to prompt beneficiaries to make payments. Through their efforts SLE353,884 was paid by the beneficiaries into the project account. As a further way of prompting the beneficiaries to pay the accrued loans, demand notices have been forwarded to all beneficiaries and their guarantors, that if the monies are not paid appropriate legal redress will be sought in due cause.*
- (ii) By way of prompting the beneficiaries to pay accrued loans, we engaged the services of a law firm at no cost to the project, through which demand notices were sent to various beneficiaries and their guarantors in the Western Area. Since this attracted significant compliance in the Western Area, we intend to replicate it across all other districts. The PIU has also sent demand notices to all beneficiaries and guarantors as a way of prompting them to pay. We are now on the verge of seeking legal redress to ensure that all monies are recovered as this is a revolving fund that is expected to be recapitalised to attract more beneficiaries.*

Auditor's Comment

Evidence such as receipts, and bank statements were not submitted to confirm payments of SLE2,241,965 (SLE365,376.65+SLE1,876,588.81) by fishing youth groups. The issue remains unresolved.

3.45.2. Failure to Present Procurement Documents for Audit

Contrary to Section 36(1) of the Audit Service Act, 2014, procurement documents such as copies of business licenses and registration, copies of valid NRA and NASSIT tax clearance certificates, RFQs and LPOs were not submitted to confirm whether procurement procedures were followed in the utilisation of funds which amounted to SLE2,716,072.85

We recommended that the Senior Procurement Officer should ensure that all relevant documentation relating to the procurement processes must be made available for audit verification.

Official Response

Supporting documents amounting to SLE2,716,072.85 were submitted for review and all activities done locally.

Auditor's Comment

Procurement documents amounting to SLE2,221,882.10, which represented 82% of the queried amount were submitted during verification, leaving a difference of SLE494,190.75. The issue is substantially resolved.

3.45.3. Payments without Supporting Documents

In contravention of Section 100(bi) of the PFMR of 2018, we observed that payments of SLE2,363,471.12 were made without payment vouchers and supporting documents.

We recommended that the Senior Accountant provide payment vouchers and supporting documents for audit inspection. Otherwise, the amount should be refunded and paid into the Consolidated Fund.

Official Response

- i) This was a loan that has been repaid with funds from the donation by SLCB to facilitate the purchase of an air ticket and payment of DSA, all documents including a signed DSA voucher, boarding pass, and stamped passport for exit and return were submitted for audit review (Air ticket - SLE50,000).*
- ii) Assessment report, recipient signature, receipt for fuel, and breakdown of miscellaneous expenditure (SLE49,898.00) attached for your verification. Expenditure breakdown (SLE50,000.00 for ASSL's verification).*
- iii) Attendance register and recipient signature for the payment for the campaign against youth in the Western Area 2022 (SLE60,000.00) are now available for audit verification.*
- iv) Concept note and training report for the International Youth Day (IYD) celebration 2022 is now available for audit verification.*
- v) Training report and attendance list. LPO, invoice, receipt, and notes are available for audit verification*
- vi) (SLE25,042.50 - Unique Solution) DSA payment voucher and training report are available for verification (SLE33,892.96 Cathleen Koba)*
- vii) Training reports are available for verification (SLE17,010.00)*
- viii) Training reports and all other requests available for verification for all training that were conducted for youth activities (car wash /youth engagement) in the Western Area.*
- ix) The NRA receipt for SLE14,111.35 is available for verification (SLE63,200.00).*
- x) Validation reports available for audit verification (SLE86,892.75 and SLE42,910.48)*

Auditor's Comment

From a total of SLE2,363,471.12, supporting documents were submitted and verified for SLE1,852,570.62, which represented 78% of the queried amount, leaving a balance of SLE510,910. The issue is substantially resolved.

3.46. MINISTRY OF MINES AND MINERAL RESOURCES – 2022

3.46.1. Payments without Adequate Supporting Documents

We observed that sitting allowances and honorarium which amounted to SLE76,000 were paid to members of the Minerals Advisory Board (MAB) and other staff without evidence of minutes of meetings held, and the signed attendance list.

We recommended that the Accountant should provide the relevant supporting documents for audit inspection.

Official Response

- (i) Minutes for MAB sittings and signed attendance are available for audit inspection.*

- (ii) *Minutes of meetings held, monitoring reports i.r.o multi-stakeholder meeting in Bombali, Kono, Kenema and Bo are available for inspection.*
- (iii) *Invoices, receipts, minutes of meetings, back-to-office reports for local travels, printing, and refreshments are now available for inspection.*
- (iv) *Monitoring reports for monitoring of various mining sites around the country are now available for inspection.*

Auditor's Comment

Of the SLE76,000, supporting documents such as minutes of meetings held, and the signed attendance list, etc. were submitted and verified for payments totalling SLE40,000 which represents 53% of the queried amount, leaving a balance of SLE36,000. The issue is partially resolved.

3.46.2. General Observations

The following were observed:

- The Ministry had 32 staff who were Mine Wardens and Mines Monitoring Officers. Their responsibilities however clashed with that of the Compliance Officers of the National Minerals Agency. Despite the fact that they received total salaries of SLE310,059 during the period under review, there was no evidence to suggest that they carried out the jobs they were tasked to do.
- Four staff posted to different locations in the provinces were still at the headquarters without justification, and no disciplinary action was taken against them.
- From the examination of sampled payment vouchers, we observed that the Ministry used non-technical staff (such as ICT Officers, Accounts Assistants, Procurement Officers, and staff from the Admin. Department) to monitor illicit mining in the provinces. An amount of SLE92,000 was spent on DSAs and other costs on this activity for the period under review.
- Mines Monitoring Officers lacked the required tools such as a vehicle, communication gadgets, and mines detectors to make their work effective, efficient, and safe.

3.47. MINISTRY OF INFORMATION AND COMMUNICATIONS - 2022

3.47.1. Documents not Submitted for Audit Inspection

In spite of several requests, the Project Implementation documents of the Phase 2 National Backbone Transmission Project was not submitted for audit review. We further observed that from the Feasibility Study Report, the Project was planned to have been completed in May 2020, but up to the time of writing this report, the Project was still ongoing without clear justification.

We recommended that the Permanent Secretary, the Director of Communications and the Project Implementation Team provide the project implementation documents for audit inspection.

Auditor's Comment

There was no Management's response or evidence that the recommendation was implemented. The issue remains unresolved.

3.47.2. Standing Imprest not Retired

Standing imprest amounting to SLE188,500 was without retirement details or evidence that the amount was refunded into the Consolidated Fund.

We recommended that the Senior Accountant submit retirement details or evidence of a refund to the Consolidated Fund.

Official Response

The total retirement documents in respect of the bank withdrawals of SLE188,500 from the Ministry's Imprest Account are now available for audit verification.

Auditor's Comment

Of a total of SLE188,500 retirement documents were made available to justify expenses totalling SLE95,000 representing 50% of the queried amount, leaving a balance of SLE93,500. The issue is partly resolved.

3.48. MINISTRY OF ENVIRONMENT AND CLIMATE CHANGE: 2021-2022

3.48.1. National Tree Planting Project (NTPP) Contract Management

During the period under review, the Ministry implemented Phase 2 of the NTPP in which 1,600,000 seedlings were procured and planted by 135 service providers (SP) or out-planters. From lessons learned from the implementation of Phase 1 of the Project, the Ministry decided to change the methodology of using SPs to plant and agreed in a procurement committee meeting held on 9th August 2021 to use Community Forest Management Committees (CFMCs) to do the planting. Even though no objection was granted by the National Public Procurement Authority (NPPA), the Ministry reverted to using the SPs without authority.

The audit team selected sampled sites where trees were out-planted by SPs and physically verified these to obtain information on the SPs' compliance with the terms of the signed contracts. The following were observed during the verification exercise:

- Delivery points of the seedlings were far away from some plantation sites. Consequently, the SPs faced difficulties transporting the seedlings to the planting sites which eventually led to some being perished.
- Late delivery of seedlings by the supplier resulted in some service providers out-planting at the wrong time (late in the rainy season) resulting in dieback of seedlings.
- Most of the sites visited lacked a constructed fire belt to protect the trees against bushfires in the future.
- There was no sustainability plan in place to ensure that trees planted by SPs were cared for after the expiration of the SPs' contracts.
- Some sites had dense and bushy plants indicating that the SPs did not clean the sites and protect the out-planted seedlings.
- Some SPs planted the seedlings at segmented locations instead of the sites stated in the contract which constrained the audit team to verify whether all the seedlings were actually planted.

We recommended that:

- (i) The Procurement Committee should be held responsible for using the SPs approach during the phase two seedlings out-planting rather than the approved CFMC.
- (ii) The Ag. Director of Forestry before making the final payment to the SPs should ensure the SPs fulfil their responsibilities as per the signed agreement.

Official's Response

- (i) *Tree Planting is a seasonal activity, at the time of approval of the Force Account, the season for the establishment of nurseries had passed, so time constituted a major constraint and funds were not available to establish the nurseries for the one million, six hundred thousand seedlings. However, the National Public Procurement Authority gave the Ministry the No objection to use the Service Providers who were responsive to the Request*

- for Proposals, and a Certificate of Financial Approval was also issued by the Ministry of Finance for the responsive Service Providers. Relevant no objection and certificate of approval are available for audit inspection.*
- (ii) *Management has noted the concerns and full implementation of the contract agreement will be strictly adhered to.*

Auditor's Comment

The NPPA's No Objection (dated 16th February 2022) to award the best-ranked bidders and the approval from the Ministry of Finance was submitted and verified. Prior to the No Objection from the NPPA for the award of contracts, the NPPA advised on 1st October 2021 that the Ministry should use the force procedures as provided in Sections 37(4) and 37(6e) of the Public Procurement Act, 2016. This involves the use of the CFMC approach which was approved by the Procurement Committee on 8th October 2021. However, there was no evidence that the service providers involved the CFMC in its work. Therefore, this issue is unresolved.

3.48.2. Incomplete Delivery of Seedlings to Service Providers

Contrary to Article 4, subsection 4.1 of the signed contract between the Ministry and the suppliers of the seedlings, a total of 1,600,000 seedlings costing SLE16,000,000 were to be delivered to out-planters or service providers. These deliveries were to be witnessed by representatives of the Ministry such as the Procurement Officer/representative and the Internal Auditor as stated in the contract. We verified that seedlings were delivered to SPs without evidence that the witnesses were present. Even though 100% payments had been made to these suppliers, there was no evidence of delivery of 166,408 seedlings costing SLE1,734,442. In the absence of independent witnesses, we could not confirm that the exact seedlings were delivered to the service providers. Furthermore, the non-supply of the remaining seedlings by the various suppliers resulted in the loss of public funds.

We therefore recommended that the Permanent Secretary provide evidence that independent observers were present during the delivery of the seedlings to SPs. In addition, the Procurement Officer should submit evidence of delivery of the remaining 116,408 seedlings immediately upon receipt of this report. Otherwise, the amount in respect of the incomplete delivery should be recovered from the SPs and paid back into the Consolidated Fund.

Official Response

- (i) *All contracts were signed by contractors and are available for inspection.*
- (ii) *Delivery of seedlings was witnessed by officials of the Ministry, (District Forest Officers, Internal Auditor, Storekeeper). Relevant reports are available for audit inspection. Some of the Service Providers (SPs) were unable to meet the conditions stipulated in the Certificate of Financial Approval. It took a while before some of the SPs succeeded in fulfilling the conditions in the Certificate of Payment Approval. By the time they succeeded in fulfilling all the conditions in the Certificate of Approval, it was out of the planting season. However, the supply of the outstanding seedlings is in progress as we are now in the planting season and planting of the remaining seedlings is in progress.*

Auditor's Comment

- (i) We note management's response in respect of the delivery of the seedlings. Evidence that the Internal Auditor and the Procurement Officer/Representative witnessed the delivery of the seedlings was not submitted for verification. The issue remains unresolved.
- (ii) During the verification, delivery notes were submitted for the supply of an additional 50,000 seedlings by Hanjoes Enterprises valued at SLE540,000 representing 31% of the queried amount (SLE1,734,442) leaving a balance of 116,408 seedlings valued at SLE1,194,442. Therefore, the issue is unresolved.
- Below is the analysis of seedlings not supplied

Schedule of Seedlings Supplied to Service Providers with their Contract Price						
Contractor / Supplier	Region	No. of seedlings to be supplied	Contract Amount (SLE)	No. of seedlings supplied	No. of seedlings not supplied	Value of seedlings not supplied (SLE)
Dokilam ventures	Eastern	600,000	6,900,000	553,592	46,408	533,692
Hanjoes	Western	100,000	1,080,000	100,000	-	-
Al-Halal	North	200,000	2,000,100	200,000	-	-
Greenland Resources	North-West	200,000	2,100,000	175,000	25,000	262,500
Indigo Centre for Justice	Southern	500,000	4,425,000	455,000	45,000	398,250
Total		1,600,000	16,505,100	1,483,592	116,408	1,194,442

3.48.3. Contract not Awarded to the Most Responsive Service Providers

Section 2(5.3) of the Evaluation of Technical Proposals of the Request for Proposal for the NTPP 2021 states:

- 1) "...a proposal shall be rejected if it does not respond to important aspects of the Terms of Reference or if it fails to achieve the minimum technical score indicated in the Data Sheet;
- 2) must have written approval from the proposed community authorities;
- 3) proof of availability of land where the proposed intervention is to be carried out and
- 4) ...proof of experience in developing and managing plantations."

Contrary to the above provisions, a contract was not awarded to the most responsive bidder. From the review of the request for proposals (RFP), we noted that the Ministry awarded a contract to a service provider who does not have proven knowledge of the management of seedlings, proof of availability of land where the seedlings were to be planted, and a Memorandum of Understanding (MoU) between the service provider and the community authorities.

We recommended that the Evaluation Committee provide evidence the SPs contracted had the required experience in planting and management of seedlings immediately. Otherwise, the Committee members should be held accountable for this infraction.

We recommended that the Procurement Evaluation Committee be held accountable for this infraction.

Official Response

The proposal submitted to the Ministry had evidence of past experience. The proposals are now available for audit inspection. Management has noted the concerns, MOUs for some of the plantation sites are available for audit inspection and we now signing MOUs for the maintenance/replacement phase.

Auditor's Comment

- Of a total of 135 sites in different communities, 11 MoUs (representing 8%) between the service providers and the community authorities were submitted and verified, leaving a remainder of 124. Signed leases/title deeds indicating control or ownership of land where the seedlings were to be planted were not submitted for review.
- Evidence of similar work done by service providers to indicate that they had past experience in the out-planting of seedlings was not submitted for review.

The issues remain unresolved.

3.48.4. Release of Payment Securities before the Expiration of Contracts

The Ministry signed 135 contracts in July 2022 to the tune of SLE16,000,000 with various SPs for a period of one year for the out-planting and maintenance of seedlings in the 16 districts of the country. Advance payment guarantee and performance bonds were submitted by 133 of these SPs and a 30% advance payment totalling SLE4,650,000 was paid to them.

It was strange to note that on 15th December 2022, the Ministry instructed the commercial banks that had issued the 10% performance bonds on behalf of the 133 service providers to release the performance bonds to the SPs even though the contract was still ongoing. Furthermore, a review of delivery notes by the suppliers of seedlings revealed that not all of the service providers had received the required seedlings they bid for as delivery was still ongoing as at the time of writing this report.

We recommended that the Procurement Committee should provide justification for returning the performance bond to SPs before the completion of the contracts. We also recommended that the Procurement Committee obtain the performance securities from the SPs for the uncompleted contracts and submit them for audit inspection.

Official Response

The Banks of SPs were applying pressure on them and they also protested for their APGs to this Ministry because they were not paid their 30% Advance Payment by the Government within the time stipulated in their contract agreements with this Ministry.

The prompt payment of 30% of the contract price to contractors within the time stipulated in their contract agreement with this Ministry would have provided them with capital to undertake the planting. However, because their 30% advance payment was not effected on time, as indicated in their contract agreements, they ended up pre-financing the planting of the seedlings supplied to them by the Ministry. Subsequently, they requested their advance payment guarantees and their performance bond.

The Procurement Committee met and decided to set up assessment guidelines for the return of the advance payment Guarantees to the Service Providers, who met the assessment criteria for the survival of the trees. The assessment was done and the APGs of successful service providers were returned. The Government failed to meet the terms of the agreement signed with the Service Providers. Advance payment was delayed and several other challenging issues; up till now at the end of the contract period the SPs have not been fully paid their outstanding 70%.

This resulted in protests by service providers and would have escalated, so the Procurement Committee decided to return the APGs of SPS who met the conditions in the assessment guidelines. Minutes of the procurement meeting held on this matter is available at the Procurement Unit of the Ministry of Environment for audit inspection.

Auditor's Comment

We note Management's response regarding the return of the advance payment guarantees. The Procurement Committee guideline did not mention the return of the performance bond. Additionally, as recommended, the performance bonds from service providers with uncompleted contracts were not submitted to the ASSL. The issue is therefore unresolved

3.48.5. Special Imprest not Retired

Special imprest totalling SLE180,000 and SLE389,244.43 in FY2021 and FY2022 respectively were without retirements. Additionally, there was no evidence that the amount was refunded into the Consolidated Fund at the end of the activity.

We recommended that the Permanent Secretary provide the retirement details to the ASSL.

Official Response

Retirement documents are available for audit inspection. Management has noted the concern, and going forward all imprest allocations will be fully retired.

Auditor's Comment

Of the SLE180,000 received as special imprest in FY2021, retirement details were submitted for SLE130,000, representing 72% of the queried amount leaving a balance of SLE50,000. Similarly, of

the SLE389,244.43 received in FY 2022, retirement details were submitted for SLE310,444.43 representing 80% of the queried amount on special imprest leaving a balance of SLE78,800. The issue is therefore substantially resolved.

3.49. MINISTRY OF TRANSPORT AND AVIATION - 2022

3.49.1. Unjustified Delays to Deliver Vehicles

On 26th of May 2022, The Ministry of Transport and Aviation signed a contract for the supply of five vehicles at a contract price of SLE4,938,300. Upon review of the contract and inspection of other relevant procurement documents, the following issues were identified:

- As per the contract, a 30% advance payment amounting to SLE1,481,490 was made on 17th August 2022, and it was agreed that the supplier should supply the vehicles stated in the contract within six weeks upon receipt of the 30% advance payment. There was no evidence of delivery made even though the six-week delivery period ended on 29th September 2022. Furthermore, as at the time of writing this report in July 2023, there was no evidence that these vehicles had been supplied.
- The advance payment guarantees and performance bond had expired on 25 October 2022 which would consequently deprive the government of the instant recovery of the expended funds on termination of the contract or non-performance by the supplier. There was no evidence of action taken by the Ministry against the supplier to either supply or ask for a refund of the advance payment even though the supplier had defaulted on the contract.

In the event of non-delivery of the vehicles, the advance payment made by the government could not be recovered from the supplier resulting in a loss of public funds. The delay in supplying these vehicles could also create an opportunity for price adjustments because of the depreciation of the Leones and this could further create a financial burden on the government and consequently loss of public funds.

We recommended that:

- (i) The vote controller and the former Minister of Transport and Aviation (FY2022) should request from the supplier a valid performance bond and advance payment guarantee for the full amount of advance payment.
- (ii) The vote controller should immediately inform the supplier to supply the vehicles or the contract terminated and advance payment recovered from the supplier.

Official Response

- (i) *A renewed Performance Bond and Advance Payment Guarantee were submitted by the supplier but expired on the 23rd of July 2023. Whilst action was being planned, the Ministry received correspondence from The Ministry of Finance on the 9th of August 2023 directing the Ministry to consider urgent and appropriate action on all outstanding contracts as provided to mitigate loss. Consequently, the Ministry's Procurement Committee (PC) met on 23rd August 2023 to deliberate the MoF correspondence. After much deliberation on the subject, the meeting resolved that all affected suppliers should be invited to a Procurement Committee meeting on the 28th of August 2023 for discussions/ negotiation.*
- (ii) *The decision on this is predicated on the meeting with contractors as per the decision of the Procurement Committee in (1) above.*
- (iii) *The Ministry notes the recommendation but again, any decision on this shall be informed by the outcome of the meeting with the contractor as indicated in (1) above.*

Auditor's Comment

During the audit verification, a memo from the Ministry of Finance, and minutes of the Procurement Committee meeting were submitted and reviewed by the audit team. From the minutes of 28th August 2023, the audit team noted the Committee resolved to terminate all contracts signed for which deliveries were still outstanding; and that termination should take effect on the date after receipts of review comments on the termination process from the NPPA, Law Officers Department and the Ministry of Finance. There was no evidence that the Ministry had however engaged the Law Officers Department, NPPA, and the Ministry of Finance on the termination process. As a result, the contract had not been terminated and there was no evidence that the Ministry had initiated action for the recovery of the 30% advance payment made to the supplier. This issue remains unresolved.

3.49.2. Construction of Transit Terminal – Wilberforce

. During our review of the contract terms, payment vouchers, and supporting documents, for the construction of a transit transport terminal at Wilberforce, we observed the following:

- The contract period had elapsed since September 2022, and the performance security was not submitted for audit inspection.
- Materials for the electrical installation components and testing amounted to SLE94,350. These activities were neither carried out nor were the procured materials made available for audit inspection.

We recommended that the Project Coordinator of IRUMP should provide adequate justification why the project was yet to be completed. Additionally, the electrical materials should be made available for audit inspection.

Official Response

- (i) *The above-mentioned contract was awarded to Leone Construction and General Engineering Services in March 2021. This Contract is funded under the Government Counterpart funds of the IRUMP project. During the initial stages of the contract implementation, the Contractor was able to speedily construct some of the facilities such as mini shops, toilets, and water towers. However, due to untimely disbursement of Government Counterpart funds, works have been adversely impacted on the said terminals. The major outstanding works on the Contract are the pavement works; which involve excavation, levelling of the site, and placement of paver blocks. It should be noted that, due to the untimely disbursement of funds and the unforeseen underlying rocks, three (3) addendums have been done to the Contract, with Extension of Time (EoT) to cover the contract period to which the Contract is still valid. However, it should also be noted that since the Contract's signature, the contract has been impacted due to the Leones depreciation to the United States dollars. The Contractor has written to the PIU to consider the negative impact on the execution of the Contract but due to the Financial Policy during the contract signature, it was difficult to amend the contract to consider the depreciation impact. The Performance Bond was part of the documents originally submitted to the Auditors with a submission date 3rd March 2021 and an expiry date 3rd September 2023. For your reference, see the attached Performance Bond which is available for verification.*
- (ii) *Payment for pavement is proportionate to works executed and materials supplied on site. Pavement works involve excavation and hauling of unwanted material, compaction of soil, laying and compaction of boulders, construction of drains, and placement of sand and paver blocks.*
- (iii) *As a result of concern of theft, some of the fittings (e.g. lamps) were not installed since the EDSA meter has not been installed on the buildings. All electrical fittings have been procured and stored on-site and physical verification was done by the Auditors.*

Auditor's Comment:

- (i) A copy of performance security was submitted for audit inspection. However, we noted that the performance security expired on 3rd September, 2023 but the works had not been completed. Also, no valid performance security was submitted at the time of conducting the verification exercise. The issue remains unresolved.
- (ii) During a visit to the Wilberforce Terminal site on 8th September 2023, we observed that of SLE SLE94,350, electrical items valued at SLE28,750, were still not installed or made available for inspection. The issue is partly resolved.

3.49.3. Lack of Controls over Fleets Management

Life cards for five vehicles and two motorbikes and logbooks for four utility vehicles were not submitted for audit inspection. Additionally, 15 vehicles and four motorbikes were not licensed and insured for the period under review.

We recommended that the life cards and logbooks be submitted and the vehicles and motorbikes be licensed and insured.

Official Response

- (i) *Management wishes to inform you that action has been initiated with the Sierra Leone Road Safety Authority (SLRSA) to regularise and get all the necessary documents for vehicles and motorbikes for audit inspection. Management assures to inform you of the submission of same as soon as all the necessary fees are paid to the SLRSA.*
- (ii) *Management regrets/apologies for the non-submission of log books and informs that a request from same has been sent to the SLRSA and as soon as we receive it from the latter, we shall operationalise its use and submit same when requested in the future.*
- (iii) *Management wishes to inform you that action has been initiated with the SLRSA/Insurance Companies and as soon as we finalise the respective payment regimes with these institutions, we shall provide payment receipts of renewal of licenses and insurance policies for all vehicles and bikes.*

Auditor's Comment

- (i) The life cards for five vehicles and two motorbikes were still not submitted for audit inspection. The issue is unresolved.
- (ii) Logbooks for the four utility vehicles were still not submitted for audit inspection. The issue remains unresolved.
- (iii) We reviewed the licence and insurance receipts provided for six of the 15 vehicles. Meanwhile, evidence of licence and insurance for nine vehicles and four motorbikes were still not provided for audit inspection. The issue is partly resolved.

3.50. MINISTRY OF ENERGY- 2022**3.50.1. Observations on Lack of Effective Service Delivery****(i) Challenges at the Bumbuna Dam**

Bumbuna Watershed Management Authority (BWMA) was established in 2008 by an Act of Parliament aiming to promote sustainable land use practices and environmental management in the watershed and exercise legal control over land use in Bumbuna, Goma and Bankasoka catchment area to protect animals and plants. The Ministry of Energy plays a supervisory role over BWMA in making sure that staff carry out their activities to protect the electric turbines at these dams.

During our visit to the site and interview with the Management of BWMA on 16th June 2023, we observed the following; which were contrary to Section 12(1) of the Bumbuna Watershed Management Authority and the Bumbuna Conservation Area Act of 2008:

- The BWMA staff did not receive salaries from the Ministry of Finance through the Ministry of Energy for FY2022.
- The BWMA lacked roadworthy vehicles and motorbikes to convey staff to monitor the operational areas (Bumbuna, Goma, and Bankasoka dams).
- There were inadequate sirens (modern alert systems) to alert communities within the dam catchment areas which were prone to danger to move to safer zones in the event of flooding, dam break, and other emergency situations.
- There was lack of major repairs to the 62 meeting points or safe havens where flooded communities can be rescued in the case of flood emergencies.
- Some field equipment like outboard engines for the movement of workers to monitor the 27km Bumbuna reservoir, replace infrared cameras, provide water quality reagents, plank boats, etc. were either outdated or not functional.
- There were considerable delays in the implementation of some key activities that were time-bound and seasonal, such as water quality and hydrology monitoring and reforestation.
- There was no information on the current capacity and depth of the dam. A sedimentation study is needed to find out how much water the dam can hold or how shallow the dam is currently.
- In order to avoid further encroachment, a land use planning study is needed to help plan and demarcate appropriate areas for farming and other human activities.

We recommended the following:

- (i) The Permanent Secretary make a request to the MoF to incorporate the salary of BWMA staff into the government payroll system instead of payment of staff through the subventions received by the Ministry.
- (ii) The MoF to allocate funds to BWMA which will enable them carry out their activities to avoid huge maintenance costs of the turbines which may disrupt energy generation and supply in the near future and to protect lives and property.

Official Response

A memo has been addressed to the Financial Secretary (FS) requesting the Ministry of Finance to absorb the staff of BWMA on the main payroll. Since the budget call circular for 2024 to 2025 is out. The team lead for BWMA will incorporate all their needs with the requisite budget for incorporation into the budget for the attention of the Ministry of Finance.

Auditor's Comment

A memo addressed to the Financial Secretary requesting the MoF to absorb the staff of BWMA into the government payroll was submitted during the audit verification. Management did not mention actions it will take to implement the following recommendations: provision of a vehicle and motorbikes, funding, replacement of outboard engines, infrared cameras, water quality reagents, plank boats, conduct of sedimentation study, plan and demarcate appropriate areas for farming and other human activities and the provision of adequate siren systems the repairs to the 62 meeting points or safe haven. The issues remain unresolved.

(ii) Electricity Generation Challenge During the Dry Season

The following were observed:

- Interview conducted with key personnel at the Ministry revealed that there were two main sources of electricity supply to Freetown; Bumbuna Hydroelectricity power supply which produces about 50 Mega Watt (MW) in the rainy season, and the Karpowership (a private investment) which also produces about 60 MW. During the dry season, Freetown experiences frequent power outages because Bumbuna Hydroelectricity output is reduced as low as 11MW 5MW due to low water levels

in the dam. This makes the capital city highly dependent on the 60MW produced by the Karpowership in the dry season.

We recommended that the Permanent Secretary and the Director of Energy in consultation with the Ministry of Finance lay emphasis on the expansion of hydropower dams and solar energy stations which will produce clean, cheap, and sustainable energy and attract commercial and industrial investment in the energy sector in the country.

Official Response

- (i) There is a transmission, and evacuating power generated from the Bumbuna Hydro Power to the Kingdom Power Stations.*
- (ii) In addition to that, there is a plan to generate 83 megawatts of power for Freetown which has been completed by a contractor, Melele Company at the eastern part of Freetown, and upgrading of the Freetown network is ongoing.*
- (iii) Work has been completed on the CLSG transmission lines and substations within Sierra Leone. Furthermore, the distribution network for 29 communities along the CLSG transmission has been completed linking to the respective transmission lines.*
- (iv) Management notes the issues stated with regard to general meetings. However, Management would like to draw to your attention, that technical meetings with directors, political heads. Supporting evidence of minutes of meetings held are available for audit inspection.*
- (v) Management notes the issue stated in the report. However, we would like to inform you that due to the non-availability of funds from the Ministry of Finance, the Ministry is unable to provide the stated facilities for the IT Department. These facilities will be provided when funds are made available to the Ministry by the Ministry of Finance.*

Auditor's Comment

Documents were not presented to explain the stages of the projects mentioned in the Management's response that are geared toward improving electricity generation in the country. Minutes of Management meetings and attendance lists were not submitted for audit inspection. The issues remain unresolved.

3.50.2. Withholding Taxes not Paid to the NRA

We observed a tax deduction of SLE25,170 from the salaries of staff of the Promoting Renewable Energy for Social Development Project. However, evidence of payment of the deducted amount to the NRA was not submitted to the ASSL.

We recommended that the Accountant make payment of the outstanding withholding tax to the NRA with immediate effect and evidence of payment be submitted to the ASSL.

Official Response

The tax deductions for the various transactions were done but there were constraints by the Ministry of Energy to access the Integrated Tax Administration System (ITAS) for the payment of same. When we gained access to the ITAS, the account had already been closed and funds were transferred to another account operated by FLS Power (SL) Limited – A private Mini Grid Operator, the successful bidder who now operates the mini-grid.

Auditor's Comment

We note Management's response to this issue. It was however expected that the tax transferred should have been paid to the NRA. As at the time of writing this report, the outstanding withholding tax of SLE25,170 had not been paid to the NRA. The issue is unresolved.

3.50.3. Payments without Supporting Documents

The following were observed:

- A total of SLE20,042 was withdrawn from the BWMA's account but payment vouchers and supporting documents were not presented for inspection.
- The sum of SLE25,630 paid from the BWMA's account for various monitoring trips was without adequate supporting documents such as receipt of payments, monitoring report, and signature of beneficiaries.
- A total of SLE15,409.70 was paid for the maintenance of vehicles with no certificates of inspection from the SLRSA before and after the maintenance. Therefore, we cannot confirm the eligibility of these payments.

We recommended that the Accountant provide the payment vouchers and relevant supporting documents for audit inspection. Otherwise, the amounts should be paid into the Consolidated Fund.

Official Response

With reference to the external audit draft report dated 2nd August, 2023 for the period January to December 2022, the Accountant's office has all the relevant documents mentioned in the draft report and is ready for audit inspection.

With reference to the external audit draft report dated 2nd August, 2023 for the period January to December 2022, all the relevant documents mentioned in the draft report are available for inspection.

With reference to the external audit draft report dated 2nd August, 2023 for the period January to December 2022, the Accountant's office will make available all the relevant documents mentioned in the draft report for inspection.

Management notes the concern raised by the auditors for the vehicle maintenance not backed with vehicle certificates of approval from the SLRSA. Vehicle certificates of inspection from the SLRSA before and after maintenance are now available for audit inspection.

Auditor's Comment

- (i) Payment vouchers and supporting documents were not submitted for payments totalling SLE20,042. The issue remains unresolved.
 - (ii) Of the SLE25,630, supporting documents such as receipts, monitoring report, and beneficiary list were submitted and verified for payments totalling SLE10,770 representing 42% of the queried amount leaving a balance of SLE14,860. Therefore, the issue was partially resolved.
 - (iii) A certificate of inspection from SLRSA before and after the maintenance of vehicles, was not submitted for payments totalling SLE15,409.30. The issue remains unresolved.
- The total payment of SLE50,311.70 (SLE20,042+SLE14,860+SLE15,409.70), was without supporting documents.

3.50.4. Four Bank Statement not Submitted for Audit Inspection

In spite of several requests, the bank statements for four bank accounts were not submitted for audit inspection. The four bank accounts were as follows:

- Ministry of Energy Barefoot Women Solar Technician Centre
- Ministry of Energy Emergency Electric Power
- Solar Park Project
- Ministry of Energy Emergency Electric Power

We recommended that the PS and Accountant should ensure that the bank statements are submitted for audit inspection.

Official Response

The external auditor's queries have been noted. We however wish to state that no transactions were carried out in the mentioned Accounts for the period under review. The bank statements are available for inspection to substantiate the above information.

Auditor's Comment

We received bank statements and cashbooks for three of the four bank accounts. The bank statement and cashbook for the Ministry of Energy Emergency Electric Power account (US\$) were not submitted to the ASSL.

Our review of the three bank statements submitted revealed that on 16th February 2022, a total of SLE52,200 was withdrawn from the Barefoot Women Solar Technician Centre account. However, the payment voucher and the relevant supporting documents were not submitted to the ASSL. The issues are partly resolved.

3.50.5. Contract Awarded in United States Dollars Instead of the Leones

In 2020, the Ministry signed six contracts for the design, supply, installation, and commissioning of transmission and distribution networks in seven towns under the Rural District Electrification Project for a total contract price of US\$23.6 million (SLE238 million) at the exchange rate of SLE10.085 to the US\$ at the material time. The signing of contracts in foreign currencies was contrary to Section 26(4) of the Bank of Sierra Leone Act of 2019 which requires transactions to be done in Leones.

As of the date of following up on this contract, 4th October 2023, the work was still in progress even though the contract terms clearly stipulate that they were expected to be completed by 31st March, 2022. Of grave concern was that on 4th October 2023, we noted that the exchange rate was SLE22.391 per US\$ (the Leones depreciated by 122% against the U.S. Dollars). If the Project is stalled and the exchange rates continue to increase, there is a concern of a corresponding increase in the financial burden on the government especially when the outstanding amounts on these contracts totalled US\$13.26 million.

We recommended that the Permanent Secretary, the Assistant Director of Procurement, the Project Manager and the Ministry of Finance expedite the completion of the contracts and payment to avoid the huge loss associated with the fall in the Leones against the US Dollar.

Official Response

The word Solar Energy must be expunged from the query as the contracts were signed under the Seven Districts Electrification project. My response to the query is that the Project should have been completed by 31st March 2022 as rightly indicated by the Audit Service team. Assessments are done by the Project Manager and invoices are submitted by the contractors to the Ministry. The Procurement and Accounts Section processed and collated all relevant documents in a timely manner and submitted them through the Office of the Permanent Secretary for onward transmission to the Ministry of Finance for approval and the Accountant General's Department for payment. The Ministry does not have the resources and mandate to make such payments to the contractor. The devaluation of the exchange rate and the delay in payment could not be attributed to negligence on the part of the Ministry of Energy. The Ministry of Finance might have been constrained as a result of scarce financial resources to honour such payments in a timely manner. Going forward, the Ministry of Energy will engage the Ministry of Finance to ensure that resources are made available in a timely manner so that the exchange rate may not substantially affect the execution of contracts. Vouchers for works already executed have also been forwarded to the Ministry of Finance for necessary action.

Auditor's Comment

In as much as letters have been sent to the Ministry of Finance requesting payment to the contractors, there was no evidence that this request was honoured. The issue remains unresolved.

3.51. MINISTRY OF LABOUR AND SOCIAL SECURITY: 2019-2022

3.51.1. Review of the Ministry's Strategic Operations

1. *Non-functional Machinery Testing Station at the Ministry*

There were no safety check mechanisms in place at the Ministry to ensure companies and operators comply with Section 3 of the Factory Act of 1974 because the machines in the machinery testing station designed to clean and carry out safety checks were dilapidated and obsolete. This posed a huge challenge to the Ministry to conduct periodic safety checks on liquid petroleum gas facilities of companies producing them in the country; as well as to other companies/business entities using plant and machinery with chains and rope slings for decades. Even though gas companies such as the National Petroleum Gas, AFRIGAS and Safari Company Limited had been doing business for more than 10 years, the Ministry had not conducted checks on the cleaning of gas cylinders and certification of their appropriateness for use. Additionally, the Ministry had not conducted proof load testing of chains and rope slings used by equipment and machines owned or controlled by business entities to certify they are in good working order.

The Ag. Director of Occupational Health and Safety (OSH) in collaboration with the Commissioner of Labour and the Permanent Secretary should liaise with the Ministry of Finance to replace the testing equipment with modern automated testing machines. Trained technicians should be recruited to operate these machines and periodic inspection and testing carried out on machines owned and controlled by factories and other business entities.

Official Response

The testing equipment for Rope, Chain Blocks, Liquid Petroleum Gas bottles and Electrical wiring at the Machinery Testing Station are obsolete, and non-functional to conduct any testing on the current statutory equipment, including modern automated machinery now existing in the majority of the factories in Sierra Leone.

No revenue has been collected for testing of these equipment for the past three decades due to the absence of functional automated modern testing equipment at the Machinery Testing Station.

The Ministry is constrained with funding for the rehabilitation of the equipment at the Machinery Testing Station, but none has been approved by the Ministry of Finance.

The Ministry is requesting government support for the Directorate for the procurement of automated modern testing equipment for Rope, Chain Block, Liquid Petroleum Gas Bottles, and Electrical wiring at the Machinery Testing Station. Also, the Government should recruit trained technicians that operate the equipment at the Testing Station.

Auditor's Comment

Testing is yet to be done and there was no evidence of requests to the Ministry of Finance for the replacement of the testing equipment with modern automated testing machines. Additionally, we were not provided with further efforts being made by the Ministry to address the audit concerns. The issue is unresolved.

2. *Failure to Register All Categories of Factories*

According to the clients' service delivery charter, the Ministry does the registration and renewal of registration of workplaces including factories, and issuance of workplace registration certificates to employers/owners/occupiers of workplaces.

We however noted that certain categories of factories as set out in the Factories Act of 1974 were not registered by the Ministry. The legislated revenue from the registration of these factories was therefore not collected, thereby depriving government of much-needed fund to embark on developmental activities.

The Acting Director of OHS should justify why those categories of factories were not registered by the Ministry.

Official Response

The Directorate has not been able to successfully register, renew, and inspect some of the factories in categories III, IV, and V due to the unavailability of logistical support, low staff strength, and inadequate funding for factory inspection exercises.

The OSH Directorate has raised concern about the failure of some of the factories that are not complying with Sections 6,7 and 8 of the Factories ACT of 1974 in the Senior Management meeting of the Ministry for necessary action.

The Ministry would liaise with the Ministry of Finance, HRMO, and PSC for adequate financial support and recruitment of suitably qualified Sierra Leoneans as civil servants.

Auditor's Comment

The Acting Director of the OHS did not submit any evidence to show that the Ministry had contacted the factories in categories III, IV and V as set out in the Factories Act of 1974 (as amended in November 2000). Furthermore, evidence to show that the Ministry had made attempts to register some of these factories was not submitted to the ASSL. The issue remains unresolved.

3. Lack of Functional Website

During the audit, the team observed that the Ministry's website was not functional, even though SLE48,370 was spent on its development, domain registration, and web hosting with one-year support and maintenance in December 2020. This made it difficult for people to get more information about the operations of the Ministry.

The Senior Information and Communication Technology (ICT) Officer should ensure that the website of the Ministry is up and running immediately.

Official Response

The Ministry does not have a functional website since 2021 because the website hosting fees have not been paid.

Auditor's Comment

The Ministry's website was still not functional and there was no justification for failing to pay the hosting fees. The issue remains unresolved.

3.51.2. Special Imprest not Used for the Intended Purposes

We observed that the sum of SLE598,000 was not used for the intended activities for which the funds were allocated. There was no approval from the Ministry of Finance in support of this deviation.

We recommended that the Permanent Secretary should submit the approval from the Ministry of Finance for the reallocation of the funds; otherwise, the amount should be refunded and paid into the Consolidated Fund.

Official Response

All activities undertaken for the period under review were budgeted for by the Ministry.

Auditor's Comment

Approval from the Ministry of Finance to reallocate the funds meant for the review and popularisation of the labour laws to another activity was not submitted. Additionally, there was no evidence that the amount was refunded into the Consolidated Fund. The issue remains unresolved.

3.51.3. Withholding Taxes not Paid to the NRA

Withholding taxes totalling SLE95,681.44 (SLE76,408.91 deducted from payments to suppliers, and SLE19,272.03 for activities by the National Social Safety Net, were not deducted from payments to suppliers) were not paid to the NRA.

We recommended that the Accountants (Ministry of Labour and National Social Safety Net) should ensure that payments are immediately made to the NRA and proof of payments is submitted to the ASSL.

Official Response

Regrettably, the Accountant did not deduct withholding taxes as observed by your audit team. The Ministry has written to all suppliers to pay the WHT and will ensure that taxes to the tune of SLE76,408.91 and SLE19,272.01 are paid respectively. The letters to the suppliers are available for inspection.

Auditor's Comment

Correspondences notifying suppliers and evidence of payment of the withholding taxes were not submitted. The issue remains unresolved.

3.51.4. Payment of Vulnerable Welfare Benefits to Ineligible People

Under the Safety Net Scheme, the Ministry maintained a database of registered, verified, and approved aged persons as beneficiaries. Each approved beneficiary was entitled to a quarterly payment of SLE150 as cash support to the aged.

Upon comparison of the quarterly payment lists and database of beneficiaries for 2020 and 2021, we observed unjustifiable cash payments of SLE18,000 (SLE9,750 in 2020 for Quarter 1 and SLE8,250 in 2021 for Quarter 3) to 120 persons (65 persons in 2020 and 55 persons in 2021) whose names were not in the database submitted by the Ministry. Additionally, information such as national identity cards and telephone numbers were not indicated for independent verification.

We recommended that the Acting Director of National Social Safety Net should submit a justification for the cash payments to people who were not in the database. Otherwise, the amount should be paid into the Consolidated Fund, and evidence of payment forwarded to the ASSL.

Official Response

- (i) Records of beneficiaries such as registration and verification forms with photos of the beneficiaries at the Directorate which available for audit verification. Also, back-to-office reports are now available for audit inspection*
- (ii) ID Cards with ID numbers and photos are always prepared and distributed to beneficiaries prior to the cash transfer.*
- (iii) Additionally, there are ID Cards of potential beneficiaries that are yet to be distributed and are also available for audit inspection.*
- (iv) When payments are administered, the Paramount Chiefs or their Speakers sign the acknowledgment forms/ slips to confirm payment in their various chiefdoms. Similarly, the Parliamentarian in the constituency where payment is made is usually present. The District Council has a representative on the Social Protection Secretariat Technical Steering Committee who is also involved in the exercise.*
- (v) All other documents are available for inspection.*

Auditor's Comment

Management's response is noted. However, the response failed to address the issue of payments made to 120 persons that were not in the database; or the repayment of the expended amount into the Consolidated Fund. The issues remain unresolved.

3.51.5. Lack of Control over Fixed Assets Management

We observed that SLE563,150 was alleged to have been spent for the procurement of assets. Delivery notes and allocated stores ledger were not submitted and the assets were not available for physical inspection.

Furthermore, SLE15,600 was alleged to have been expended to design, code, and mark 456 fixed assets. There was however no evidence of work done as the list and location of assets coded were not submitted for audit.

We recommended that the Store and Inventory Officers should submit the assets for physical verification. Otherwise, the total amount expended on the alleged purchase and coding should be recovered and paid into the Consolidated Fund.

Official Response

- (i) *The authorised store issue voucher (SIV) of assets distributed to staff during the period under review is available for inspection.*
- (ii) *The list of assets coded is available for inspection.*

Auditor's Comment

The assets were not available for physical inspection. Additionally, SIVs of assets distributed to staff and the list of assets coded during the period under review were not submitted to the ASSL. The issue remains unresolved.

3.51.6. Inadequate Professional Staff

A review of the staff lists and manpower plans revealed that the Ministry was grossly understaffed. From an expected professional/technical staff capacity of 142, only 33 professional/technical staff were in post to cover the offices in Freetown and the provinces. As a result of the understaffing, there were challenges in executing planned activities considering that the Ministry operates in three regions.

Auditor's Comment

There was no official response to this issue. However, Management submitted a request sent to the Ministry of Finance for concurrence on filling the critical vacancies in the Ministry. As at the time of writing the report, the staffing challenges had not been addressed. The issue remains unresolved.

**3.52. MINISTRY OF PUBLIC ADMINISTRATION AND POLITICAL AFFAIRS:
2021 - 2022**

3.52.1. Failure to Submit Documents for Audit

During our review, we requested from management through the Procurement Officer, procurement documents in respect of selected transactions amounting to SLE 619,229 for the period under review. These documents were however not provided for audit.

We recommended that the Permanent Secretary should ensure that the Procurement Officer submit the documents for audit review.

Official Response

Management has noted the auditor's recommendation and all necessary procurement records are available for audit inspection

Auditor's Comment

From the total amount SLE619,229, we verified documents in respect of SLE478,884 representing 77% of the queried amount, leaving a balance of SLE140,345 (SLE128,745 in FY 2021 and SLE11,600 in FY 2022). The issue is partially resolved.

3.52.2. Excess Salaries not Recovered from Staff

A review of documents showed that as of August 2021, an Office Assistant Level 1 (Grade 2) had been paid excess salaries without justification. A calculation of the extra salary paid from August 2021 to December 2022, amounted to SLE176,051 (SLE51,779 in FY2021 and SLE124,272 in FY2022).

We recommended that the PS should ensure that this matter is investigated and the excess payment recovered and paid back into the Consolidated Fund.

Official Response

- (i) *The Government payroll system is centralised. It is managed and controlled by both the HRMO and the AGD.*
- (ii) *Monthly payroll returns to the various MDAs were halted due to concerns about payroll integrity and security. An issue was brought up in a meeting that requires the payroll returns. The then PS instructed the HRO to get the payroll from the required authorities in person. On getting the payroll, he identified the anomaly and immediately reported the concern to the HRMO for appropriate action.*
- (iii) *Upon reporting the concern to the HRMO, the following actions were taken by the HRMO:*
 - a) *Augustine Dambo was released from service, which suggests that appropriate disciplinary action was taken.*
 - b) *The individuals responsible for inputting inaccurate data were also held accountable, indicating that measures were taken to prevent similar occurrences in the future by the HRMO.*

Auditor's Comment

We confirmed administrative actions taken by the HRMO. Our review of copies of payroll printouts from February to May 2023, confirm that the name of the staff had been removed from the payroll. There was however no evidence that the overpaid salary was recovered and paid into the Consolidated Fund. The issue is partly resolved.

3.53. MINISTRY OF TOURISM AND CULTURAL AFFAIRS - 2022

3.53.1. Artificially Splitting of Procurement Activities

We noted that an amount of SLE198,000 in respect of bus hire services purchased for the COMCEC COVID-19 pieces of training held in the regions did not follow Section 37(2) of the PPA 2016, which requires that procurement should not be divided artificially with the intention to avoid the monetary thresholds. Using the RFQ method, rather than the NCB method, the Ministry separated the procurement operations into three smaller amounts (SLE21,600, SLE88,200, and SLE88,200) on the same day and awarded to the same supplier.

We recommended that the Assistant Director of Procurement should provide evidence as to why the procurement of bus hire services was artificially split to avoid the NCB method. Otherwise, he should be held responsible for artificially dividing the procurement in contravention of the PPA of 2016.

Official Response

The procurement for bus services/ bus hire services was done at different dates and times during the course of the year. And also, the bus services were meant for different regions on diverse dates within the country. Therefore, the procurement for such services was done and approved as at that date and time the documents were minuted for action. However, going forward the Ministry will endeavour to have a framework contract of various consumables, goods and services.

Auditor's Comment

We noted Management's response with respect to the bus hire service. There was however no evidence of justification from the Procurement Committee and approval from the NPPA for splitting the procurement activities. The issue remains unresolved.

3.53.2. Payment without Supporting Documents

In contravention of Section 100(1) of the PFMR of 2018, the following were observed:

- Bank withdrawals of SLE1,089,425.59 from the Ministry's imprest account held at the Bank of Sierra Leone were without adequate supporting documentation, such as concept notes, back-to-office reports and receipts.
- On 25th January 2022, a cheque withdrawal of SLE85,000 was paid as a board member's sitting fees and playlist support to DJs for the promotion of the Ambassador Office for Entertainment and Investment. Vital documents such as concept notes, attendance list, meeting minutes, signed beneficiary list were however not provided for audit inspection.
- Bank withdrawals by the Tourism Division amounted to SLE97,150 on 23rd March 2022, through a cheque to conduct a monitoring and evaluation exercise. Retirement details were however not provided for audit inspection.

We recommended that:

- (i) The Accountant should submit the missing supporting documents for payments amounting to SLE1,089,425.59.
- (ii) Account and Entertainment Ambassador should submit the attendance list, meeting minutes and signed beneficiary list to support the SLE85,000. Otherwise, the amount should be recovered and paid into the Consolidated Fund.
- (iii) The Director of Tourism should submit the retirement details for the SLE97,150 for audit inspection. Otherwise, the amount should be recovered and paid into the Consolidated Fund.

Official Response

- (i) *All supporting documents for an amount totalling SLE1,089,425.59, of bank withdrawals from the Ministry's imprest account held at the Bank of Sierra Leone, are now available for your inspection.*
- (ii) *Supporting documents for a cheque for of SLE85,000 in respect of sitting fees for Board members and playlist support to DJs for the promotion of the Ambassador for Entertainment and Investment's office are now available for inspection.*
- (iii) *Retirement details for the bank withdrawal of SLE97,150 for monitoring and supervision of tourism establishment by the Tourism Division, are now available for inspection.*

Auditor's Comment

- Of the total amount of SLE1,089,425.59, relevant supporting documents such as receipts, boarding passes and back-to-office reports were submitted and verified for an amount of SLE624,666.56 which represented 57% of the queried amount, leaving a balance of SLE464,759.03. The issue was therefore partially resolved.
- From the total of SLE85,000, supporting documents such as board meeting minutes, attendance and beneficiary lists were submitted and verified in respect of sitting fees paid to board members which amounted to SLE45,000. Beneficiary lists or receipts from various DJs for the promotion of the Back-to-my-Root Show totalling SLE40,000 were not submitted for audit verification. The issue was partially resolved.
- From a total of SLE97,150, retirement details such as monitoring and evaluation report and receipts were submitted for amounts totalling SLE45,360, which represented 47% of the queried amount, leaving a balance of SLE51,790. Therefore, the issue was partially resolved.

3.53.3. Failure to Relocate the National Dance Troupe

In order to ensure effective service delivery by the Sierra Leone National Dance Troupe, it is necessary for them to be hosted together in a home village. As a result of the need for the relocation of the National Dance Troupe, a new cultural village was constructed by the Ministry in December 2015.

In the previous report, we observed that assets valued at SLE1,657,950 were procured for the furnishing of the cultural village at Mabala. We were however informed that these assets had been stolen. We requested for a police report which was only submitted in 2023 (this report was prepared by the Police Regional Commander, Freetown East, on 19th January 2023).

Eight years after the construction of the cultural village using millions of taxpayer's money, the National Dance Troupe had still not been relocated.

Official Response

Management notes your comment and the Director of Culture will provide detail explanative reasons why the Dance Troup had not been relocated; will also include the assets bought for their relocation.

Auditor's Comment

We note Management's responses regarding the relocation of the Dance Troupe, monitoring of the Dance Troupe members. we however observed that there was no documentary evidence of the non-relocation of the dance troupe to the Mabala Village. In addition, the assets pertaining to the village were also not addressed.

3.53.4. Ineffective Monitoring of the Dance Troupe

The Ministry's Cultural Division is in charge of managing the activities of the dance troupe, which has 25 performers as staff. A review of payroll and staff lists records revealed that the dancers received total salary valued at SLE216,081 for the year under review. Documents such as activity plan, cultural activity calendar, event log book, attendance register and monitoring reports for activities engaged in by these staff over the year were however not presented for audit review to justify the said amount paid as salary for the period.

We recommended that the Cultural Director submit the activity plan, cultural activity calendar, event log book and monitoring reports attendance for activities engaged in by these staff over the course of the year.

Official Response

Management noted your instruction and has asked the Director of Culture to submit an activity plan, cultural activity calendar, event log book and monitoring report for the dance troupe.

Auditor's Comment

The activity plan, cultural activity calendar, event log book etc. relating to the dance troupe were not submitted for audit Inspection.

3.54. PROVINCIAL SECRETARY'S OFFICE, SOUTH – 2022

We observed the following:

- An estate officer, responsible for the management and supervision of government quarters, was not in post.
- The office lacked adequate mobility, office furniture and equipment.
- Two staff did not avail themselves for physical verification

3.55. CABINET SECRETARIAT - 2022

3.55.1. Extensions of Services of Civil Servants Beyond the Statutory Period of Two Years

The Cabinet Secretariat in collaboration with the HRMO had been extending the services of staff who had attained the statutory retirement age of 60 years. Some extensions were more than the acceptable limit of

two years. This was contrary to Rule 2.16 of the Civil Service Code, which states: “Contract appointments to established posts shall not exceed a maximum period of two (2) years”. For the year under review, 243 contract extensions were approved, and the majority of these extensions were made to staff who did not occupy critical positions and whose skills or knowledge can be easily replaced.

The decision to extend the services of staff who had exceeded the retirement age, especially low-grades staff, has the tendency to prevent the recruitment of other young Sierra Leoneans into the service. This will further heighten the rate of unemployment in the country.

We recommended that the Secretary to the Cabinet and Head of Civil Service should ensure that civil servants who had attained the retirement age of 60 years, and whose roles are not critical, should not be given extended services. In addition, civil servants whose skills could be sourced from individuals in the job market, should not be provided with extension services beyond the required maximum of two years.

Official Response

All extensions of service beyond the regulatory two-year term are approved by an Executive Clearance on a case-by-case basis. Extension of service within the two-year regulation in respect of lower grades is justified by the death of skilled personnel in the office and other technical routine tasks, and also for the fact that financial provisions have not been available for the recruitment of new staff in these grades over the last two years.

Auditor’s Comment

The issue of service extension for low-grade staff within the approved two-year period remains unresolved, as extension of services of retired staff in the public sector is still ongoing, especially for low grade staff such as Office Assistants, Driver and Personal Assistants.

3.55.2. Bank Withdrawals without Relevant Supporting Documents

In contravention of Section 100(1) of the PFMRs of 2018, bank withdrawals totalling SLE585,259 were made on various dates from the Imprest Account held at the Bank of Sierra Leone for payments to suppliers for goods and services, and other administrative purposes without payment vouchers and other relevant supporting documents.

We recommended that the Senior Accountant submit the payment vouchers and their supporting documents for audit inspection. Otherwise, the full amount should be paid into the Consolidated Fund.

Official Response

The payment vouchers and all supporting documents are available and ready for audit verification.

Auditor’s Comment

Of the SLE585,259, payment vouchers and supporting documents for SLE495,647 representing 85% of the queried amount, were submitted, leaving a balance of SLE89,612. The issue is substantially resolved.

3.55.3. Payment of Food Allowance to Staff

Withdrawals totalling SLE253,400 were made from the Secretariat’s Imprest Account as quarterly food allowance to various staff without policy to justify the use of such funds.

We recommended that the Permanent Secretary should submit a policy to justify the payment of quarterly food allowance for audit inspection.

Official Response

The policy on Food Allowance is ready for audit inspection. The payment vouchers and relevant supporting documents are also ready for audit verification.

Auditor's Comment

No policy for the justification of funds utilised as food allowance was submitted during the verification. The issue remains unresolved.

3.56. JUDICIARY OF SIERRA LEONE (HQ) - 2022

3.56.1. Salary Advances Paid in Excess of Monthly Net Salary

Number eight of the Judiciary of Sierra Leone Staff Policy requires that salary advance should be paid to a permanent and pensionable staff. The amount of salary advance must not exceed the monthly net salary and that salary advance must be repaid within a period of one month.

Contrary to this policy, we observed that in FY2022, three staff were given salary advances totalling SLE90,000 in January, SLE135,000 in February and July 2022, and SLE100,000 in June 2022. These were in excess of their monthly net salaries and being repaid over a period of time exceeding one month. We also observed that one of the staff given the salary advance, was a contract staff.

We recommended that the Principal Accountant should immediately recover the outstanding amount from the beneficiaries and pay into the Consolidated Fund.

Official Response

Audit findings and recommendations are noted. The following salary advances have however been recovered.

- (i) The salary advance of SLE50,000 paid to Elkass has been deducted from his monthly contract fee and final payment of SLE25,000 was paid to the Judiciary account in July, 2022. Deductions for the last advance payment of SLE85,000 commenced in August 2022 and a total SLE55,000 has been deducted to date.*
- (ii) Salary advance of SLE90,000 was paid to Mrs. Elaine Thomas Archibald at a time when she got an accident in the office during her official hours of work and needed urgent money for oversea medical attention. To date, SLE64,400 has been recovered and the balance will be recovered as soon as possible.*
- (iii) Salary advance of SLE100,000 was approved and paid to Ms. Grace Coleridge Taylor for urgent medical attention in the UK. She signed a letter of undertaking which was guaranteed by the Master & Registrar. Efforts to recover the said amount will continue.*

Auditor's Comment

During the verification, we observed the following:

- (i) Salary advance of SLE105,000 from SLE135,000.00, paid to Elkass Sannoh has been deducted from his monthly contract fee and paid to the Judiciary account, leaving SLE30,000 outstanding.
- (ii) Mrs. Elaine Thomas Archibald paid SLE64,400 of SLE90,000 leaving SLE25,600 outstanding.
- (iii) Salary advance of SLE100,000 is yet to be repaid by Ms. Grace Coleridge Taylor.

In total, SLE169,400 salary advance has so far been recovered from a total of SLE325,000, leaving SLE155,600 outstanding. The issue is partially resolved.

3.57. JUDICIARY OF SIERRA LEONE: BO JUDICIAL DISTRICT - 2020 & 2021

The Bo Judiciary District comprises the Magistrate Courts Number I & II and the High Court. Below are key audit outcomes in respect of each of them:

- 1) An imprest system was not in existence
- 2) At the **Magistrate Court No. 1**, we observed the following:

- We physically verified the court building and observed that it was in a dilapidated condition. The building holding the courtroom, the Magistrate's chamber and various offices had a leaking roof. The ceiling was seriously damaged. Cracks were noticed outside the building, posing risks when used as an office space for the operations of Magistrate Court No. 1.
 - There was no standby generator to provide electricity at Magistrate Court No. 1 in the event of a power outage. This continues to hinder the effective operations of the Court in Bo District.
 - The Court lacked essential office equipment such as computers, printers, photocopiers and scanners. We further observed that printing and photocopying of classified and restricted court documents were done in the open market. This may undermine the safety and confidentiality of official documents.
- 3) At the **Magistrate Court No. 2**, we observed that there was inadequate office space. During the physical verification of assets, we observed that Magistrate Court No. 2 building was burnt during a fire outbreak between 12:00am and 1:00am on Tuesday 19th October, 2021. The Court Registrar reported the matter to the Regional Crime Officer at the Regional Criminal Investigation Department of the Sierra Leone Police, South. A copy of the police report was submitted by the Court Registrar to confirm the occurrence of the inferno, which we have reviewed but found no cause of the fire outbreak. As a result, the Magistrate Court No. 2 was without an office building. We also observed that the Magistrate Court No. 2 held sittings in a small room at the High Court building which was allocated to the Magistrate Court No. 2, and only used the main courtroom when the High Court was not in session. We interviewed, the Court Registrar of the Magistrate Court No. 2 who confirmed that the Judiciary headquarters had awarded a contract for the construction of a new court building in Bo. We physically verified the construction site and observed that the construction was ongoing. Enquiries from the contractor revealed that delays in the disbursement of funds continue to undermine the timely completion of the building. This continued to hinder the effective service delivery of the Court.
- 4) We observed delays in change of signatories to the **High Court Imprest Account**. A review of the letter from the Principal Accountant revealed that although the High Court still maintained an imprest account, the processes required for the change of signatories as a result of transfers of Judges was a challenge. Change of signatories for a government account requires the Accountant General's approval, which was not done.

3.58. OFFICE OF THE PRESIDENT- 2022

3.58.1. Bank Withdrawals without Supporting Documents

In contravention of Section 100(1) of the PFMRs of 2018, the following were observed:

- Bank withdrawals totalling SLE22,370,463 made from the Lungi Bridge Feasibility Study Account and paid to the Atepa Group for the Lungi Bridge feasibility study and the supervisory consultancy for the construction of the new Airport, were without payment vouchers and supporting documents.
- Bank withdrawals totalling SLE1,254,186 from various Imprest Accounts were without payment vouchers and other relevant supporting documents.

Without these documents, we could not confirm whether withdrawals were utilised for the intended purposes.

We recommended the following:

- (i) The former Chairman of the Office of Presidential Infrastructure Initiative should submit the payment vouchers and supporting documents to support the withdrawals from the Lungu Bridge Feasibility Study Account. Otherwise, the Chairman should refund the amount to the Consolidated Fund.
- (ii) The Accountants should submit the payment vouchers and supporting documents; otherwise, these monies should be refunded into the Consolidated Fund.

Official Response

Withdrawals from the Lungu Bridge Feasibility Study Account

The payment vouchers and their supporting documents have been identified and retrieved. They are now readily available for audit verification.

Withdrawals from the Imprest Account

The withdrawals from the bank account of the Secretary to the President and the Office of the First Lady were imposts. The payment vouchers and retirement details have been identified and are available for audit verification.

The payment vouchers and supporting documents in respect of the withdrawals from the bank account of the National Monitoring and Evaluation Department have been identified and are available for audit verification.

Auditor's Comment

- (i) During the verification, three payment vouchers were submitted for the SLE22,370,463 withdrawn for the Lungu Bridge Feasibility Study and the Supervisory Consultancy for the Construction of the New Airport. The relevant supporting documents to substantiate the utilisation of funds were however not submitted. This issue therefore remains unresolved.
- (ii) Of withdrawals totaling SLE1,254,186, payment vouchers, and supporting documents for amounts totalling SLE1,054,186 representing 84% of the queried amount were submitted and verified; leaving a balance of SLE200,000. The issue is significantly resolved.

3.58.2. Special Imprest on Overseas Travel not Retired

Retirement details and records in respect of Special Imprest for out-of-pocket totaling US\$240,000 and €70,000 expended by the Office on overseas traveling were not made available for inspection. Without the retirement details, we could not confirm whether the funds were used for the intended purposes.

We recommended that the Accountant submit the retirement details.

Official Response

The use of the out-of-pocket expense funds was indemnified. The indemnity provides details of how the funds were used, and they are available for audit verification'.

Auditor's Comment

During the verification, indemnities were provided for the use of funds. Of US\$240,000 and €70,000 amounts totaling US\$143,000 and €60,000 representing 67% of the queried amount were verified, leaving a balance of US\$97,000 and €10,000. The issue is partially resolved.

3.59. OFFICE OF THE VICE PRESIDENT- 2022

3.59.1. Failure to Present Procurement Documents

We observed that procurement documents such as copies of business licences and registration, valid NRA and NASSIT tax clearance certificates, RFQs and LPOs, were not submitted to confirm whether

procurement procedures were followed by the National Investment Board in the use of funds amounting to SLE205,731.37.

We recommended that the Acting Assistant Director of Procurement should ensure that all relevant documents relating to the procurement processes must be properly secured and made available to the ASSL.

Official Response

The Agencies supervised by the Office of the Vice President included NASSIT clearance certificate, NRA tax clearance certificate and City Council business licence. However, there is a framework contract for the supply of both stationery and computer inks. The outstanding documents named and framework contract for both stationery and computer inks are available for audit verification.

Auditor's Comment

Of a total of SLE205,731.37, procurement documents were submitted for an amount totalling SLE92,811.32 representing 45% of the queried amount, leaving a balance of SLE112,920.05. The issue is partially resolved.

3.59.2. Withholding Taxes not Paid to the NRA

We observed that withholding taxes amounting to SLE32,123.06 deducted by the Sierra Leone Extractive Industries Transparency Initiatives (SLEITI) from payments made to various suppliers were not paid to the NRA.

We recommended that the Finance and Administrative Manager, SLEITI should pay the deducted withholding taxes to the NRA and evidence submitted to the ASSL.

Official Response

Office of the Vice President and its agencies deducted 5.5% withholding taxes from every transaction queried by the audit team for onwards submission to the NRA.

Management notes the audit recommendation and the withholding taxes in question have been paid to the NRA. Evidence of payment is available for audit verification.

Auditor's Comment

Evidence of payment of withholding taxes totaling SLE32,123.06 was not submitted by the Finance and Administrative Manager, SLEITI. The issue remains unresolved.

3.60. OFFICE OF THE CHIEF MINISTER- 2022

3.60.1. Non-compliance with the Guideline on Internship Placement Programme

Sections 3.2-3.7 & 5- 5.1 of the Guideline on Internship Placement Programme January 2019- The Human Resources Management Office stipulates that placement of interns to MDAs will be determined by the relevance of their course of study to the MDA and a letter from the institution the student is coming from, addressed to the Director General, HRMO. The HRMO will do the placement process and inform the institution accordingly, and the duration of the internship placement will not exceed three months (12 weeks) and will not be done more than once.

In contravention to the above guideline, the Office expended SLE92,800 in respect of stipends to interns without letters from the HRMO for their placement into the Office, copies of student identification cards, telephone numbers & addresses of interns, and signed attendance register. Additionally, the amount was paid to an individual, without a signed list of beneficiaries. As a result, we could not confirm the institutions the interns came from, and whether they reported for duty during

the internship period. In addition, we could not confirm whether the interns were the actual beneficiaries of the queried amount.

Furthermore, the internship duration exceeded the stipulated time of three months, which was contrary to the cited Internship Placement Guideline.

We recommended that the Deputy Secretary should make available for inspection, the placement letters, attendance register, and signed beneficiaries' lists to support the placement and payment of stipends.

Official Response

The DSTI has MoUs with the Massachusetts Institute of Technology (USA) and Njala University that include exchange programmes with student interns on a rolling basis. All graduate and student interns assigned to the DSTI are pursuing qualifications in ICT fields including computer science, data science, and UX/UI designs. All interns at the DSTI are engaged with an internship contract on a rolling basis. The MoUs and internship contracts are available for review.

Auditor's Comment

During the verification, the MoUs and the internship contracts mentioned were not submitted. Furthermore, placement letters of interns from the various educational institutions, attendance registers, signed lists of beneficiaries of stipends paid and personal details such as identification documents of the interns were not submitted. The issue remains unresolved.

3.60.2. Bank Withdrawals without Adequate Supporting Documents

We observed that bank withdrawals totalling SLE3,497,395.80 were made without relevant supporting documents such as receipts, signed beneficiaries' lists, originating requests, business registration certificates, tax clearance certificates and reports.

We recommended that the Director of Finance should submit the missing supporting documents for inspection. Otherwise, the amount concerned should be paid to the CF.

Official Response

Management has reviewed the auditor's query on relevant supporting documents. The Finance Unit has now put in place all relevant supporting documents to substantiate the withdrawal of the said amount. These documents are available for audit inspection.

Auditor's Comment

Supporting documents were submitted during the verification exercise. Our review of the documents submitted revealed the following:

- The sum of LE78,200 was without signed beneficiaries' lists or retirement details.
- A total of SLE63,072.80 was also without adequate supporting documents such as requests, business registration certificates, tax clearance certificates and receipts. The issue is partially resolved.

3.61. IMMIGRATION DEPARTMENT - 2022

3.61.1. Staffing Challenge

We observed that 539 vacancies existed at the Immigration Department (71.41% of the number of approved posts of 759) which was a massive shortfall in staff strength. Only 220 personnel are on post because of the non-recruitment of personnel by the Government.

In addition, the Immigration Department was also staffed with 163 volunteers (42.5% of the Department workforce countrywide) with no conditions of service and with no remuneration, contrary to Rule 2.8 of the Civil Service Code, which stipulates that the employment of unpaid persons is prohibited.

Of utmost concern is the deployment of these volunteers (unpaid employees) at the border posts in the country. This could have some security implications. Considering the sensitivity of the Department and the security implication to the State and citizens, individuals working as volunteers could involve in activities for personal benefit and reward at the expense of the State.

We recommended that the Chief Immigration Officer (CIO) should ensure the recruitment of staff to fill the existing vacant positions at the Department and permanent personnel deployed at the border areas, rather than volunteers (unpaid staff).

Official Response

Management has made several attempts over the period to request for concurrence from the Ministry of Finance for recruitment but no positive response was given until towards the end of the reporting year. The Department received concurrence from the Ministry of Finance in December 2022 to recruit 100 staff. The process is ongoing and we intend to give priority to those already volunteering with the Department. A copy of the concurrence received from the Ministry of Finance is available for audit verification.

Auditor's Comment

During the verification, there was no evidence to show that staff had been recruited to fill in the vacant positions, and volunteer staff were still at border crossing areas. The issue remains unresolved.

3.61.2. Outstanding Royalty not Paid by Netpage

Contrary to Section 1 (1.4) of the contract change note No. SID1178.008 between the Government of Sierra Leone and the HID CID Limited, which states that from January to December 2022, approved royalty payment of 8% per sale of each e-passport shall be paid to the Government of Sierra Leone by Netpage (third party representative of HID CID Limited).

We observed that outstanding royalty of US\$429,627 was not to be paid to the Government of Sierra Leone for e-passports produced in 2022.

We recommended that the Executive Director, Netpage should expedite the payment of the outstanding royalty into the CF, and evidence of payment submitted to the ASSL.

Official Response

Royalties are paid directly to the Consolidated Fund. There are ongoing negotiations with Netpage and the Ministry of Finance on the outstanding amount for the period under review.

Auditor's Comment

Evidence of payment of outstanding royalty to the Government of Sierra Leone by Netpage was not made available. The issue remains unresolved.

3.62. SIERRA LEONE POLICE (HQ) - 2022

The audit team visited selected operational units of the Sierra Leone Police within the Western Area. Listed below are key operational challenges identified during these visits:

Waterloo Police Station

- The Commanding OSD offices and CID office lacked furniture and fittings, equipment such as computers, printers, air conditioners/fans and stationery. They also did not have sufficient riot/protection gears.
- The local ammunition post/storage at the Station was not properly secured, as the roof which was covered with zinc and stick was considered to be risky, especially when there were arms and ammunitions in the store.
- The Station maintained two outside makeshift structures as exhibit stores. The stores were not well fitted with shelves and partitions, even though items were tagged, as they were not well arranged and there was possibility of damage to items due to the insufficient space.

Grafton Police Station

- The Station was in a dilapidated condition. The detention cell was within the building and the odour from the cells polluted offices within the building.
- The Station lacked an operational and command vehicle.
- An imprest system was not in use to enhance daily petty spending

Allen Town – Mayeni Police Station

- There was no operational and command vehicle.
- An imprest system was not in use to enhance daily petty spending.
- A lavatory facility was not available since the previous one collapsed.

Kissy Police Station

- There was no exhibit store.
- The Station lacked sufficient water supply.
- The Family Support Unit (FSU) Division lacked both motorbikes and vehicles for its operations.

Water Quay – Interpol Police Post

The post was a shipping container with about four officers deployed there specifically for Interpol activities at the Quay. The post did not have equipment such as computers, printers/photocopiers, fans, stationery and petty cash for operations.

East End Police Station

- The Station did not have a command vehicle to carry out operational activities.
- Equipment such as riot and protection gears were not available.

Police Hospital, Kingtom

- The Hospital lacked a functioning ambulance. The current ambulance was faulty and lacked all the facilities an ambulance should have; such as oxygen and other resuscitating equipment.
- The Hospital also did not have an assigned vehicle for utility purposes.
- No oxygen machine was available in the Intensive Care Unit.
- From interview, we observed that the Hospital was not benefiting from the Free Healthcare system.

We recommended that the Inspector General of Police and Management team should ensure that appropriate actions are taken to address these issues.

Official Response

The Inspector General of Police and Management have noted the audit observations. However, imprest will be provided to various areas concerned when allocation is available in order for them to address the issues.

Auditor's Comment

We noted Management's response. However, no action has been taken as at the time of publication of this report. The issue remains unresolved.

3.63. SIERRA LEONE POLICE, EASTERN REGION - 2022

3.63.1. Lack of Adequate Facilities to Deliver Effective Services

The following issues were noted:

- The Police clinic lacked adequate equipment and facilities like laboratory test equipment, BP pressure machine, scales and medical consumables.
- Interview and physical verification revealed that the Police clinic had no functioning ambulance. It was further revealed that patients were mainly transported to the clinic using motorbikes, which can also worsen their medical condition or expose them to high risk of accident.
- Exhibits were kept in room that lacked shelves and had no proper locks on the door. We further observed that the room was infested with rodents which had tampered with most of the evidence.

We recommended that the Regional Commander in collaboration with the Community Health Officer should endeavour to work with headquarters and other stakeholders to ensure the following:

- (i) The necessary equipment are provided to enhance the work of the medical staff of the Police Clinic. In addition, medical consumables needed by various units of the clinic are made available to strengthen effective healthcare service delivery.
- (ii) Set aside funds to procure ambulance to facilitate the movement of patients in critical conditions and emergency cases.
- (iii) Funds be prioritised to provide a suitable facility with proper shelves, tags and locks to store police exhibits. Pieces of evidence should be properly separated, stored in small containers if necessary and tagged to avoid any form of tampering with the exhibits.

Evidence of actions taken relating to the above and the timeline for implementing our recommendations should be submitted to the ASSL.

3.64. SIERRA LEONE POLICE, SOUTHERN REGION - 2022

3.64.1. General Observations

- The Bo Police Community Health Center was dilapidated, and had no perimeter fence.
- The health centre had no functional ambulance, delivery couch for pregnant women, microscope and reagents in the laboratory.
- No cells for women and juveniles under custody at the Bo East and West Police stations.
- The cells were dilapidated and unhealthy, with no toilet and water facilities, limited space, and poor ventilation.
- We physically verified the store's conditions and observed that there were no shelves or pallets to keep store items.

- Office equipment such as computers, printers, photocopiers, desks, chairs and cabinets were not adequate to help in the effective execution of duties of the Sierra Leone Police, South.
- There was no internet facility in the regional office. Most of the office work was done at computer and internet cafes.

3.65. SIERRA LEONE CORRECTIONAL SERVICE (HQ) – 2022

3.65.1. Lack of Surveillance System at the Correctional Centres within the Western Area

Section 5(1) of the Sierra Leone Correctional Service Act of 2014 states: “The Director General, as head of the Service shall have responsibility for the operational control and administration of the Service and the control and supervision of all inmates’ subject to the directions of the Council.”

The audit team conducted physical verification in some areas of operations of the SLCS in the Western Area and observed that the Correctional Centres at New England (Female and Re-integration) and Waterloo (Pre-trial) did not have a Closed-Circuit Television (CCTV) system. The Centre at Pademba Road (Male) had a CCTV system that was not functional at the time of our visit (2nd February 2023). We consider the lack of workable CCTV at these locations a significant risk because of the following reasons:

- Inmates may engage in violent conduct leading to injuries and deaths if they are not monitored and corrective actions taken accordingly.
- Correctional service officers and visitors may engage in misconduct such as abuse of inmates, trafficking of unwanted goods and theft, as such activities may persist in the absence of installed and workable CCTV cameras.
- In the event of serious security breaches, culprits may not be identified and it would be difficult to take action.

We recommended the following:

- (i) Urgent action be taken to install CCTV cameras in all of the centres of the SLCS that should be regularly monitored.
- (ii) Security officers manning the gate should be provided with at least handheld scanners to help them search staff, visitors, etc. enter the premises of the correctional centres.
- (iii) Dedicated staff should be identified to monitor this system to identify wrongful actions or conducts by inmates, staff, visitors, etc. for preventive and corrective decisions. A list of these staff should be retained for reference and audit purposes.

Official Response

- *Freetown Male Correctional Centre has CCTV installed but needs some maintenance and sustainable power for it to be fully functional.*
- *Other centres have not got CCTV coverage due to a lack of funds. Management has However taken your recommendation into high consideration and actions will be taken when funds are available.*
- *Freetown Male Correctional Centre has a functional handheld scanner. Nevertheless, Management will cascade the use of handheld scanners to all other correctional facilities across the country when funds are available.*

Auditor’s Comment

The ASSL will however continue to emphasise the importance and sensitivity attached to the installation of functional CCTV cameras and professional screening of visitors and inmates in all of the centres of the SLCS to enhance security. We verified that the Freetown Male Correctional Centre was equipped with handheld scanners. However, this was not the case for other centres within the country. The issue remains unresolved.

3.65.2. Overcrowding at the Male and Female Correctional Centres

Contrary to the provisions on the Humane Treatment of Persons Deprived of their Liberty contained in the United Nations Standard Minimum Rules for the Treatment of Prisoners (the Nelson Mandela Rules) of 2015 and despite recommendations in previous financial and performance audit reports, we observed that the correctional centres were still overcrowded. An analysis of lock-up inmates' records indicated that 57% were either on trial or remand, compared to 43% of those convicted.

The male correctional centre was intended to house around 324 inmates but it is now holding 1,757 inmates. The same is true for the female correctional centre at New England Ville which was built to hold 18 inmates now holding 110 inmates. This overcrowding at these centres could result in the following problems:

- Resources meant for the rehabilitation of inmates could be scarce and the objective of transforming them to be better citizens and reintegrating them into society not achieved.
- Prison officers could be overworked to provide the needed security and other services such as protecting the feeding of inmates.
- Diets, sanitary materials, medical care, education, sports, and other resources may not be enough to meet the needs of the current inmate numbers.
- Inmates could be exposed to increased health risks, especially from infectious or communicable diseases and these easily spread among these inmates, putting their lives, staff and other stakeholders at risk.
- Due to the huge number of inmates, disorderly behaviour or violence could be difficult to contain with the small number of officers.

We recommended that the Director General consult the stakeholders in the judiciary systems to make reforms in terms of remand, sentencing, etc. with an aim of depopulating the prison centres.

Official Response

- *The stakeholders are well-informed of the current challenges surrounding the operations and management of the SLCS. There are plans to relocate the Freetown Male Correctional Centre to somewhere at Masanke in a bid to resolve the overcrowding challenges.*
- *There is also a mobile court system where assigned Judges from the Judiciary move from place to place to quickly resolve matters. The Management of the SLCS is still in consultation with various stakeholders to decongest the correctional facilities nationwide.*

Auditor's Comment

We received and reviewed documentary evidence indicating that the stakeholders are well informed of the current challenges faced by the SLCS and plan to relocate the Freetown Male Correctional Centre. The status-quo with the overcrowding still exists. The issue remains unresolved.

3.65.3. Inmates not Segregated in the Correctional Centres in the Western Area

Contrary to the United Nations Standard Minimum Rules for the Treatment of Prisoners (the Nelson Mandela Rules) of 2015, we observed that inmates (those convicted for serious offences, those for minor offences and those on remand) were not segregated. Additionally, repeated offenders or those with a criminal history were kept together with first-time offenders. At the facility in Waterloo, there was no demarcation to separate the female and the male sections.

We recommended that the Director General institute control measures and request for the needed resources to help segregate inmates who are the worst criminals from those who committed less serious offences and those on remand.

The Director General should also ensure that the mentally deranged inmates get the required medical treatments and must be separated from the sane ones.

Official Response

- *There is an immense space challenge as in now at all the correctional centres across the country. Categorisation and classification of inmates is therefore a very serious challenge. There are plans to relocate the Freetown Male Correctional Centre and to expand other correctional centres across the country when funds are available.*
- *The cohabitation of the mentally deranged with the sane in the same building (though separated by cells) has been a serious concern. Treatment is administered but it is supposed to be done by specialised nurses and medical officers and in a separate facility. The medical officers of the Kissy Mental Home have also denied admitting them because they lack the required security. Management continues to engage stakeholders to find solutions to the effective management of the mentally deranged inmates.*

Auditor's Comment

Management's comments are noted. Evidence of Management's engagement with the relevant stakeholders, on the relocation of the Freetown Male Correctional Centre to Masanke in Moyamba District was submitted for audit inspection. However, the status-quo with the non-segregation of inmates still exists. The issue remains unresolved.

3.65.4. Lack of In-built Toilet Facilities in Prison Cells

Rule 15 of the United Nations Standard Minimum Rules for the Treatment of Prisoners (the Nelson Mandela Rules) of 2015 guides on the sanitary installations for prisoners to comply with the needs of nature. Maintaining good sanitation is vital for the well-being of inmates, staff and other stakeholders. Based on discussions and physical verification of selected prison cells in the Western Area, which hold at least six persons every night, we observed that there were no in-built toilets in the cells. At night, the occupants will, in turn, take a plastic bucket into the cell and use it during the night and clean them up the following morning, or in some instances the disposal is delayed. Of grave concern was that these buckets were placed in the same cells where the inmates sleep. This situation is dehumanising and poses lots of health hazards to inmates.

We recommended that the Director General engage the necessary stakeholders such as the Ministries of Internal Affairs, Finance, and Works and Public Assets to remedy this situation with immediate effect.

Official Response

- *There are flushed toilets in some of the cells at the Freetown Male Correctional Centre - Clarkson Building saved some. The Ministries of Internal Affairs and Finance including other stakeholders are fully aware of the prevailing circumstances and challenges of the Centre.*
- *There are plans to relocate the Freetown Male Correctional Centre to somewhere at Masanke where there will be better toilet and other facilities. For now, the inmates are constantly sensitised on the hygienic way of using the bucket system that could pose no health hazards.*
- *Construction of the drainage system at the pre-trial is currently ongoing. The contractor will complete the project soonest.*

Auditor's Comment

During our verification, a letter from the Permanent Secretary, Ministry of Internal Affairs to the Permanent Secretary in the Chief Minister's Office was submitted. The letter indicated the survey of 3,000 acres of land and the engagement of local authorities regarding the price of the land for the relocation of the Freetown Male Correctional Centre to somewhere in Masanke, Ribbi Chiefdom in the Moyamba District in a bid to resolve the wellbeing issue of the inmates.

However, the status-quo with the non-availability of in-built toilets in the prison cells still exists. The issue remains unresolved.

3.65.5. Physical Inspection of Correctional Facilities

Rule 4 of the United Nations Standard Minimum Rules for the Treatment of Prisoners (the Nelson Mandela Rules) of 2015 states:

1. “The purposes of a sentence of imprisonment or similar measures deprivative of a person’s liberty are primarily to protect society against crime and to reduce recidivism. Those purposes can be achieved only if the period of imprisonment is used to ensure, so far as possible, the reintegration of such persons into society upon release so that they can lead a law-abiding and self-supporting life.”
2. “To this end, prison administrations and other competent authorities should offer education, vocational training and work, as well as other forms of assistance that are appropriate and available, including those of a remedial, moral, spiritual, social and health and sports-based nature. All such programmes, activities and services should be delivered in line with the individual treatment needs of prisoners.”

In a bid to assess the effectiveness of services delivered by the SLCS during 2022, we visited the Pre-Trial Correctional Centre at Waterloo, the Pademba Road Correctional Centre, the Male Re-integration Centre and the Female Correctional Centre at the former Special Court Building on 2nd February 2023.

The table below gives details of what was observed at two of the centres:

No	Name of Centre	Audit Observations
1	Pre-Trial Correctional Centre - Waterloo	<ul style="list-style-type: none">▪ The Pre-trial Correctional Centre at Waterloo was an open space where inmates, visitors and officers interact freely without physical boundaries/demarcation compromising the security and well-being of all. This facility also housed convicts as well as untried persons.▪ There was no backup power supply to the cells where convicts and untried inmates were housed. Whenever there was power outage by the national grid, the cells were left dark until power is restored and no action has been taken even though there have been frequent power outages in this area.
2	Re-integration Correctional Centre	<p>The Centre was created to provide offenders with the assistance and supervision that they may need to desist from crime, to successfully re-integrate into the community and avoid a return into criminal behaviour. The following was observed during this visit:</p> <ul style="list-style-type: none">▪ Despite the Centre was holding scores of inmates, there was only one vocational centre (tailoring) available to cater for inmates and the tailoring shop had only three sewing machines.▪ Besides tailoring being catered for, inmates were not given the option of choosing their areas of interests, skills or specialty.

The Director General, in collaboration with the relevant stakeholders, should ensure that the improvement of the security infrastructure at the pre-trial facility is boosted by creating prohibited areas for inmates and visitors with immediate effect to minimise the intention of future security breaches. Additionally, cells should be fitted with solar lights as an alternative source and used when the national grid is off.

The Director General should also engage the relevant stakeholders to make available diverse skills learning and education centres to meet the interests, skills and speciality of inmates to capacitate them to integrate into communities.

Official Response

- *There are existing protocols that officers, inmates and visitors observe indiscriminately. Management is in the process of constructing a gate lodge at the pre-trial. There is a well-secured visitor interaction area within the facility. There are plans to install solar lights at the Pre-Trial when funds are available.*
- *There is a functional tailoring institute and computer learning facility. Other options could be added as existing ones are improved when funds are available.*

Auditor's Comment

- We observed existing protocols such as body-search and the deposit of personal belongings at the pre-trial centre but this did not eliminate the risk posed by the open space in which inmates, visitors, etc. interacted freely. With the construction of the gate in progress, once completed the risk could be minimised.
- Management's comment on the availability of plans to install additional solar lights at the pre-trial when funds are available is noted. There was however no alternative power source for the centre as a result of the distance from the power grid.
- There was a computer centre and a tailoring unit that were fully functional during our visit to the re-integration centre but the equipment available were far below the needs of the inmates. We verified six computers and three sewing machines for a population of 60 inmates that should be trained in those skills before the end of their detention period.

The issues are partially resolved.

3.66. SIERRA LEONE CORRECTIONAL SERVICE, EASTERN REGION – 2022

3.66.1. Lack of Accommodation for Inmates and Officers at the Eastern Region

The following issues were observed:

- Overcrowding in correctional centres is a big challenge. The number of inmates has exceeded the capacity of the correctional centres. A review of the correctional centres daily update indicated that there were 782 inmates in the correctional centres in the Eastern Region as at 23rd February 2023, even though the total normal capacity for all four correctional centres in the Eastern Region should hold 455 inmates. This resulted in a total increase of 322 (70.77%) inmates, more than the normal capacity. The Kenema Male Correctional Centre was the most overcrowded, with over 211 inmates.

Details are in the table below:

No.	Name of Centre	Inmates Normal Capacity	Actual No. of Inmates as at 23/2/23	Differences (No. of Inmates)	Differences (%)
1	Kenema Male Correctional Centre	150	332	211	140.67
2	Kenema Female Correctional Centre	30	41	2	6.67
3	Kono Correctional Centre	200	237	54	27.00
4	Kailahun Correctional Centre	75	172	55	73.33
	Total	455	782	322	70.77

- The mattresses in most of the cells had worn out.
- Official quarters for correctional officers were inadequate. Of the 160 correctional officers in the Eastern Region, only 64 officers had access to official quarters.

We recommended that the Regional Commander East should liaise with the Director General to ensure that the issues on overcrowding, beddings for inmates, and provision of staff quarters are immediately brought to the attention of the Ministries of Internal Affairs and Finance for action.

3.66.2. Correctional Centres did not Have Adequate Facilities for Monitoring and Safeguarding Inmates

The following issues were noted:

- There were no CCTV cameras installed in the correctional centres to enhance the monitoring and safeguarding of inmates.
- Interviews with the Regional Commander and Officers-in-Charge revealed that handcuffs were inadequate at the region's correctional centres. For instance, Kono had eight handcuffs, Kailahun had two handcuffs, and we noted that each of these centres should have at least 50 handcuffs.

We recommended the Regional Commander East should collaborate with the Director General in Freetown and other stakeholders to ensure that security apparatus such as CCTV cameras and handcuffs are procured and supplied to the Eastern Region to enhance effective monitoring of inmates.

3.66.3. Lack of Adequate Medical Facilities within the Centres

There was only one laboratory in the entire Eastern Region which was located in the Regional headquarter town of Kenema, and there were challenges with mobility to transport inmates from one location to another for laboratory tests. The laboratory and the clinic lacked reagents and certain basic equipment, such as a drip stand to administer drip to sick inmates, wheelchairs, stretchers and trolleys. We recommended that the Regional Commander - East should collaborate with the Director General and other stakeholders to ensure that laboratories are set up in the various correctional centres in the Eastern Region. In addition, the provision of basic medical equipment and reagents should be prioritised for the health and well-being of inmates.

3.66.4. Lack Facilities Such as Electricity, Water, Mobility and Office Equipment

The following issues were observed:

- Electricity was a big challenge for the Regional Office and the four correctional centres. There was no electricity supply from the national grid (EDSA) or solar to the Kailahun Correctional Centre. Enquiries revealed that there were no standby generators in the four correctional centres and the Regional Office.
- The SLCS East did not have an ambulance to escort inmates to the hospital. In addition, there was no official vehicle for the Regional Commander in the SLCS Regional Office in Kenema.
- Office equipment such as computers, printers, photocopiers, desks, chairs and cabinets were inadequate. There were no refrigerators for medical items and storage of perishables. There was no internet facility in the Regional Office. Clerical duties requiring the use of the internet were done at public internet cafes. In addition, Kailahun and Sefadu lacked clinics for inmates.

We recommended that through effective planning and collaboration with the Director General, the Regional Commander- East should ensure appropriate measures are taken to provide electricity, mobility and office equipment in the Eastern Regional centres.

3.66.5. Land Documents not Submitted

An interview with the Regional Commander revealed that the SLCS owned plots of land at Sefadu and Kailahun. We also observed that the SLCS leased six acres of inland valley swamp at Chinese Farm, Waaman Abu Road, and 25 acres at Gbederu in Kenema. Land ownership documents such as property plans, conveyance and lease agreements were however not made available.

We recommended that the Regional Commander should submit ownership documents for land owned by the SLCS East.

3.66.6. Lack of Documentation to Support Personnel Competence

Personnel files with relevant qualifications and job descriptions for 50 staff were not made available. As a result, we could not ascertain whether these staff had the competence to execute their functions. We also observed that staff appraisal was not done.

We recommended that the Regional Staff Officer should ensure that personnel files, job descriptions and staff appraisal forms are submitted for audit inspection.

3.66.7. No Storekeeper for the SLCS Store in the Eastern Region

Substantive storekeepers were not in post at the various centres (Male and Female Correctional Centres in Kenema, Sefadu and Kailahun) for diet received from the central store.

We also observed that there were no stores for medical drugs and related items received by the Regional Health Officer and the nurses in charge of the various centres. Medical supplies and related items received were stored in cupboards that were not conducive for the storage of medical supplies.

We recommended that the Regional Commander, in collaboration with the Director General and other relevant authorities, should ensure that substantive storekeepers are recruited. As an interim measure, staff should be identified and trained in stores management until the recruitment of substantive storekeepers. We also recommended that through appropriate budgeting, funds are set aside for the provision or construction of stores at the various centres that will be used to properly store medical and other supplies.

3.67. SIERRA LEONE CORRECTIONAL SERVICE, NORTHEAST REGION– 2022

3.67.1. Overcrowding and Poor Clinic Facilities in the Correctional Centres

The correctional centres in Makeni, Mafanta and Magburaka were overcrowded.

Our investigation revealed the following:

- The Male Correctional Centre in Makeni had five cells originally established to hold 83 inmates (16 inmates per cell at a time). As at the time of our visit to this facility, there were 260 inmates which was 213% above the approved capacity.
- The cells in the Makeni Correctional Centre were not ventilated. Moreover, the ceilings were low and made of corrugated iron sheets, making it extremely hot for human habitation.
- At the Magburaka Correctional Centre, cells for male and female inmates had worn-out mattresses and bedsheets. Some cells were even without mattresses or bed sheets.
- There was no evidence of special diet supplied for inmates with special/critical health conditions.
- Clinic facilities in the correctional centres in the Region were poor. The Mafanta Male Correctional Centre, the largest in the Northeast, hosted between 500 to 600 inmates. The clinic was poorly furnished and ill-equipped to serve the growing number of inmates in the Centre as there was only one bed to accommodate patients.

We recommended that the Regional Commander should liaise with the Director General to ensure that the issues on overcrowding, beddings, special diet for inmates with special needs, and good clinic facilities are immediately brought to the attention of the Ministries of Internal Affairs and Finance for action.

3.67.2. Inadequate Office Equipment and Accommodation

The Regional headquarters in Makeni, and the various correctional centres lacked functioning office equipment such as computers, printers and photocopiers for the effective running of the office. Accommodation facilities for staff were inadequate, and the available ones were poorly kept.

The officers' quarters at Mafanta Correctional Centre were deplorable as most quarters were unfit for dwelling. Most of the officers reside in the villages; miles away from the centres where commercial transportation, such as motorbikes, are rare to come by. Officers had to trek to work, which might affect their effectiveness and efficiency in their duties.

We recommended that in collaboration with the Director General in Freetown, the Regional Commander should ensure the procurement of additional office equipment for the smooth running of the SLCS – Northeast. The Director General should ensure that attention is paid to the accommodation constraints of the officials in the Northeast Region, and adequate provision is made in the budget of the SLCS.

3.67.3. Lack of Facilities to Cater for Infant Children of Female Inmates

Section 35 of the Sierra Leone Correctional Service Act of 2014 stipulates that no infant child of a female inmate shall be received into a correctional centre unless there are adequate facilities and provision within that correctional centre for the care and maintenance of infant children of female inmates.

Contrary to the above provision, the audit team found four toddlers in the cells of the female section of the Makeni Correctional Centre which had no facility to accommodate children below the age of three years. Three mothers of the infant children were convicted, and a mother was on remand. Moreover, no special diet was provided for the children; they fed on the regular diet provided for the mothers and sometimes from donations from charitable organisations.

We recommended that adequate arrangements be put in place to accommodate inmates and their children below the age of three years. Moreover, special diets should be provided to cater for the children's needs.

3.67.4. Non-supply of Monthly Ration to Officers for Five Months

Officers are entitled a bag of rice each on a monthly basis. Our review of store records shows no evidence of rice supplied to officers for five months in FY2022.

We recommended that the Regional Commander should facilitate the supply of the remaining five months' supply of rice to the officers.

Official Response

For FY2022, officers of the Northeast Region received bags of rice for January through September.

Auditor's Comment

Store issue vouchers and distribution lists for rice to officers were submitted and verified for two months (August and September 2022), leaving the balance supply for three months (October to December 2022). The issue is partially resolved.

3.68. HUMAN RESOURCES MANAGEMENT OFFICE - 2022

3.68.1. Extension of Service Contract

We observed an increase in the number of staff with extension of service. For FY2022, a total of 255 civil servants were approved for extension of service. We also observed that more than 48% of those extensions (124) were low-grade staff and mostly non-professional, which could be easily replaced. This contravenes Rule 2.17 of the Civil Service Code; which states: “Contract appointments shall only apply when there is a genuine management need to make an appointment of limited duration where there is no suitable serving officer. This practice could deprive employment of graduates seeking to join the civil service.

We recommended the following:

- (i) The Director General, HRMO, should keep track of civil servants that are close to retirement and develop a succession plan at least two years prior to their retirement, in order to avoid the issue of giving extensions to retired job holders whose professions or skills are readily available in the job market.
- (ii) The Director General, HRMO, the Cabinet Secretary, and the Head of Civil Service should ensure that all extensions of service for civil servants should not go beyond the required maximum period of two years as required by the Civil Service Code; and should have a written authority or justification for extension beyond than two years’ limit.
- (iii) The Director General, HRMO, and the Secretary to Cabinet together with the Head of Civil Service, should collaborate with the Director General, NASSIT, and other relevant stakeholders to consider the possibility of extending the retirement age to 65 years.

Official Response

The Director General stated that the Office wishes to state that extension of service on contract as provided for in Rule 12.3 is predicated on needs emanating from the MDAs, based on special skills and wide-ranging years of experience of the staff in question in the discharge of their duties. Besides, in recent times you will agree with me that some existing MDAs were merged, and new ones were created with renewed mandates and functions for which personnel with specialised skills were needed to enable them to function and deliver effectively on their new mandates.

Also, some of these new MDAs had very thin staff. Therefore, the knowledge and skills of retired officers were much needed to undertake on-the-job-training activities to transfer these competencies to newly recruited and much younger staff to establish a “brain box” for the newly merged and created MDAs to start on a solid foundation. This is in reference to Rule 12.3 and 2.7 respectively of the existing Civil Service Code.

Thirdly, your recommendation for a 65-year retirement age resonates with the inputs of most participants during the ongoing nationwide validation exercise for the reviewed Code, Rules, and Regulations for the civil service which is to come into law shortly. Proponents of the 65 years argue that it will minimize and discourage the idea of extension of service in the public service.

Auditor’s Comment

The issue remains unresolved as extension of services of retired staff in the public sector is still ongoing, especially for low grades such as Office Assistants, Drivers and Personal Assistants.

PART III

CHAPTER IV – LOCAL COUNCILS

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MAIN POINTS

Introduction

The accounts of the 22 Local Councils (LCs) were audited for the financial year ended 31st December 2022 in accordance with Section 119 of the 1991 Constitution of the Republic of Sierra Leone, Section 16(1a) of the Public Financial Management Act of 2016 and Section 81(2) of the Local Government Act of 2004.

As in the previous years, a combined audit (financial and compliance) was carried out on the 22 LCs for 2022. The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs) and in line with the existing legislative and administrative guidelines in Sierra Leone.

Objectives of the Audit

The objectives of the financial audit were as follows:

- To express an opinion on the 2022 Financial Statements of the 22 LCs, whether they give a true and fair view of the state of affairs of the councils, and whether they were prepared in accordance with the International Public Sector Accounting Standards – Cash Basis and other relevant legislations.
- To form an understanding on whether the financial documents and books of account were a reasonable presentation of the results of the activities for the year.
- Whether applicable internal control procedures necessary for sound financial management were in place and working effectively in the councils during 2022.

The objective of the compliance audit was to obtain reasonable assurance on whether the councils' procurement activities undertaken in 2022 were free from material non-compliance with laws and regulations and the terms of the contracts, whether arising from fraud or error, and to form a conclusion on whether the Public Procurement Act of 2016, the Public Procurement Regulations of 2020 and the terms of the contracts were complied with.

What We Did

The financial audit was conducted in accordance with the Audit Service Sierra Leone (ASSL) Manual which is based on the International Standards of Supreme Audit Institutions (ISSAIs). These standards state that in the conduct of our work, we carry out risk assessments to focus resources on the areas of greatest audit risk. During this engagement, we held discussions with key members of council staff, reviewed key documents, tested key controls and performed tests on financial transactions on a sample basis.

The compliance audit was a direct engagement, as the subject matter was evaluated against the criteria which were selected by the auditor who produced the subject matter information using the principles of ISSAI 100, 400 & 4000. A risk-based audit approach was adopted throughout the process by focusing audit resources on areas of high risks of material non-compliance.

Significant irregularities emanating from the management letters provided the basis for this Chapter. The issues raised during the audits were formally discussed with the Managements of the 22 LCs and their comments and responses were considered before concluding this Chapter.

Why Is It Important

The Financial Statements of councils are key instruments through which an account is given on how finances are managed to provide the basic services and deliver on development priorities and whether the performance targets, as agreed with the communities, were achieved. The public will therefore be interested in knowing whether the information submitted by councils were correct, and the level of internal control exercised over the use of funds.

What We Found

Sections 81(3&4) of the LGA of 2004 requires the Auditor-General to submit a report of the audit to the local council concerned and the Minister and to draw attention to any irregularities in the accounts in the report.

Section 81(8) of the LGA of 2004 also requires the Minister to lay the report of the Auditor-General and a report of actions taken thereon if any, before Parliament. This has not been done over the period and as such, a summary of irregularities identified in LCs are included in the Auditor-General's Annual Reports submitted to Parliament each year.

Below is a summary of irregularities identified during the audit.

The total value of irregularities in respect of our audit of the 22 Local Councils in 2022 stood at SLE9,937,462. The irregularities were identified in the following areas: expenses, revenue, procurement activities and contracts, payroll, statutory deductions, stores and assets, as provided in the table below:

Table 4	
Nature of Irregularities	Financial Impact (SLE)
Procurement administration and contract management	4,940,860
Stores and fixed assets management	1,683,397
Statutory deductions(withholding taxes & PAYE)	1,525,760
Expenditure management	1,373,234
Revenue management	321,038
Payroll management	93,173
Total	9,937,462

DETAILED FINDINGS AND RECOMMENDATIONS

4.1. FINANCIAL REPORTING

4.1.1. PETRA Accounting System not Effectively Utilised

In spite of our recommendations in previous audit reports, much has not been done on the PETRA system in the Local Councils. The PETRA system in most LCs is not fully functional and user-friendly. In most, if not all of the LCs, only the Accountant and the Finance Officer have direct access to the PETRA system.

Our concern is that the government pays an annual licence fee for at most ten users, even though eight of them are not making use of the PETRA system.

The system is also not networked to allow connectivity with the other users, and the PETRA application is installed in one laptop computer that is used at various intervals by the Accountant and the Finance Officer.

On the user-friendliness of the system, problems dealing with the correction of mistakes/errors, troubleshooting, roll forward of balances, and transactions pending approval will require the submission of the PETRA database to the PFMRU at the Ministry of Finance for onward submission to the developers for remedial action to be taken. There is the risk that internal controls over financial recording and account preparation using this accounting system are not adhered to.

We recommended that the Director of PFMRU and the Chief Administrators (CAs) ensure that access is granted to the other users in the councils; if not, licence fees should be paid for only the two users.

4.1.2. Quality of Financial Statements Submitted

As in prior years, all 22 councils submitted Draft Financial Statements that contained material misstatements in one or more areas.

Nineteen councils (86%) were able to achieve unqualified audit results because they used the opportunity provided by the ASSL to correct all misstatements identified during the audit. Those councils that were not able to correct all the misstatements were issued modified audit opinions.

The main areas that were misstated in the Financial Statements of the 3 LCs that received modified audit opinions (in other words, those with qualified or adverse opinions) were as follows:

- Misstatement of cash and cash equivalent in the Financial Statements
- Revenue collected but not banked
- Bank accounts not disclosed in the Financial Statements
- Receipt books not traced to the revenue voucher listings
- Understatement of domestic grant
- Overstatement of own-source revenues

The non-correction of misstatements by councils was primarily due to the unavailability of information or documents required to determine the correct amounts in the Financial Statements.

The poor quality of the Financial Statements submitted for audit could question the credibility of councils' yearly financial reporting.

We therefore recommended as follows:

- (i) *The CAs should be more involved in the monitoring of internal controls and hold officers accountable for poor performance.*
- (ii) *Mayors and Chairpersons should hold officers accountable for not implementing the audit recommendations*

4.1.3. Audit Opinions on the Financial Statements of Local Councils

When auditing the Financial Statements, our aim is to give an opinion on whether users of the statements can rely on them to make informed decisions.

Table 4.1 shows a drop in the number of **Unqualified Audit Opinions** from 21 (95%) in 2021 to 19 (86%) in 2022. We however noted that one council (Port Loko District Council) improved from an Adverse (Unsatisfactory) Audit Opinion in 2021 to an Unqualified (Clean/Satisfactory) Audit Opinion in 2022.

Three councils dropped in performance. Two of the three councils (Kono District and Port Loko City Councils) moved from an Unqualified Audit Opinion to an Adverse Audit Opinion, and one council (Tonkolili District Council) moved from an Unqualified Audit Opinion to a Qualified (Unsatisfactory) Audit Opinion.

The issuance of Qualified Audit Opinions to councils indicate a worrying situation in the management of resources. This means that the councils did not manage and account for their finances to achieve the best results. The Financial Statements contained material misstatements about specific amounts, or there was insufficient evidence for the ASSL to conclude that the amounts were not materially misstated.

For councils with Adverse Audit Opinions, we concluded that there were lots of problems everywhere in the management of their resources. This means that the councils did not follow the applicable rules and procedures, and did not provide the complete and relevant information to account for their spending.

Table 4.1 Councils' Opinions				
No.	Name of Council	Opinion 2022	Opinion 2021	Comment (Movement from 2021 to 2022)
1	Bo District	Unqualified	Unqualified	Unchanged
2	Bombali District	Unqualified	Unqualified	Unchanged
3	Bonthe District	Unqualified	Unqualified	Unchanged
4	Bo City	Unqualified	Unqualified	Unchanged
5	Bonthe Municipal	Unqualified	Unqualified	Unchanged
6	Falaba District	Unqualified	Unqualified	Unchanged
7	Freetown City	Unqualified	Unqualified	Unchanged
8	Kailahun District	Unqualified	Unqualified	Unchanged
9	Kambia District	Unqualified	Unqualified	Unchanged
10	Kenema District	Unqualified	Unqualified	Unchanged
11	Koinadugu District	Unqualified	Unqualified	Unchanged
12	Karene District	Unqualified	Unqualified	Unchanged
13	Kono District	Adverse	Unqualified	Retrogressed
14	Kenema City	Unqualified	Unqualified	Unchanged
15	Koidu New Sembehun City	Unqualified	Unqualified	Unchanged
16	Moyamba District	Unqualified	Unqualified	Unchanged
17	Makeni City	Unqualified	Unqualified	Unchanged

Table 4.1 Councils' Opinions				
No.	Name of Council	Opinion 2022	Opinion 2021	Comment (Movement from 2021 to 2022)
18	Port Loko District	Unqualified	Adverse	Improved
19	Pujehun District	Unqualified	Unqualified	Unchanged
20	Port Loko City	Adverse	Unqualified	Retrogressed
21	Tonkolili District	Qualified	Unqualified	Retrogressed
22	Western Area Rural District	Unqualified	Unqualified	Unchanged

Movements	Key:
Retrogressed	
Improved	
Unchanged	

Although the expected target of all councils having 100% unqualified opinions was not met in 2022, the results are encouraging. Eighteen councils (82%) retained their unqualified opinion status. These councils improved the quality of their Financial Statements and substantially provided supporting documents for transactions and activities undertaken during the period under review. Most importantly, they were able to provide explanations and additional evidence in support of the transactions they reported.

4.2. FINANCING OF LOCAL COUNCILS

In accordance with Section 45 of Part VII of the Local Government Act of 2004, local councils are financed through the following sources: own-source revenue, central government grants including donor funds, and transfers for services devolved from government ministries.

During our review of the Financial Statements for the 22 LCs, we identified the following:

4.2.1. Central Government Grants not Received

The local council grants and transfers include three broad types of transfers: Administrative Grants, Devolved Functions Grants, and the Local Government Development Grant.

Grants for devolved functions are key to LC service delivery. Section 46(2) of the LGA of 2004 makes provision for transfers in the form of tied grants for each devolved function, in an amount that is necessary to continue the operations and maintenance of the devolved function at its pre-devolution level. In accordance with the Statutory Instruments of November 2004, more functions are being devolved to local councils on a yearly basis.

In 2022, a total of SLE331,400,661 was the budgeted grant for the 22 LCs for administrative and devolved sector functions which included both recurrent and capital expenditures. We however noted that SLE231,477,897 was the actual grant transferred to the councils. This transfer represents 70% of the total budgeted grant; leaving a shortfall of SLE99,922,764. Details are in **Table 4.2** below:

Table 4.2 Grants Transferred to LCs				
Council	Actual Grant Received in 2022 (SLE)	Total Budgeted Grant (SLE)	Shortfall in Budgeted Grant (SLE)	% Shortfall or Increase
Bo District	9,065,052.00	17,385,732.00	(8,320,680.00)	(48%)
Bombali District	23,760,075.00	23,980,631.00	(220,556.00)	(1%)
Bonthe District	7,247,701.00	9,338,312.00	(2,090,611.00)	(22%)
Bo City	3,888,948.00	12,313,053.00	(8,424,105.00)	(68%)
Bonthe Municipal	3,598,340.00	3,164,157.00	434,183.00	14%
Falaba District	14,017,147.00	32,299,001.00	(18,281,854.00)	(57%)
Freetown City	7,627,799.00	12,807,149.00	(5,179,350.00)	(40%)
Kailahun District	14,533,658.00	7,799,358.00	6,734,300.00	86%
Kambia District	20,972,818.00	23,630,984.00	(2,658,166.00)	(11%)
Kenema District	23,888,170.00	33,347,264.00	(9,459,094.00)	(28%)
Koinadugu District	6,488,418.00	10,239,409.00	(3,750,991.00)	(37%)
Karene District	14,509,724.00	6,062,963.00	8,446,761.00	139%
Kono District	4,265,034.00	10,796,754.00	(6,531,720.00)	(60%)
Kenema City	11,825,549.00	17,044,728.00	(5,219,179.00)	(31%)
Koidu New Sembehun City	6,070,953.00	12,293,078.00	(6,222,125.00)	(51%)
Moyamba District	8,807,000.00	15,980,129.00	(7,173,129.00)	(45%)
Makeni City	2,841,130.00	10,602,435.00	(7,761,305.00)	(73%)
Port Loko District	9,688,045.00	10,355,264.00	(667,219.00)	(6%)
Pujehun District	20,966,058.00	23,313,506.00	(2,347,448.00)	(10%)
Port Loko City	5,424,388.00	9,714,177.00	(4,289,789.00)	(44%)
Tonkolili District	5,676,691.00	8,760,726.00	(3,084,035.00)	(35%)
Western Area Rural District	6,315,199.00	20,171,851.00	(13,856,652.00)	(69%)
Total	231,477,897.00	331,400,661.00	(99,922,764.00)	(30%)

4.2.2. Own-source Revenue below Budgeted Figure

Section 45(2) of the LGA of 2004 requires that local councils make adequate efforts to collect revenues from their own-sources.

Contrary to the above, we noted that the 22 LCs budgeted to collect a total of SLE113,624,047.00 from internal sources but were only able to collect SLE69,382,319.00, representing 61% of the budgeted amount. This resulted in own-source revenue shortfall of SLE44,241,728.00. Details are in **Table 4.3:**

Table 4.3 Own-source Revenue not Collected						
Name of Council	Actual Revenue Collected			Approved Budget for the Year	Fall or increase in collection	%% Fall or increase
	Tax Revenue	Non-Tax Revenue	Total Revenue			
	A	B	A+B=D	E	D-E=F	F/E *100
Bo District	3,008,714.00	289,709.00	3,298,423.00	4,066,050.00	(767,627.00)	(19%)
Bombali District	197,145.00	585,393.00	782,538.00	1,205,991.00	(423,453.00)	(43%)
Bonthe District	32,059.00	964,215.00	996,274.00	1,379,247.00	(382,973.00)	(28%)
Bo City	3,148,373.00	854,604.00	4,002,977.00	8,535,729.00	(4,532,752.00)	(53%)
Bonthe Municipal	36,328.00	33,060.00	69,388.00	155,400.00	(86,012.00)	(55%)
Falaba District	92,823.00	168,200.00	261,023.00	1,727,562.00	(1,466,539.00)	(85%)
Freetown City	28,489,194.00	7,436,526.00	35,925,720.00	49,297,995.00	(13,372,275.00)	(27%)
Kailahun District	378,375.00	155,575.00	533,950.00	2,091,998.00	(1,558,048.00)	(74%)
Kambia District	916,924.00	242,847.00	1,159,771.00	2,824,117.00	(1,664,346.00)	(59%)
Kenema District	107,699.00	1,019,557.00	1,127,256.00	2,240,372.00	(1,113,116.00)	(50%)
Koinadugu District	717,444.00	178,726.00	896,170.00	1,536,542.00	(640,372.00)	(42%)
Karene District	153,883.00	117,897.00	271,780.00	659,404.00	(387,624.00)	(59%)
Kono District	157,801.00	858,324.00	1,016,125.00	1,705,500.00	(689,375.00)	(40%)
Kenema City	2,871,919.00	798,631.00	3,670,550.00	6,171,407.00	(2,500,857.00)	(41%)
Koidu New Sembehun City	1,630,453.00	414,027.00	2,044,480.00	2,621,810.00	(577,330.00)	(22%)
Moyamba District	238,276.00	1,099,597.00	1,337,873.00	3,126,209.00	(1,788,336.00)	(57%)
Makeni City	1,731,335.00	581,358.00	2,312,693.00	3,411,625.00	(1,098,932.00)	(32%)
Port Loko District	326,893.00	1,789,876.00	2,116,769.00	1,553,535.00	563,234.00	36%
Pujehun District	416,163.00	1,013,271.00	1,429,434.00	1,594,400.00	(164,966.00)	(10%)
Port Loko City	156,093.00	4,858.00	160,951.00	657,732.00	(496,781.00)	(76%)
Tonkolili District	446,832.00	691,002.00	1,137,834.00	3,660,317.00	(2,522,483.00)	(69%)
Western Area Rural District	4,608,697.00	221,643.00	4,830,340.00	13,401,105.00	(8,570,765.00)	(64%)
Total	49,863,423.00	19,518,896.00	69,382,319.00	113,624,047.00	(44,241,728.00)	(39%)

The Managements of LCs blamed some of the reasons for the shortfalls in the collection of own-source revenue on the defect in the CADASTRE system, and the challenges they encountered in extending the assessment of dwelling and business property within the towns, chiefdoms, and villages. This has led to poor revenue inflows and therefore over-reliance on the central government transfers. In as much as LCs have not been able to mobilise their own-source revenues or receive the budgeted grants from the Government on timely basis, we are concerned about the sustainability of services delivered by the councils in their localities.

The LCs should therefore judiciously use resources received in the best interest of their communities to impact the living standards of the people.

As the non-receipt of budgeted revenue negatively affects the implementation of planned activities, we recommended the following:

- (i) *The Management of LCs should embark on robust revenue mobilisation drive*
- (ii) *Government should ensure the timely release of funds to councils*
- (iii) *The Managements of LCs should develop a proper database to enhance its own-source revenue mobilisation and take appropriate measures to efficiently collect the required revenue.*

4.3. IRREGULARITIES IN REVENUE AND CASH AND BANK MANAGEMENT

4.3.1. Unpresented General Receipt Books

We observed that five LCs failed to submit for review, 32 general receipts books issued out to various people for revenue collection. Details are shown in the table below:

Revenue Receipt Books not Submitted	
Name of Council	No. of receipt books
Falaba District	3
Kailahun District	5
Karene District	1
Port Loko City	8
Western Area Rural District	15
Total	32

The non-submission of the general receipt books stems from the slack on the part of the Finance Officers to put in place systems and procedures to ensure that people collecting the revenue fully account for all general receipt books issued to them. In addition, they should make the general receipts books and proceeds available for audit. Without this, the councils will be deprived of the much-needed resources for their operations.

We recommended that the Chief Administrators and Finance Officers should retrieve all general receipt books from the people collecting the revenue, for audit scrutiny.

4.3.2. Failure to Account for Revenue Collected

We observed that five LCs did not account for SLE321,037.69 being revenue collected during 2022. This could lead to a loss of revenue for the LCs which could have been used for development projects.

See details below:

Name of Council	Amount not Accounted for (SLE)
Bonthe District	42,439.69
Bo City	42,924.00
Karene District	52,112.00
Kono District	146,619.00
Western Area Rural District	36,943.00
Total	321,037.69

We recommended that the Chief Administrators and the Finance Officers recover the amount of SLE321,037.69 from the revenue collectors and pay into the Councils' accounts. We also recommended that penalties should be levied on defaulting revenue collectors to deter recurrences.

4.3.3. Specific Findings

Kenema District Council

Value-for-money not Achieved in Developing a CADASTRE System

Even though the Council invested SLE107,000 in the development of a new property CADASTRE system, we observed that the rollover of information from one period to another was not performed. In addition, the system was not able to generate revenue arrears relating to property and business licences, and it was not networked to allow connectivity with other users like the Chief Administrator, the Internal Auditor etc. There was no IT function to provide regular checks on the system in case of breakdown and regular back-ups.

Kenema City Council

Contract for Revenue Collection not Renewed

The Council and Ndoma Enterprises signed a contract for the survey/assessment on market dues collection in Kenema City for the period between 2nd March, 2014 and 2nd June, 2015. We observed that the contract had not been renewed since 2015, even though Ndoma Enterprises continued collecting market dues for the Council.

Kono District Council

Misstatement of Cash and Cash Equivalent in the Financial Statements

The closing cash and cash equivalent as at 31st December 2022, amounting to SLE1,837,761 in the Statement of Cash Receipts and Payments (Statement No.1), is inconsistent with the total cash and bank balance of SLE210,675 as at 31st December 2022, in the Statement of Financial Assets and Liabilities (Statement No. 4). This indicates a variance of SLE1,627,086 between the two statements. Also, a variance of SLE6,456,986 was noted between the cash and cash equivalent brought forward in FY2022 from the figure in FY2021.

Bank Accounts not Disclosed in the Financial Statements

We observed from bank confirmation letters sent directly by the banks that six bank accounts with confirmed balances as at 31st December 2022, totalling SLE12,310.07, were not disclosed in the Financial Statements.

Bo City Council

Garnisheed Amount from Various Accounts of Council Held by a Third Party

The Council accounts held at the Union Trust Bank were garnisheed through a High Court Order, in a matter between the Bo City Council and six redundant workers on 12th August, 2022. As a result, the sum of SLE942,893.08 was transferred from various accounts of the Bo City Council, held at the Union Trust Bank (Solid Waste Management, Education Health, and Road Maintenance Fund Administration – RMFA), to the personal accounts of the lawyer representing the six redundant staff, pending the payment of claims to the redundant staff. To date, only SLE373,956.91 had been refunded to the Council by the lawyer, since the Council has not fully honoured its obligation towards the six redundant staff. The sum of SLE568,936.17 is still with the lawyer. These were funds transferred by the Central Government and meant for service delivery of key government priorities. Holding onto these funds by the lawyer could deprive the citizens of the basic services that would have been provided by the Council.

Tonkolili District Council

Annual Budget Prepared and Executed without a Development Plan

The Council did not submit a development plan covering the 2022 financial year. The last development plan of the Council spanned three years, from 2019-2021. The development plan submitted was reviewed by the Council in early 2023 and is yet to be approved by the Chief Administrator (CA) and the Chairperson. In this regard, the Council could not have considered the felt needs of the communities in the District in the 2022 budget. This resulted in the non-acceptance of projects implemented.

Bombali District Council

Lack of Control over Receipt Books and Revenue Collection

A review of the systems and processes over the assessment, collection, recording, and accounting for own-source revenues revealed the following inadequacies:

- Receipts books were not maintained and issued by revenue streams. One receipt book was used to record several revenue streams, thereby making it difficult for revenue computation by streams;
- From the review of records and interviews with Council officials, the team noted that the printing of demand notices for collecting property rates for the year under review was done very late. The team noted that the demand notices were printed in June 2022 instead of January, which was the stipulated date for printing demand notices according to the budget.
- Receipts issued regarding business licences lacked complete information for further clarification/verification, as they did not have the addresses, type, and/or category of business the taxpayer belongs to.

Port Loko District Council

Non-use of Carbon Papers in the Issuance of Receipts

Recommendations from previous audits had emphasised that revenue collectors should always use standard carbon papers when documenting transactions. Despite this warning, they continued recording transactions on original receipts without using carbon papers for the information to reflect on the duplicate copies.

A review of the general receipt books used during 2022 revealed that receipts were issued without the use of carbon papers. As such, four original receipts were detached from the receipt books, leaving the duplicate copies blank. It was therefore impossible for the auditors to determine the amount of own-source revenues recorded and collected using these detached receipts.

The table below shows details of the originals detached, and blank duplicate receipts:

Receipt Number Range	Duplicate Receipt Numbers
6401-6450	6449
7151-7200	7193
9751-9800	9758
2001-2050	2050

Unverifiable Revenue Arrears

A total of SLE1,212,492.00 for 2022 was disclosed as revenue arrears for various revenue streams in the Statement of Revenue Arrears during the year ended 31st December 2022 (Statement 16) of the Financial Statements. However, the Finance Officer did not provide the schedules supporting the disclosed arrears, and we could not confirm their accuracy. In addition, there was no evidence to indicate efforts made to collect the revenue arrears. It was unclear whether the revenue arrears reported for 2022 included the 2021 figure.

Non-recognition of Funds Received in the Financial Statements

The information generated from the Council's PETRA and IPSAS modules was compared with that disclosed in the Financial Statements submitted for audit. In this regard, we observed that the Council did not recognise €9,399.47 in respect to funds received for the implementation of the European Union funded projects.

Counterpart Funding Agreement Regarding the European Union Project not Honoured

We reviewed the EU grant agreement titled: "External Actions of the European Union" to determine the nature of funding for the implementation. We observed that the Port Loko District Council signed a counterpart funding agreement with the European Union in 2021. The Council was expected to provide €195,225 (5% of the total eligible project cost) towards the implementation of the Project. Despite the Project being in its final phase, there was no evidence to indicate that the Council contributed its own share of the Project cost.

Port Loko City Council

Receipt Books not Traced to the Revenue Voucher Listings

During the audit, we observed that the Council did not maintain a daily revenue collection register, indicating the receipt numbers, dates, revenue types and amounts. In this regard, we could not trace own-source revenues of SLE160,951 generated during the year from the revenue receipt books to the revenue voucher listings.

This was because the system-generated ID number on the revenue voucher list was not indicated on the receipt books for ease of reference. As a result, the auditors were constrained to place reliance on the total revenue collected, banked and disclosed in the Financial Statements for the year ended 31st December, 2022.

Understatement of Domestic Grant

From the review of the Financial Statements, bank statements and GoSL transfer advices, we observed that the total domestic grant transferred to the Council was understated by SLE123,241.07.

Bank Overdraft on the Council's Marampa RMFA Bank Account

As at 31st December 2022, the Council had an overdraft facility of SLE274,199 on the Council's Marampa RMFA Bank Account. Approval for this overdraft was not sought from the MoF, as required by Section 98 of the PFMA of 2016. This increase overdraft was extremely huge, and was equivalent to 170% of the Council's total own-source revenue collected during 2022. The Council should take immediate steps to reduce the size of this liability.

Lack of Control over Cash and Bank Management

- Bank reconciliation statements for 11 bank accounts, others for three bank accounts for specific months, and bank statements for five accounts were not submitted for audit review.
- Bank confirmations were not received for all accounts maintained by the Council. Therefore, evidence regarding the existence, rights and obligations, completeness and valuation assertions relating to the bank account balances in the Financial Statements may be difficult to ascertain.

Falaba District Council

Critical Activities for the Implementation of the CADASTRE System not Undertaken

The Council had fully paid the total contract sum of SLE188,000 to the CADASTRE developer. However, critical activities set out in the Terms of Reference (TOR), such as providing access to the CADASTRE system to key units within the Council namely; Internal Audit, Finance, and Chief Administrator, were not done.

Lack of Controls over Receipt Books and Revenue Collection

A review of the systems and processes over the assessment, collection, recording, and accounting for own-source revenues revealed the following inadequacies:

- Receipt numbers ranging from 2801 to 2834, and 4251 to 4300 were written in pencil. *The use of pencils is not always considered suitable for filling out receipts* because information entered with a pencil can be easily erased or altered or become unreadable just in the process of filing.
- The amount in the duplicate copy of receipt number 3245 was written with a pen without carbon, while the name and other details on the receipt only reflected on the carbon copy.
- Receipts numbers ranging from 4151 to 4200 were issued without dates of issuance.
- The original copy of receipt number 1467 was detached, with the duplicate and triplicate copies being blank. The team could not ascertain the value of the said receipt.

Revenue Arrears not Disclosed in the Financial Statements

There was an unexplained difference of SLE145,274 between revenue arrears disclosed in the Statement of Revenue Arrears during the year ended 31st December, 2022 (Statement 16) and the information generated from the CADASTRE system for property rates and business licences.

Details	SLE
Statement 16	470,274.00
CADASTRE system	325,000.00
Difference	145,274.00

This difference was therefore not disclosed in the Financial Statements in spite of recommendations to do so.

Karene District Council

Lack of Controls over Receipt Books and Revenue Collection

The following inadequacies were observed in the collection and recording of revenue received during the year under review:

- Eleven blank duplicate receipts on different receipt books were not brought to account.
- The original, duplicate and triplicate copies of receipt number 0004342 were detached from a receipt book with serial numbers ranging from 0004300 to 0004350.

Kambia District Council

Lack of Controls over Receipt Books and Revenue Collection

The following inadequacies were observed in the collection and recording of revenue received during the year under review:

- There was lack of segregation of duties over the management of own-source revenue by the Council. For instance, the Chief Administrator, responsible for monitoring and supervising the collection and deposit of the revenue generated, was simultaneously involved in collecting and depositing revenue. In another instance, a volunteer was given the responsibility on several occasions to deposit revenue into the bank.
- Detailed schedules of individual revenue streams were not submitted to confirm an amount of SLE196,070 disclosed as revenue arrears in the Statement of Revenue Arrears (Statement 16) during the year ended 31st December, 2022.

4.4. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

4.4.1. Statutory Deductions not Paid to the Relevant Authorities

1. *Withholding Taxes*

Withholding taxes totalling SLE1,172,984.24 from suppliers were not paid to the National Revenue Authority by 10 LCs.

2. *Pay-As-You-Earn (PAYE) Taxes*

Section 116 of the Consolidated Income Tax of 2008 mandated the withholding of tax by employers at source. The audit revealed that three LCs failed to withhold PAYE taxes on employment income totalling SLE287,526.17.

3. *NASSIT Contributions*

NASSIT contributions of SLE38,894.00 were not paid to the NASSIT by four LCs.

Under Section 25 of the NASSIT Act of 2001, the Council is obliged to pay NASSIT contributions that was withheld within 15 days of the end of the month, in which it was or should have been withheld. Failure to pay NASSIT contributions increases the risk of penalty on the Council.

Table 4.4				
Non-payment of Statutory Obligations				
Name of Council	Total (SLE)	Withholding Taxes not Paid (SLE)	PAYE not Paid (SLE)	NASSIT not Paid (SLE)
Bo District	67,889.00	67,889.00	-	-
Falaba District	70,952.00	65,250.00	-	5,702.00
Freetown City	461,445.33	177,313.00	284,132.33	
Kailahun District	144,312.00	126,942.00	-	17,370.00

Table 4.4 Non-payment of Statutory Obligations				
Name of Council	Total (SLE)	Withholding Taxes not Paid (SLE)	PAYE not Paid (SLE)	NASSIT not Paid (SLE)
Kambia District	18,147.84	16,098.00	2,049.84	-
Karene District	231,067.25	222,811.25	1,344.00	6,912.00
Kono District	54,927.34	54,927.34	-	-
Koidu New Sembehun City	153,951.00	153,951.00	-	-
Port Loko City	270,202.65	261,292.65	-	8,910.00
Tonkolili District	91,760.00	91,760.00	-	-
Total	1,564,654.41	1,238,234.24	287,526.17	38,894.00

4.5. EXPENDITURE MANAGEMENT AND CONTROL

4.5.1. Payments without Supporting Documents

We observed that payments totalling SLE313,479.50 for various expenses were without payment vouchers and the relevant supporting documents as evidence of the intended utilisation of the funds. Additionally, we observed that payments totalling SLE2,051,575.08 were without adequate supporting documents such as delivery notes, invoices, receipts, back-to-office reports and beneficiaries lists to properly account for the payments. Details are in table below:

Table 4.5 Payments Without Supporting Documents			
Name of Council	Payments without Supporting Documents (SLE)	Payments without Adequate Supporting Documents (SLE)	Total (SLE)
Bombali District	-	40,800.00	40,800.00
Falaba District	-	64,809.00	64,809.00
Kailahun District	151,352.00	61,855.00	213,207.00
Kambia District	-	129,075.00	129,075.00
Koinadugu District	-	49,414.05	49,414.05
Karene District	119,127.50	285,155.00	404,282.50
Kono District	-	35,000.00	35,000.00
Koidu New Sembehun City	-	884,670.00	884,670.00
Port Loko District	-	34,430.00	34,430.00
Port Loko City	-	367,367.03	367,367.03
Tonkolili District	43,000.00	99,000.00	142,000.00
Total	313,479.50	2,051,575.08	2,365,054.58

4.5.2. Irregularities in Expenditure Management

The table below provides details of LCs and the nature of irregularities in the expenditure management:

Name of Council	Nature of Irregularities	Financial Impact SLE
Port Loko City	Failure to account for rent allowances	14,500
Tonkolili District	Failure to account for payments for the purchase of EDSA prepaid charges	50,000
Karene District	Amount in excess of a particular budget line or paid for purposes not stated in the request from which they were made	91,840
Kambia District	Payments of transportation allowances and sitting fees to absentee chairperson, deputy chairperson, councillors, and two paramount chiefs acting as ex-officio members	251,725
	Double payment of transport allowances and sitting fees to councillors	14,900
Port Loko District	Payments of transportation allowances and sitting fees to absentee councillors	14,940
Makeni City	Payments of sitting allowances to Ward Development Committees without evidence of meetings	6,000
Tonkolili District	Payments for devolved sector activities not brought to account	561,294
Kambia District	Payments for devolved sector activities not brought to account	54,555
Total		1,059,754.00

4.6. STORES AND FIXED ASSETS MANAGEMENT

4.6.1. Fuel Purchased not Accounted for

The Managements of four LCs did not account for fuel purchased amounting to SLE863,803.00 in their fuel register, fuel chits and vehicle logbooks.

Details are provided below:

No.	Name of Council	Amount (SLE)
1	Falaba District	102,376.00
2	Kambia District	448,535.00
3	Karene District	284,950.00
4	Port Loko City	27,942.00
Total		863,803.00

As a result, we could not ascertain whether the fuel was used for its intended purpose and in the interest of the Councils.

4.6.2. Unverified Fixed Assets

1. Assets Procured in 2022 but not Available for Physical Verification

We conducted a physical verification exercise and reviewed the Council's register of fixed assets and other related documents to determine whether fixed assets procured or donated to the Council were

in existence and accurately recorded. In this regard, we observed that in 2022, assets procured by seven LCs amounting to SLE819,593.60 were not made available for physical verification. Of grave concern is that some of these assets were not recorded in the fixed assets registers maintained by the individual councils.

Details are given below:

Fixed Assets Procured in 2022 not available for Physical Verification		
Name of Council	Details of Unverified Assets	Value (SLE)
Kenema District	Two solar panels	8,800.00
	Two giant milling machine	215,000.00
	Two air conditioners (AC)	15,740.00
	IT backup(external drive)	2,000.00
	Fifty crutches	24,900.00
	Nursery tools	6,000.00
	Planting tools	1,990.00
Kailahun District	Various assets	385,960.00
Moyamba District	Five TVS motorbikes	55,000.00
Kambia District	100 chairs	60,953.60
Tonkolili District	Motorbike	11,250.00
Western Area Rural District	Three laptops not verified	32,000.00
Total		819,593.60

2. Existing Assets not Available for Physical Verification

We took a sample of assets recorded in the fixed assets register maintained by the LCs for physical verification.

Below is a summary of the outcome of this exercise:

Existing Fixed Assets not Available for Physical Verification		
No.	Name of Council	Details of Assets not Verified
	Kono District	Six motorbikes
	Koidu New Sembehun City	Two vehicles - a Mini Dyna Tipper and a Toyota Hilux
1	Port Loko District	<ul style="list-style-type: none"> One HP laptop computer; 5KVA Generator; and Dell Monitor and CPU
2	Kenema District	<ul style="list-style-type: none"> Five black dell desktop computer, mouse, keyboard & monitor Two motorbikes Two filing cabinet Wooden chair Air conditioner Office printer/HP LaserJet 2015
3	Tonkolili District	Three motorbikes
4	Karene District	<ul style="list-style-type: none"> Projector HP Laserjet printer Digital Camera (Sony)
5	Makeni City	<ul style="list-style-type: none"> HP Laser Jet Printer P1102 Three vehicles Two 29 Inches Sharp Flat Television Two Giant Peavey Speakers (Marked No PV125) Two motorbikes

4.6.3. Other Controls Weaknesses over Fixed Assets Management

We identified the following control weaknesses in the management of fixed assets by seven LCs.

No.	Name of Council	Control Weaknesses Identified
1	Kailahun District	Not all assets were coded, and most assets could not be traced to the fixed assets register due to the way they were described in the Register.
2	Moyamba District	Assets totalling SLE27,406 were not marked with unique identification codes. In addition, we observed that the Council did not display inventory lists in the various locations within the Council building.
3	Bonthe Municipal	One power plant generator (P50-1) owned by the Council has been faulty and left unattended or unrepaired at the Council's premises since 2020. We also observed that another generator plant was also faulty and out of use.
4	Karene District	The fixed assets register was not updated to capture details such as the purchase price of assets, the year of purchase, serial numbers, etc.
5	Kambia District	The fixed assets register was not updated and comprehensive enough to capture the chassis and engine numbers of vehicles and motorbikes of the Council and its devolved sectors. The Council's fixed assets register maintained by the Finance Officer was different from that maintained by the Chief Administrator. Moreover, the register of devolved sectors were not captured in the fixed assets register of the Council.
6	Makeni City	In a bid to confirm the ownership of all assets owned and controlled by the Council, we requested the vehicle owner's registration card (life card) and insurance documents. However, the documents for all the vehicles and motorbikes were not presented for inspection. We further observed that some of the Council's vehicles were not licensed and insured.
7	Port Loko District	Generators of the council were exposed to extreme weather conditions. During the physical verification exercise, we noted that five of the six generators of the Council were exposed to bad weather conditions even though there was a generator house. Furthermore, only one of the six generators was functional at the time of the audit verification. We also observed that the Council had five vehicles that are entirely out of use, and three out of the five vehicles have no engines, no tyres and are completely grounded.
8	Tonkolili District	The Council could not provide documents to substantiate the ownership of all vehicles, motorbikes, and tricycles recorded in the fixed assets register.

4.7. PAYROLL ADMINISTRATION AND HUMAN RESOURCES MANAGEMENT

4.7.1. Salary Paid to Absentee/Unverified Staff

We conducted physical verification of staff to confirm whether they existed and were paid based on their agreed wages. We observed that salaries totalling SLE79,673.18 were paid to non-existing staff,

and to staff that were absent from work without any justification. The table below gives a detailed analysis of the LCs with the nature and financial impact of the irregularities:

Salary Paid to Absentee/Unverified Staff			
No.	Name of Council	Salary Paid (SLE)	Nature of Irregularities
1	Tonkolili District	19,875.00	During a review of the attendance register of key staff in the Council, the team selected a sample of three months and observed that some core staff were absent from the Council for a very long period in 2022. There was no evidence in the staff personal files and staff movement book to justify the absence.
2	Bombali District	7,260.00	Salary paid to unverified support staff
3	Makeni City	52,538.18	Salary paid to two core staff who were absent for 202 and 228 days respectively, out of a total of 246 working days sampled
Total		79,673.18	

We recommended that the amounts paid be immediately recovered and paid into the Consolidated Fund.

4.7.2. Underpayment of Salaries to School Bus Conductors

We conducted physical verification of staff in the Kambia District Council to confirm whether they existed and were paid based on their agreed wages. In this regard, we observed that the Council recruited two conductors to run the school bus. However, during the physical verification exercise and interviews with the conductors, revealed that they were paid SLE500 per month; even though the payroll vouchers showed that they were paid SLE1,000 each per month. Therefore, the Council could not account for SLE12,000 allegedly paid to the conductors.

We recommended that in the event the amount of SLE12,000 is not paid to the conductors, it should be paid into the CF.

4.7.3. Alleged Payment of Incentive to Security Officer

The Tonkolili District Council paid the sum of SLE1,500 as incentive to the Security Officer in the Ministry of Social Welfare. In an interview with the officer, he disclosed that he did not receive this amount, and he denied the signature which was against his name on the payment voucher.

We recommended that in the event that the said amount is not paid to the security officer, it should be paid into the CF.

4.7.4. No Evidence of Salary Payment to Staff

During the period under review, we observed that the Accountant and the Procurement Officer were not on the Bo District Council payroll since they took up appointments on 1st November, 2022.

We recommended that the Chief Administrator should immediately inform the Executive Secretary at the LGSC for the inclusion of their names on the Council's payroll.

4.7.5. Other Matters in the Payroll Administration and Human Resources Management

A review of the systems and processes in place to ensure integrity and accountability in the management of payroll matters revealed the following deficiencies:

No.	Name of Council	Details
1	Kenema City	21 Support staff did had not been registered with NASSIT, even though their contributions were deducted throughout the year
2	Bonthe District	One staff, the Council's Gender Officer was not on the payroll
3	Bonthe Municipal	The Bonthe Municipal Council had no substantive Deputy Chief Administrator since 1st April 2020 and an Internal Auditor for the period under review. Since the latter was not in post, there was no evidence of an internal audit function for the period under review.
4	Koinadugu District	One support staff was not registered with NASSIT, even though contributions were deducted during the period under review.
5	Port Loko City	Nine support staff were paid below the minimum wage of SLE600
6	Kambia District	<ul style="list-style-type: none"> The Council failed to deduct the 5% NASSIT contribution of staff prior to calculating the PAYE taxes. Therefore, this resulted in an over-deduction of PAYE taxes from staff salary amounting to SLE1,414.44. Twelve staff were not registered with NASSIT, even though contributions were deducted during the period under review.

4.8. COMPLIANCE AUDIT ISSUES

We conducted a compliance audit on the procurement of goods, works and services by the 22 LCs, for the period between 1st January and 31st December, 2022. This was to ascertain whether the Councils were materially compliant with the Public Procurement Act of 2016, the Public Procurement Regulations of 2020, and the contract agreements that were in existence during 2022. The following is a summary of the issues that are detailed in the individual management letters issued to the Councils:

4.8.1. Payments to Various Suppliers/Contractors without Evidence of Work Done

During the audit, the team verified a sample of transactions for goods, works contracts and services to confirm whether they were done in line with the signed contract agreements. Our reviews revealed that amounts totalling **SLE4,605,435.30** were paid to suppliers/contractors for transactions that were not carried out. The contract duration for these transactions had elapsed and full payments already made by the LCs.

Table 4.6 provides a detailed information of these activities with the corresponding financial impact.

Table 4.6 Payments for Services and Works not Executed		
Name of Council	Details of Contract	Value (SLE)
Bombali District	Payments to contractors but no evidence of work done (SLE57,700.00+SLE38,844)	96,544.00
Port Loko City	Activities in the BoQ in contracts for works that were not undertaken	199,673.75
Port Loko District	Contract for spot improvement on one(1) feeder road not undertaken	445,500.00
	Several contract components of road works in the BoQ	960,179.00
Kambia District	Activities included in the BoQs not undertaken (SLE761,329.00+SLE1,243,509.00)	2,004,838.00

Table 4.6 Payments for Services and Works not Executed		
Name of Council	Details of Contract	Value (SLE)
Falaba District	Drugs not supplied	66,112.00
	Activities in the BoQ not done (SLE26,970+SLE2,500)	29,470.00
Tonkolili District	Cost included in contract without evidence of insurance covers	25,500.00
Karene District	Monitoring and supervision reports not available to support payments for the monitoring and supervision of road work projects	224,437.00
	BoQ overstated and no work done for the overstated amount	89,421.00
Bo City	Uncompleted work in the BoQ for the contract for the construction of box culverts and embankment at Jonny Layout	65,260.55
	Contract for the construction of a slaughterhouse and water well with a pump at Buemei, Bo City	298,500.00
Western Area Rural District	Payment for the rehabilitation work on CHP not done	100,000.00
Total		4,605,435.30

We recommended that the Chief Administrator and the Procurement Officer should liaise with the contractor to ensure that the embankment work on the culvert is done immediately, or the cost is recovered (with interest) from the contractor.

4.8.2. No Evidence of Payment to Contractor for Work Done

Contracts amounting to SLE879,264.50 were awarded to various suppliers by four LCs without the available funds to pay. Some of the contracts had been pre-financed.

No.	Name of Council	Details	Contract Amount (SLE)	Auditor's Comments
1	Kenema District	Construction of a Multipurpose Hall	378,747.50	The contractor pre-financed the contract, which was not part of the contract agreement. The contract had elapsed beyond the end of the expected completion date of September 2022
2	Bo City	Construction of Shed for vehicles at the Bo City Council Compound; Rehabilitation of the R.C. Model Primary School at New Gerihun Road, Bo City; and the Rehabilitation of Salina, Musa Street Market and Salina Pump	500,517.00	The contract was pre-financed by the contractor. The projects were abandoned because contractors had not received part payments from the Council.
Total			879,264.50	

All of the contracts had elapsed beyond the end of the expected completion dates.

We recommended that the Chief Administrator should ensure that the required funds are provided for the execution of the contracts.

4.8.3. Payments for Incomplete Projects

We carried out field verification on a sample of projects and observed that five LCs undertook 12 projects with a total contract cost of SLE20,783,629.70 which were yet to be completed, even though an average total of SLE7,261,123.25 (35%) had already been paid to the contractors. Of grave concern was the fact that the completion dates had elapsed for all these projects, and there was no evidence of ongoing activities at the sites of these projects.

4.8.4. Procurement Documents not Submitted

In spite of repeated requests, procurement documents, amounting to **SLE19,671,615.53** were not provided for audit. Below is a list of procurement documents not made available for audit inspection:

Name of Council	Details of Documents not Submitted	Contract Value (SLE)
Port Loko District	Relevant suppliers' business documents such as business licences, NASSIT and NRA tax clearance certificates, and Council registration certificates	101,640.00
	Advance payment guarantees for contracts for road works	283,007.00
	Performance bonds for the contracts for road works	4,083,831.00
	Minutes of the procurement committee meetings, letters of acceptance from successful bidders and Standard Procurement Forms (SPF) 1, 2 and 3 for road work contracts	3,169,495.00
	Several bidding documents for contracts for road works	1,916,250.00
	Bid security for contract for the Maintenance of India Junction - Woreh Mapeleh feeder road (6.8km) and construction of box culverts	617,539.00
	Sub-Total	10,171,762.00
Port Loko City	Adverts, bid register, bid opening attendance register, contractor's bids, evaluation documents, and contract agreement for several procurement activities	3,362,044.53
	Sub-Total	3,362,044.53
Karene District	Procurement documents for various contracts	326,069.00
	Bid Register, bid security for the construction of culverts at Kamasundo to Foradugu and for the construction of a bridge from Old Mangay to New Mangay	1,644,566.00
	Sub-Total	1,970,635.00
Kambia District	Suppliers' business documents such as NASSIT, NRA, and Council certificates for procurement activities	602,144.00
	Sub-Total	602,144.00
Tonkolili District	Performance securities such as bonds and advance payment guarantees for road work contracts	1,999,591.00
	Contract agreement for the construction of 3No. single box culverts at Magbafth Junction to Makondu in Yoni Mabanta Chiefdom	175,675.00
	Relevant procurement documents	194,878.00
	Sub-Total	2,370,144.00

Name of Council	Details of Documents not Submitted	Contract Value (SLE)
Makeni City	Bid securities from various bidders	961,849.00
	Advance payment guarantee regarding the maintenance and construction of five single box culverts, spot improvement, and ditching at Sahid Kamara Street, Samuel Street, and Lamin Street	233,037.00
Sub-Total		1,194,886.00
GRAND TOTAL		19,671,615.53

This is a recurring issue in LCs, where our ability to audit is sometimes limited by claims that documents are missing or by a lack of response to our requests. Regarding actions on recommendations in previous reports, we hope to see actions from relevant authorities on these findings.

4.8.5. Other Procurement and Contract Management Irregularities

Local Councils need fair and competitive procurement processes to get the best value for their limited funds and to give suppliers fair and equitable access to the Councils' businesses. In LCs, failure in these areas often affect communities directly.

The following were observed during 2022:

Freetown City Council

Difference between Framework Contract and Invoice Prices

In 2022, the Council procured stationery items, spare parts, and cleaning materials through framework contract agreements. We observed a difference of SLE335,425 between a framework contract price and the invoice price. The framework contracts did not have a clause on price adjustment. Additionally, there was no evidence of the Procurement Committee's authorisation for the price adjustments.

Bombali District Council

No Segregation of Responsibilities within the Procurement Process

Contrary to Section 13(c) of the PPA of 2016, we observed that there was no segregation of duties within the procurement process for the European Union funded projects; the Chief Administrator was the chairperson for both the evaluation and procurement committees.

Falsification of Procurement Records

We observed that contractors falsified their records to give them an unfair advantage over other competitors. For instance, the contract for the construction of a student hostel at Yoni worth SLE6,300,046.33 was awarded to a contractor who falsified his experience by adding the construction of the Ola During Children's Hospital in 2020, which was confirmed not to be true. In another instance, a successful contractor falsified the turnover figure in the Financial Statements. Also, another contractor was awarded a contract with incomplete Financial Statements.

Port Loko City Council

Procurement Activities Undertaken not Included in the Approved Procurement Plan

We observed that procurement activities undertaken during the year totalling SLE3,661,784.53 were not included in the approved procurement plan submitted for audit review. It would appear that the Council's expectations and the predictability of procurement activities were inconsistent with the needs and resources available.

Kambia District Council

Skewed Procurement Process

The bid opening and evaluation processes for the supply and installation of solid waste collection points were marred with significant irregularities. We noted that:

- The attendance registers for the bid opening and evaluation were dated 30th May 2022, whilst the bid opening and evaluation forms were dated 28th February, 2022.
- The Power of Attorney, NASSIT, and NRA clearance were not valid as of the bid opening, even though this is a key requirement in the evaluation process.

In spite of the above anomalies, the contract was awarded to Rocky Construction & General Services for a contract cost of SLE922,320.

Falaba District Council

Bidding Rigging

Thorough scrutiny of bid documentation and other related documents for the construction of 14 No box culverts along Dongoria-Kamaron-Semendu (18km feeder road) in Delmandugu Chiefdom awarded for a total contract sum of SLE1,260,350 revealed that two of the three bids submitted related to the same bidder. In this regard, we noted that the mobile telephone numbers indicated on the bid register for both companies belong to the most responsive bidder. This was confirmed when we called both numbers, and the same individual responded to both calls. Moreover, the bid security of the company that won the bid was falsified, and one of the key personnel indicated on the 'list of key personnel' was common to both companies. Due diligence was not done, leading to the procurement process not being open, competitive and transparent, thereby preventing the Council from achieving value-for-money in the procurement process. Therefore, the Council did not comply with Sections 51(1), 34(3) and 35(3) of the PPA of 2016.

Kenema City Council

Invitations to Bid not Published

There was no evidence of advertisements of invitations to bid for various NCB contracts amounting to SLE420,384.79. The invitations were not published in two national print media of wider coverage for the required period of at least two weeks and on the National Public Procurement Authority (NPPA) website and the Sierra Leone Gazette. This was contrary to the provisions in Section 53 (a, b and c) of the PPR of 2020.

Kono District Council

Irregularities in the NCB Contract Administration

A contract of SLE1,318,663 was awarded for the construction of a 16-meter reinforced concrete bridge and spot improvements. The following irregularities were observed:

- The contract was signed on 5th April 2022, which was 14 days earlier than the closing date for application as stated in the advertisement (18th April, 2022), and the date the successful bidder submitted the bid (18th April, 2022).
- The 30% advance payment guarantee, amounting to Le395,590 submitted by the successful bidder contained a scanned signature that could not be authenticated.
- The advertisement was published for only one day (23rd March, 2022), instead of at least 14 days period required. There was also no evidence that the advertisement was published on the NPPA website and the Sierra Leone Gazette.

Irregularities in the RFQ Contract Administration

We noted the following:

- Several contracts amounting to SLE331,585.01 were awarded to contractors without valid documents, such as a valid NRA tax clearance certificate, valid National Social Security and Insurance Trust (NASSIT) clearance, and a list of recent government contracts performed.
- Payments amounting to SLE609,945 were made to contractors even before fulfilling the contract terms.
- Most of the documents submitted by the successful bidders were dated and valid for a period after the date of the award of the contract.

4.9. REPORT ON AN ASSESSMENT OF SELECTED SERVICES DELIVERED BY LOCAL COUNCILS

It is becoming clear that communities and various civil society organisations are becoming frustrated at the lack of effective service delivery by LCs. If not given immediate attention by those charged with governance, it will further hamper economic development.

In as much as we could not rule out LCs' poor financial management and inadequate funding, a key contributing factor is also the LCs' inability to plan for, monitor, and report on their performance.

Kambia District Council

Boats and Motorbikes not Put into Use

The Council entered into a contract in March 2022 under the EU Project for the construction of three boats with outboard machines. During the verification of this activity, we observed that even though the boats had been completed, paid for, and handed over to the Council on 25th April 2022, it has not been put into operation. We further observed that, the boats' 40HP outboard machines which were fully paid for and allegedly delivered to the Council on 25th April 2022 costing SLE195,000 were still with the contractor.

Five XL Honda motorbikes costing SLE325,000 donated to the Council by the UNDP, were not distributed to the beneficiaries, and no justification was given by the Council for failing to distribute them. Therefore, the delay in putting these assets into use could not only result in additional costs incurred on maintaining them but also deprive the communities of services that would have been rendered from their use.

Karene District Council

Funds Allocated for the Procurement of Drugs not Utilised

We observed that the Government allocated SLE473,368.05 to the DHMT-Karene District for the implementation of planned activities. Of this amount, SLE175,123 representing 37% was meant for the procurement of cost-recovery drugs and medical commodities for PHUs, but there was no evidence of its utilisation up to the time of the audit.

Bombali District Council

1. Construction of Submersible Water Pumps without Electricity instead of Hand Dug Wells

The Panlap and Makama markets were supposed to have hand-dug wells with hand pumps installed. During the physical verification, we observed that the projects were changed from hand-dug well construction to borehole drilling with submersible water pumps installed without provision for electricity to power them.

2. Physical Verification of Contract Work for the Construction and Rehabilitation of Hand-dug Wells

Seven hand-dug wells visited were not functional, as a result of poor work and low water table. As such, they did not serve the purpose for which they were intended. Consequently, the sustainability of the hand-dug wells was not certain due to poor installation and low water table.

Port Loko District Council

Contracts not Effectively Managed by the Council to Enhance Service Delivery

A verification was carried out on the rehabilitation work at the Kambia Makama CHP at Tainkatopa with a total contract value of SLE167,307. Even though full payment has been made to the contractor, we observed the following:

- There were several leakages in the roof of the Kambia Makama CHP, Tainkatopa.
- The contractor used mud bricks instead of concrete solid blocks as prescribed in the BoQ for the extension of the WASH facility at the labour room.
- The windows were poorly done.
- The contractor did not seal off two ventilation openings.
- The contractor took away all the old materials that were removed, such as roofing corrugated iron sheets, doors and windows. The BoQ provided SLE1,592 for the contractor to remove and hand over all these items to the Council.

Falaba District Council

Non-delivery of Medical Equipment and Essential Drugs to Beneficiaries

Payments totalling SLE28,350 and SLE37,762 were made for the supply of medical equipment and essential drugs respectively. The items were allegedly delivered to the DHMT Stores in Kabala. However, the audit team could not confirm the delivery of these items in the stores due to the absence of the DMO; and no other store records were submitted to substantiate the receipt and distribution of the items. Moreover, we could not understand the rationale for storing the drugs in Kabala, as it would be logistically challenging to distribute the drugs and other essential supplies outside its operational area.

Irregularities Identified During Physical Verification of Contracts

We reviewed procurement documents and conducted physical verifications of contracts awarded by the Council. We noted that several works contracts undertaken by the Council were either poorly done or not done at all, which were in contravention of Section 30 (1) of the PPA of 2016 and Section 145 (4) of the PPR of 2020. Below are some of the irregularities identified:

1. Spot Improvement and Construction of Culverts along Karifaya to Walia (5.6km) Lot 2 Feeder Road in Mongor Chiefdom

The total contract cost of SLE635,498 had been paid to the contractor and the contract had since elapsed. A review of the BoQ revealed that five culverts should have been constructed. However, only four culverts were constructed. The cost of the outstanding culvert was SLE26,970 which should be recovered from the contractor.

Meanwhile, of the four culverts constructed, we observed the following:

- The backfilling of the culverts was done using loose soil instead of the required laterite soil.
- The contractor did not install railings on both sides of one of the culverts.
- One of the culverts was not properly compacted, and as a result, it was uneven due to the different levels of thickness of the concrete mixture. Moreover, there were too many holes (honey combs) in between the concrete mixtures. See photo below:



- Culvert not properly backfilled and not wide enough to cover the full length of the feeder road. See photo below:



- Even though SLE353,360 was included for spot improvement, we realised that significant work was not done on the feeder road, as drainage was not dug, and several potholes were observed. See photo below:



- Included in the BoQ was SLE2,500 for establishing a site office for the employer and other supervisors. However, no office space was seen during the site visitation. Therefore, this cost should be recovered from the contractor.

2. *Completion of Three Classroom Building with Furniture, Hand-dug Well and Two VIP Latrines in Bontollah Dembellia, Sinkunia Chiefdom*

The contract cost was SLE537,949 and a total of SLE311,446.86 was paid to the contractors leaving an outstanding amount of SLE226,502.20. The contractor was supposed to complete a three-classroom building, and construct two VIP latrines and a hand-dug well in Bontollah Dembellia. This contract has since ended and the following defects were observed during site visitation:

- The two latrines constructed had collapsed due to poor quality work done. See photos below:



- The hand pump of the water well was not installed correctly, as the hand pump was defective at the time of the verification.
- Pavement works for SLE24,300 were not correctly done. In this regard, we observed insufficient concrete mixture leading to cracks and holes in the classrooms and the veranda.
- The BoQ stipulated that the contractor was to fabricate furniture for the school and install electrical cables for SLE47,643 and SLE18,000, respectively. However, physical verification revealed that the said activities were not carried out, which makes the learning environment very challenging. Meanwhile, the school was using makeshift benches for the pupils to use. See photos below:



3. *Construction of Three Classrooms, Hand-dug Well, and Latrines at Jannelah (An Abandoned Site)*

The total contract cost was SLE725,485 and only SLE368,186.45 was paid to the contractors leaving an outstanding amount of SLE357,299.45. Site visitation revealed that the contractor had not completed any of the three works at the time of the verification. The contractor had only dug the holes for the latrines and the hand-dug well, and doing block work up to the wall height for the classroom building. The furniture was not fabricated. The contract duration had since elapsed. See photos below for status of work.

Latrines not built



Hand-dug well not built



Incomplete Classroom building



Koidu New Sembehun City Council

Short Supply of Diets to the Hospital

A contract was awarded for the supply of diet to the Kono Government Hospital on 23rd March, 2022 for a total contract price of SLE850,720 for one year. We however observed that diets were only supplied for five months. The remaining diets for seven months, valued at SLE496,258, were not supplied to the Hospital.

Bonthe Municipal Council

Lack of Mobility at the Council

The Council was constrained with mobility. There was no utility vehicles and motorbikes allocated to enhance effective operation and service delivery within the municipality. In view of the fact that the locality is an Island, we observed that the Council did not have any sea transportation for purposes of attending meetings and other activities outside the Island and engaging riverine communities. This could negatively affect effective service delivery and also constrain personnel in carrying out their responsibilities.

Moyamba District Council

Intended Outcomes of the Contracts not Achieved

On 17th September 2022, the Council awarded a contract for the construction of three latrines at the Al-Qudus Islamic Community School located at Gandorhun Community, for a contract price of SLE48,785.

Upon physical verification of the project, we noted that even though the completion date of this contract had elapsed, the facilities have still not been put to use due to the lack of lockers.

Lack of Mobility at the Council

From a review of the assets register and discussion with the Chief Administrator, we observed that the Council did not have utility vehicles to aid the movement of staff in and out of the District, and to enhance effective operations.

CHAPTER V – PERFORMANCE AUDIT

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MAIN POINTS

This Chapter summarises the performance audit reports submitted to Parliament in 2022 and a report concluded with the client which will be submitted to Parliament. They are referred to as 'Special Reports' under Section 95(6) of the Public Financial Management Act of 2016 which states: "nothing in this Section shall prevent the Auditor-General from submitting a special report for tabling in Parliament on matters that should not await disclosure in the annual report". Section 11 (2c) of the Audit Service Act of 2014 confers on the Audit Service the right to carry out value-for-money and other audits to ensure that efficiency and effectiveness are achieved in the use of public funds.

What We Examined

We carried out three performance audits, which include: the Implementation of School Feeding Programme (2019-2021); Management of the Distribution of Teaching and Learning Materials (2019-2021); submitted to Parliament in 2022, and the Management of Hospital Infrastructure (2020-2022).

We focused our audit on the objective of whether specific programmes or functions and institutions were working, with due regard to the principles of economy, efficiency and effectiveness in the use of available resources. This was accomplished by examining results of programmes and outputs of institutions' operations against suitable criteria and by analysing causes of deviations from these criteria. The aim was to answer key audit questions and to provide recommendations for improvement.

Why It Is Important

Performance audit is all about determining whether the subject matter under examination was done in the right way and for the intended purpose. This simply means, asking if it was done with due regard to economy (at the lowest cost), efficiency (in the best way) and effectiveness (achieving intended results). Performance auditing plays an important role in keeping the legislature, citizens and donor organisations well informed about government's programmes and their outcomes.

The assessment goes beyond the financial and other records and focuses on the inputs, outputs and outcomes of the goods and services delivered by public entities.

What We Found

Management of School Feeding (2019-2021)

The following were observed:

- Garri was supplied to the pupils even though it was not desired by them, and the school authorities were neither informed nor was any assessment done to gauge the pupils' receptiveness to garri.
- Joint Aide Management (JAM) supplied expired mana packs to schools in Tonkolili.
- Food items were supplied six months after the reopening of schools (March 2020) instead of a month before the re-opening of school.
- Of a total of 22 schools visited that benefited from the SFP, only eight had storage facilities with three in good condition.
- We observed delay in the preparation and sharing of food by an average time of 45 minutes.
- Food was not prepared and shared in a hygienic manner. Food was placed on the floor during preparation and sharing.
- The School Feeding Secretariat did not have a system in place for the monitoring and evaluation of the SFP.

- About 80% of the head teachers did not have the capacity to implement the Programme.

Management of the Distribution of Teaching and Learning Materials (2019 – 2021)

The following were observed:

- There were no specific guidelines or policy for the distribution of Teaching and Learning Materials.
- The TLM distribution process lacked proper needs-assessment.
- The distribution matrix used for the supply of TLMs was inaccurate as it was not reconciled with the enrolment records.
- Pupils were not allowed to take home the core textbooks since the books were not enough.
- The Ministry did not work in line with the school calendar for the distribution of the TLMs. The materials were supplied precisely at the end of second term.
- The M&E Unit did not undertake monitoring exercise as required of them, due to mobility constraints and non-budgetary allocations.

Management of Hospital Infrastructure – (2020-2022)

The following were observed:

- Essential medical equipment were either unavailable or inadequate for the operations of the government hospitals in Freetown, Bo, Kenema and Makeni.
- The Ola During Children’s Hospital facility had limited bed capacity as a result of inadequate space.
- There were faulty equipment such as ceiling fans, biosafety cabinets, freezers, BP and oxygen machines in the sampled hospitals visited. The main autoclave machines in all three regional hospitals visited were also faulty.
- There were inadequate ambulance services, particularly at renowned hospitals.
- Essential drugs and consumables were not sufficient for the hospitals, to the extent that additional drugs were bought for the destitute using internally generated revenue.
- The storage facilities for drugs were not conducive and adequate to accommodate the drugs supplied by the Central Medical Stores.
- Air conditioners and thermo-hydrometers were inadequate at hospital pharmacies to keep drugs under the required temperature.
- There was shortage of healthcare personnel including doctors and nurses to match up the huge turnout in the hospitals.
- Water facilities were inadequate, with the exception of the Bo Government Hospital.
- There were no urinals in the washrooms in hospitals including Connaught, Makeni and Kenema government hospital.
- Waste generated at the Makeni Government Hospital were dumped at the back of the hospital premises in an open space.
- The Bo and Kenema government hospitals sourced power from standby generators which did not produce adequate power to the facilities.

5.1 INTRODUCTION

The ASSL started conducting performance auditing since 2008 as a component of an audit capacity development project. Creating the capacity for performance auditors requires strong, critical and analytical skills as well as careful staff selection and training. The ASSL has succeeded in establishing

this unit by drawing performance auditors from the ranks of financial and regularity audits, both of which are traditional audit areas that have long been the focus of the ASSL. The ASSL has also recruited staff with backgrounds in the social sciences. It has further committed to continuous capacity building of performance auditors in all areas of the discipline including, environmental and other SDG-related audits. Although relatively new to jurisdictions at a similar stage of development as Sierra Leone, performance audit has been practised in developed countries for a very long time. Its practice is now part of the public sector auditing of Supreme Audit Institutions (SAIs).

The professional audit standards that apply to it have been developed by the International Organisation of Supreme Audit Institutions (INTOSAI), of which the ASSL is an active member through AFROSAI-E.

This Chapter summarises three performance audit reports that were submitted to Parliament last year, and one that was completed this year to be submitted to Parliament as ‘special report’ under Section 11 (2c) of the Audit Service Act of 2014, which mandates the Auditor-General to carry out value-for-money and other audits to ensure that efficiency and effectiveness are achieved in the use of public funds.

5.2 THE NATURE AND PRACTICE OF PERFORMANCE AUDITING

While performance auditing promotes good governance, it also contributes to accountability and transparency. Performance auditing promotes accountability by assisting those charged with governance and oversight responsibilities to improve performance. It does this by examining whether decisions by the legislature, or the executive authorities, are economically, efficiently and effectively implemented, and whether taxpayers or citizens have benefited value-for-money from the taxes. This type of audit does not question the intentions and decisions of Parliament or policy decisions of the executive. Performance audit promotes transparency by affording taxpayers, financiers, ordinary citizens and the media an insight into the management and outcomes of different government activities.

It provides useful information to citizens, while serving as a basis for learning and improving. The users of performance audit reports expect reliable evidence-based reports that provide clear information on the questions addressed, along with findings, conclusions, and recommendations. At the outset of the audit, the standards are established, against which the performance of the audited entity will be assessed. These standards or assessment criteria determine whether or not the operations or the programme meet or exceed expectations. They also help the auditor to create a common understanding with the audited entity. Audit methods which best allow the collection of data in an efficient and effective manner are chosen. The ASSL’s approach to performance auditing reflects what is adopted by AFROSAI-E. This approach can be described as a problem-oriented approach where the prevalence or indication of a problem, or challenge to performance, constitutes the starting point for the audit. The purpose of the audit is to confirm the nature and extent of the problem or issues affecting performance, to identify the causes, and make recommendations for improvement. In the reports summarised below, we assessed the performance of the MDAs responsible for the audited activity and indicated how performance could be improved. The recommendations are aimed at removing the causes of problems and weaknesses identified, and adding value not only to the MDA, but to society as a whole. Some issues highlighted in all our reports show:

- a need for more effective implementation of plans and activities to achieve operational objectives;

- the importance of recording, reporting and compiling data on what is being done; and
- a general need for better understanding of existing rules, regulations and guidelines.

In selecting areas for performance audit, we have considered significant matters of social and economic development, and the risk that performance may not meet the goals of economy, efficiency and effectiveness.

5.3 IMPLEMENTATION OF THE SCHOOL FEEDING PROGRAMME

The Government of Sierra Leone aims to achieve its free quality education through an improved nationwide school feeding programme for government and government-assisted primary schools. The objective of the programme is to ensure that every child registered in pre-school, primary and junior secondary schools have access to nutritious lunch.

In order to achieve the above-mentioned, the Government relaunched the School Feeding Programme in 2018 and encouraged the enrolment and completion of school, while improving the nutritional and health status of the pupils.

As a flagship programme that has the interest of both donors and citizens, the Government of Sierra Leone (GoSL) in its educational plan has stated that it has spent huge sums of money and is also committed to spend more resources and ensure that the objective of this intervention is achieved.

It is against this background and the Auditor-General's mandate, as enshrined in Section 11 (2c) of the Audit Service Act of 2014 that the Audit Service Sierra Leone (ASSL) carried out a performance audit on 'the Management of School Feeding', for 2018 - 2021.

The following is a summary of the key findings from the audit:

Efficiency of the Procurement, Distribution and Storage of Food Items

An addendum to a contract was submitted by the MBSSE in support of the decision to supply garri. The document was however not signed by both parties. Garri was supplied to the pupils even though they was not desired. The school authorities mentioned that the commodity was expensive to prepare and that they were neither informed, nor was any assessment done to gauge the children's receptiveness to garri. The expired mana packs supplied by the Joint Aide Management (JAM) to schools in Tonkolili was also not appreciated by the pupils.

Delivery notes from schools visited showed that for the 2019/2020 school year, the average time that food items were supplied was six months after the reopening of schools (March 2020). In the 2021/2022 school year, there was however no food was supplied during the first term. The supply of food items started in January which was during the second term of the school year.

From a total of 22 schools visited that benefited from the SFP, only eight had storage facilities with three in good condition. The others were without storage facilities. They either stored their food supplies in the premises of the head teachers, the paramount chiefs or in buildings close to the schools.

Methods of Preparation and Sharing of Food

Even though food was to be ready for sharing at 11:30 am (average lunch time for schools), this was not the case in the schools visited. The feeding activity which included sharing and eating of food commenced at 12:15 pm and lasted for almost an hour. The closing time for some of these schools

was between 1 & 2pm, and by the time the feeding was concluded, some of the children were seen going home.

Food preparation and sharing was not done under a hygienic condition. Food was placed on the floor during preparation and sharing.

5.3.1 Strategies to Measure the Impact of the SFP

We noted that the School Feeding Secretariat did not have a system in place to monitor and evaluate the SFP. Requests were made for school feeding documents for the period under review, but no evaluation plans or reports were submitted. The secretariat had no mechanism in place to collect and analyse data. There was no adequate staffing, no budgetary allocation and no required equipment to carry out the SFP. We observed gaps in the information that needed to be collected and analysed.

5.4 MANAGEMENT OF THE DISTRIBUTION OF TEACHING AND LEARNING MATERIALS

Teaching and learning materials (TLMs) are regarded as one of the major aspects that would promote learning and help pupils achieve their academic goals and objectives. This is also to ensure that every institution has appropriate teaching and learning materials, and learning related technology as per Target 4.1. of the SDGs 2030.

The Education Act of 2004 makes basic education ‘free and compulsory’. This has led to significant improvement in the enrolment of pupils in government and government-assisted schools across the country.

The Government of Sierra Leone has also made education its flagship development programme; and had launched the Free Quality School Education (FQSE), which started in September 2018. This scheme aims to cover the costs for textbooks, exercise books, sports equipment, pens and pencils, as these were the core components in the TLMs provision. In 2019, the Government committed 21% of the national budget to the education sector.¹

It is against this background, and based on the Auditor-General’s mandate in Section 11 (2c) of the Audit Service Act of 2014 that the Audit Service Sierra Leone (ASSL) carried out a performance audit on the Management of the Distribution of Teaching and Learning Materials for 2018 – 2021. The objective of the audit was to assess whether the MBSSE had adequate and effective systems in place for the management of the distribution of TLMs and to give recommendations to improve the process. The following is a summary of the key findings from the audit:

No Specific Guidelines or Policy for the Distribution of TLMs

The FQSE National Coordinator revealed that in 2020, a DFID consultant started developing a resource framework for the FQSE, but it was interrupted by the COVID-19 pandemic. However, no evidence of the framework was submitted for review. Interviews with other stakeholders from the Ministry, local councils and schools revealed that, since there was no policy guiding the TLMs distribution process, this led to poor coordination as it lacked leadership in the process. The distribution that was expected to be carried out by the local councils was championed by the Ministry. In instances of limited textbooks, some school heads gave out the available textbooks to pupils on rotational basis, while others kept the books in the schools to be used in groups during lessons. This made it difficult to fully and effectively implement the TLMs distribution process.

¹Sierra Leone Telegraph publication January 2019

Lack of Proper Needs Assessment

Analysis of reviewed documents and interview notes revealed that the TLMs distribution process lacked proper needs-assessment. As such, the TLMs package had no specification as it included textbooks, exercise books, pens, pencils, blackboard renovators, mathematical sets, sporting equipment, blackboard mathematical sets etc. There was also no evidence that consultation was done with different stakeholders (councils, schools and parents) to reach an agreement on what materials constituted the TLMs. This situation led to the concentration of procurement of sporting equipment, even though schools already had them in their stores without being used. They did not concentrate on the replacement of worn out textbooks, and the supply of more exercise books in order to ensure even distribution to schools. Furthermore, the school heads were not consulted by the FQSE National Coordinator for their current nominal rolls in developing the distribution matrix for the TLMs. Instead, the past annual school census data was used without taking into consideration annual increase in enrolment. This also created discrepancies in the distribution process.

Inadequate and Unequal Distribution of TLMs

We observed that the distribution matrix used for the supply of TLMs was inaccurate because it was not reconciled with the enrolment records; and as such, supplies were either surplus or in shortfall. We also observed during focus group discussions that the distribution of exercise books to pupils was not evenly done. That is, the pupil to exercise book ratio was on a case-by-case basis. This was also referenced during analysis of interview notes as pupils of the same classes but in different schools were supplied four, five or six exercise books as the case may be.

We further observed that pupils were not allowed to take home the core textbooks they were supplied since the books were not enough to be distributed to every pupil in the respective schools. The textbooks were distributed among groups during lessons, whilst others were held up in cupboards and in boxes, unused. This situation did not only hinder the quality of learning, but also increased the financial burden on parents/caregivers.

Timely Distribution of TLMs

We observed that the Ministry did not work in line with the school calendar for the distribution of the TLMs. Notably, the TLMs were distributed late after the reopening of schools, precisely at the end of second term. Interviews with key personnel including the Chief Administrators in Freetown, Kono, Tonkolili and Moyamba Councils revealed that the delay in the supply of TLMs was as a result of the late delivery by suppliers, and late budgetary allocations. The condition therefore, deterred the objective of enhancing the quality of learning and improving pupils' performance.

Monitoring of the Management of TLMs

We noted through interviews with key stakeholders that the M&E Unit did not undertake monitoring exercises as required, due to vehicle constraints and non-budgetary allocations. Furthermore, principals and head teachers of selected schools and District Education Officers stated that monitoring exercise was mostly done by the School Quality Assurance and Resource Mobilisation (SQARM) officers. A review of selected monitoring reports from SQARM officers revealed that little emphasis was placed on the management of the distribution of TLMs whilst greater attention of the reports focused on teaching methods and the school environment.

5.5 MANAGEMENT OF HEALTH INFRASTRUCTURE

The health infrastructure in Sierra Leone is unequally distributed throughout the country, with lesser access to health services for those in rural areas. The provision of essential health services is a major challenge as the majority of public healthcare facilities do not have adequate power, water, sanitation and hygiene, and equipment necessary to provide these services.²

Sustainable health services are essential in supporting global healthy lives. Goal 3 of the Sustainable Development Goals (SDGs) aims to ensure healthy lives and promote wellbeing for all, at all ages. This is further translated into the Government of Sierra Leone's (GoSL) Medium Term National Development Plan 2019-2023, wherein government is determined to use its strong leadership and political will to increase healthcare spending to 15% of the national budget, thereby enhancing the implementation of the Free Healthcare Initiative.

Sierra Leone hopes to benefit from the World Bank's Human Capital Development Project, which is under formulation. This is expected to positively impact on health outcomes, as the health sector is one of the major sub-components for support, alongside education and social protection.

In light of the above, and in compliance with the Auditor-General's mandate, as prescribed in Section 11 (2c) of the Audit Service Act of 2014, that the Audit Service Sierra Leone conducted a performance audit on the Management of Hospital Infrastructure at the main government hospitals in the four regions (Freetown, Makeni, Bo and Kenema).

The audit focused on medical equipment, drugs and storage facilities, personnel and WASH within the government hospitals, from 1st January 2019 to 31st December, 2022.

The following is a summary of the main findings from the audit:

Medical Equipment

We visited sampled wards, laboratories and theatres at government hospitals in Freetown, Bo, Kenema and Makeni. We observed that most of the essential medical equipment were either unavailable or inadequate for the operations of the hospitals. We also observed the inadequacy of trollies and stretchers which posed difficulties in transporting patients from one place to another within the hospital premises; inadequate blood pressure (BP) and oxygen machines, the absence of x-ray film printer, led apron and radiation badge for the workers.

Bed and Beddings

Our visit to the Ola During Children's Hospital revealed that the facility had limited bed capacity due to inadequate space. As a result, two patients were sharing a single bed, and this practice posed a risk of cross infection. We also observed the lack of bed linings, drip stands, bed screen and mattresses at the Makeni and Kenema government hospitals; whereas the Macauley Street Hospital had only one dysfunctional bed in the labour ward, which was tied with wire strings.

Faulty Equipment

² National Health Sector Strategic Plan, 2021-2025

Our visits to selected hospitals revealed faulty equipment such as ceiling fans, bio safety cabinets, freezers, BP and oxygen machines. The main autoclave machines in all three regional hospitals visited were all faulty. From interviews conducted with the head of the laboratory at the King Harman Maternal and Child Health Hospital, it was revealed that some of the available equipment such as centrifuge, microscope, haematology analysers, bio-chemistry analyser were also faulty. We were informed by the Medical Superintendent (MS) at the Bo Government Hospital that some surgical instruments were worn-out, as they had been used for more than twenty years.

Faulty Ambulance

Our visits to various hospitals revealed inadequate ambulance services, particularly at renowned hospitals such as the Lakka, Connaught, Bo, Kenema and Makeni government hospitals. These hospitals had only one functioning ambulance, since most of the old ambulances had been grounded.

Drugs and Storage

A review of the Quality-of-care Strategic Roadmap 2020 to 2024 revealed that there were challenges with the availability, accessibility and affordability of medicines in the country which had resulted in frequent stock-outs in health facilities. This situation was confirmed from interviews with heads of various hospitals. It was revealed that essential drugs and consumables were not regular and adequate for the hospitals, to the extent that additional drugs were bought especially for the destitute through internally generated revenue. Other patients, including lactating mothers were asked to buy drugs and consumables such as cannulas, plasters and syringes instead of being provided by the hospital.

A review of the status report of the Makeni Government Hospital confirmed inadequacy of drugs and medical supplies. There were also stock-out of lab reagents, blood bags, slides, rapid diagnostic tests etc. In a similar situation, we reviewed a report by the Kingharman Maternal and Child Health Hospital Secretary, and it showed that not all the drugs and consumables needed for the management of patients were supplied by the NMSA. As such, prescriptions were issued to patients to fend drugs for themselves in the open market. Notwithstanding that, there was lack of emergency drugs for free healthcare patients and the hospital's cost-recovery pharmacy was out of drugs due to the influx of patients being referred to the Hospital. Moreover, drugs and medical supplies coordination was very poor and untimely. Nurses in the Special Care Baby Unit (SCBU) expressed their concerns over insufficient fluids, inadequate oxygen machine and amoxicillin, a common antibiotic. We also observed that there were inadequate oxygen machines and no emergency drugs in most of the paediatric wards visited. We were however informed though, that there had been an arrangement with the Cotton Tree Pharmacy to sell drugs at cost-recovery prices at the various regional hospitals.

Storage Facilities

Physical inspection of the Connaught and Ola During Hospital stores revealed that the storage facilities for drugs were not conducive and adequate to accommodate the drugs supplied by the Central Medical Stores. The observation was supported with the fact that there were insufficient shelves to stack the drugs; the air conditioners in the stores were few, old and faulty. Our observation also revealed inadequate storage facilities for medicines, vaccines and other health commodities in Freetown.

We also observed that air conditioners and thermo-hydrometers were inadequate at hospital pharmacies, to keep drugs under the required temperature and storage facility. Our observations were supported by interviews with the hospital pharmacists who revealed that the storage facilities were not

up to standard, and that the drugs were not kept under the required temperature, even though best practice requires that most medicines should be stored between 59° and 77° F in a cool, dry place.

Medical Personnel

The country suffers from extreme shortage of trained healthcare providers, having only two clinical health worker per 10,000 people. Almost 64% of skilled health workers' posts are currently vacant. About half of the total nurse workforce in the country are volunteers and not on the government payroll.³

Interviews with key personnel in facilities visited and documents reviewed such as status reports and manpower plan confirmed the shortage of healthcare personnel including doctors and nurses to match up with the huge turnout in the hospitals. Other support staff such as drivers, porters, cleaners were also grossly inadequate in the hospitals.

Other disclosures from interviews with medical superintendents of various hospitals indicate that there were not enough medical personnel and support staff, and that most of the staff were not pin-coded, and some of the pin-coded staff were enrolled in various higher learning institutions to improve their skills. This was also confirmed during review of status report submitted by the Psychiatric Teaching Hospital, and the regional hospitals in Bo, Kenema and Makeni. Our visit to the Ola Daring Children's Hospital, revealed a minimum of four specialists to 150/200 patients per day (when a minimum of 8 to 10 is needed).

The Medical Superintendent also asserted to this in an interview.

The limited number of medical personnel at the hospital facilities will adversely affect the quality of healthcare services provided. The limitation has also led to the deployment of personnel that is disproportionate to the population.

Water, Sanitation and Hygiene (WASH) Facilities

▪ *Water*

Physical inspection at the sampled hospitals however revealed that water facilities were inadequate, with the exception of the Bo Government Hospital. Interviews with patients disclosed that they are challenged with WASH facilities especially in Makeni and Freetown.

▪ *Sanitation and Hygiene*

A review of the third quarter budget of the Bo Government Hospital 2021 disclosed that 29% of the budget was allocated for cleaning of the hospital while 21% of the second half budget allocated to the Makeni Government Hospital for 2022 was allocated for same. It was revealed that the cleaning of the Bo, Kenema and Makeni government hospitals were handled by contractors through the MoHS, while the hospital managements did not have control over the workers.

Physical inspection of toilet facilities at the various hospitals revealed that there were no urinals at the Connaught, Makeni and Kenema government hospitals. At the Makeni Government Hospital, we observed that the septic pits were filled and were yet to be emptied as confirmed by the MS. Even though new toilets had been built, they were yet to be handed over to the Hospital.

³ Quality of care strategic road map 2020-2024

- *Waste Disposal*

During our visit to the Makeni Government Hospital, we observed that waste generated were not properly disposed of. Collected wastes were dumped at the back of the hospital premises in an open space, without segregation, treatment and incinerator facility, thereby polluting the immediate environment. The situation had serious implications on the environment and human health, as medical waste requires special disposal procedures.

5.5.1 General Observation

- *Power Supply*

We observed that the Bo and Kenema hospitals did not have power supply from the national grid. They however sourced power from standby generators which did not produce adequate power to the facilities. As a result, priority was given to the special units including the Baby Care Unit, Maternity and Drug Store. This insufficient power affects the effective operations of the laboratories, general male and female wards etc. Interviews with the MSs revealed that, there were more generators. However, funds were inadequate to run them.

APPENDICES

APPENDIX I DETAILED ANALYSIS OF IRREGULARITIES WITH FINANCIAL IMPACT ACROSS PUBLIC ENTERPRISES, COMMISSIONS AND DONOR PROJECTS									
Name of Public Enterprises	Details	Total		Financial Years					Paragraph Reference:
				2019	2020	2021	2022		
		US\$	SLE	SLE	SLE	SLE	SLE	US\$	
Sierra Leone Financial Inclusion Project: 2022	PAYE taxes not paid to the NRA	19,464.03	-					19,464.03	2.2.1
Sierra Leone Economic Diversification Project-2022	Payment without supporting documents	-	3,502,430.00				3,502,430.00		2.3.1
	PAYE taxes not deducted	-	1,091,639.26				1,091,639.26		2.3.2
Sierra Leone Skills Development Project-2022	PAYE taxes not deducted	-	735,482.00				735,482.00		2.4.1
Sierra Leone Agro-Processing Competitive Project-2022	PAYE taxes not deducted	-	1,422,055.57				1,422,055.57		2.5.1
Sierra Leone Free Quality Education Project-2022	Inaccurate deductions and payments of PAYE taxes	-	2,947,572.29				2,947,572.29		2.6.2
	Withholding taxes not paid to the NRA (US\$23,196.27 + US\$12,127.50 +US\$569.56 + US\$1,897.51)	37,790.84	-					37,790.84	2.6.3
Rural Finance and Community Improvement Programme II-2022	Withholding taxes deducted and not paid to the NRA	-	38,187.00				38,187.00		2.7.1
Agriculture Value Chain Development Project-2022	Payment of salary to terminated staff	-	11,999.00				11,999.00		2.8.1
	Fertilisers not physically verified	-	132,210.00				132,210.00		2.8.5

APPENDIX I DETAILED ANALYSIS OF IRREGULARITIES WITH FINANCIAL IMPACT ACROSS PUBLIC ENTERPRISES, COMMISSIONS AND DONOR PROJECTS									
Name of Public Enterprises	Details	Total		Financial Years					Paragraph Reference:
				2019	2020	2021	2022		
		US\$	SLE	SLE	SLE	SLE	SLE	US\$	
Sierra Leone Maritime Administration - 2022	Payments without supporting documents	-	2,162,303.08				2,162,303.08		2.9.1
	Payment without justification and retirement details	-	513,710.00				513,710.00		2.9.3
	Withholding taxes not deducted from payments made to suppliers	-	50,576.00				50,576.00		2.9.4
	Unpaid withholding taxes	-	1,828,573.00				1,828,573.00		2.9.4
	Good and Services Tax not paid to the NRA	-	840,039.55				840,039.55		2.9.5
	Overpayment of Daily Subsistence Allowances	56,252.25	-					56,252.25	2.9.6
	Payments to a Civil Society Organisations without expenditure returns	-	2,856,493.00				2,856,493.00		2.9.7
	Non-compliance with terms of contracts resulting in excess expenditure	-	800,208.00				800,208.00		2.9.9
	Unjustified increase in contract price	-	3,541,000.00				3,541,000.00		2.9.11
	Overpayment in respect of procurement of vehicles	-	380,762.00				380,762.00		2.9.12
	Contract abandoned after payment	-	3,000,000.00				3,000,000.00		2.9.16
	Tax on medical allowance not paid to the NRA	-	271,454.77				271,454.77		2.9.21
	Salary paid to staff not available for physical verification	-	19,086.00				19,086.00		2.9.23

APPENDIX I DETAILED ANALYSIS OF IRREGULARITIES WITH FINANCIAL IMPACT ACROSS PUBLIC ENTERPRISES, COMMISSIONS AND DONOR PROJECTS									
Name of Public Enterprises	Details	Total		Financial Years					Paragraph Reference:
				2019	2020	2021	2022		
		US\$	SLE	SLE	SLE	SLE	SLE	US\$	
National Commission for Social Action-2022	Supply of school furniture not available for physical verification	-	47,766.00				47,766.00		2.10.1
	Payment of sitting fees without evidence of meetings held	-	184,380.00				184,380.00		2.10.2
	Abandoned contract in respect of the construction of stores (SLE5,000+SLE4,000+ SLE3,900)	-	12,900.00				12,900.00		2.10.5
	Abandoned contract in respect of cocoa and coffee processing centre		3,000.00				3,000.00		2.10.5.3
	PAYE taxes not deducted	-	3,043,364.00				3,043,364.00		2.10.9
Road Maintenance Fund Administration - 2022	Contract abandoned after payment (202,000 + 454,265)	-	656,265.00				656,265.00		2.11.1
Sierra Leone Commercial Bank-2022	PAYE taxes not paid to the NRA	-	1,810,045.88				1,810,045.88		2.15.41
Sierra Leone Road Safety Authority-2022	Payment made as Corporate Social Responsibility without expenditure returns	-	584,785.00				584,785.00		2.19.2
	Revenue not banked	-	471,600.00				471,600.00		2.19.4
	PAYE taxes not deducted	-	1,462,867.00				1,462,867.00		2.19.8
Golden Tulip: 2019-2020	Payments without supporting documents	-	3,021,386.26	2,913,533.12	107,853.15				2.24.3

APPENDIX I DETAILED ANALYSIS OF IRREGULARITIES WITH FINANCIAL IMPACT ACROSS PUBLIC ENTERPRISES, COMMISSIONS AND DONOR PROJECTS									
Name of Public Enterprises	Details	Total		Financial Years					Paragraph Reference:
				2019	2020	2021	2022		
		US\$	SLE	SLE	SLE	SLE	SLE	US\$	
Golden Tulip: 2019-2020	Payments for inventory without supporting documents	-	1,141,828.43	330,244.43	811,584.00				2.24.5
Electricity Distribution Supply Authority-2022	Payments without supporting documents	-	311,421.00				311,421.00		2.25.3
	PAYE taxes not deducted from staff salaries	-	32,670.00				32,670.00		2.25.3
	Payment to various organisations as CSOs without justification	-	316,450.00				316,450.00		2.25.3
	Goods and Services Tax not paid to the NRA	-	44,598,614.89				44,598,614.89		2.25.6
	Assets not physically verified (SLE1,482,465.31+ SLE307,000)	-	1,789,465.31				1,789,465.31		2.25.7
Guma Valley Water Company-2022	Withholding and PAYE taxes not paid to the NRA (SLE1,657,816.97+ SLE12,767,047.26)	-	14,424,864.23				14,424,864.23		2.27.3
National Revenue Authority-2022	Advance payment to contractor for work not done	-	240,000.00				240,000.00		2.28.1
Petroleum Directorate-2022	Unverified fixed assets	-	50,000.00				50,000.00		2.30.1
National Protected Area Authority-2022	Salaries paid to retired and absentee staff without justification (SLE3,604+ SLE2,240)	-	5,844.00				5,844.00		2.33.4
National Civil Registration Authority-2022	Withholding taxes not deducted and paid to the NRA	-	25,490.00				25,490.00		2.34.1
Sierra Estate Management Company-2022	Withholding taxes not deducted and paid to the NRA	-	54,215.64				54,215.64		2.35.2

APPENDIX I DETAILED ANALYSIS OF IRREGULARITIES WITH FINANCIAL IMPACT ACROSS PUBLIC ENTERPRISES, COMMISSIONS AND DONOR PROJECTS									
Name of Public Enterprises	Details	Total		Financial Years					Paragraph Reference:
				2019	2020	2021	2022		
		US\$	SLE	SLE	SLE	SLE	SLE	US\$	
National Telecommunications Authority-2022	Payment to various organisations as CSOs without justification	-	4,496,648.90		2,907,575.90	1,589,073			2.37.1
National Commission for Democracy-2022	Withholding taxes not paid to the NRA	-	3,459.00				3,459.00		2.41.2
	Petty cash not retired	-	8,000.00				8,000.00		2.41.3
Sierra Leone Agricultural Research Institute: 2022	Withholding taxes deducted and not paid to the NRA	-	19,053,759.53				19,053,759.53		2.42.2
Financial Intelligence Unit: 2022	Withholding taxes not deducted and paid to the NRA	-	6,688.00				6,688.00		2.43.1
Universal Access Development Fund: 2022	Payment made for work not done	-	8,680,611.38				8,680,611.38		2.44.3
Milton Margai Technical University: 2021	PAYE and withholding tax not paid to the NRA (SLE1,848,100 + SLE697,488)	-	2,545,588.00			2,545,588.00			2.45.2
Njala University: 2022	Withholding taxes deducted not paid to the NRA (SLE283,523.50+ SLE66,828.18)	-	350,351.68				350,351.68		2.47.2
	Project expenditure returns not submitted	-	51,969,933.01				51,969,933.01		2.47.3
	PAYE taxes deducted but not paid to the NRA	-	2,435,887.59				2,435,887.59		2.47.5
Njala University: 2020-2021	Assets not available for verification	-	37,500.00		37,500.00				2.48.5
	PAYE taxes not paid to the NRA	-	2,435,888.00	2,435,888.00					2.48.9

APPENDIX I DETAILED ANALYSIS OF IRREGULARITIES WITH FINANCIAL IMPACT ACROSS PUBLIC ENTERPRISES, COMMISSIONS AND DONOR PROJECTS									
Name of Public Enterprises	Details	Total		Financial Years					Paragraph Reference:
				2019	2020	2021	2022		
		US\$	SLE	SLE	SLE	SLE	SLE	US\$	
Ernest Bai Koroma University of Science and Technology: 2018-2021	Salaries paid to staff after retirement	-	243,178.00		145,935.00	97,243.00			2.50.4
		113,507.12	192,702,496.25	5,679,665.54	4,010,448.05	4,231,904.00	178,780,478.66	113,507.12	

APPENDIX II DETAILED ANALYSIS OF IRREGULARITIES WITH FINANCIAL IMPACT ACROSS MINISTRIES AND DEPARTMENTS														
Name of MDAs	Details	Total				Financial Years							Paragraph Reference	
						2019	2020	2021	2022					
		US\$	€	£	SLE	SLE	SLE	SLE	US\$	€	£			
		Public Accounts												
General Purpose Financial Statements	Input GST Wrongly Claimed by Taxpayers not supported	-	-	-	39,724,763.00	-	-	-	39,724,763.00	-	-	-	1.1	
Sub-Total for Public Accounts(A)		-	-	-	39,724,763.00	-	-	-	39,724,763.00	-	-	-		
		Ministries and Departments												
Ministry of Planning & Economic Development - 2022	Revenue not paid to NRA by 75 NGOs	5,000.00	-	-	182,500.00	-	-	-	182,500.00	5,000.00			3.2.1	
Ministry of Foreign Affairs & International Cooperation: 2022	Bank withdrawals without supporting documents	-	-	-	277,601.00	-	-	-	277,601.00				3.3.1	
	Special imprest not retired	-	-	-	985,000.00				985,000.00				3.3.2	
	Double payment of salaries	9,400.00	-	-	37,189.97	-	-	-	37,189.97	9,400.00	-	-	3.3.3	
	Payment to staff who failed to report to duty station	-	-	-	194,645.00	-	-	-	194,645.00				3.3.4	
	Ineligible payments of child and education allowances to staff	25,350.00	29,526.42	4,746.06	-	-	-	-	-	25,350.00	29,526.42	4,746.06	3.3.5	
Ministry of Basic & Senior Secondary Education(HQ) : 2022	Beds and accessories not supplied to schools	-	-	-	1,858,524.00	-	-	-	1,858,524.00				3.11.3	

APPENDIX II
DETAILED ANALYSIS OF IRREGULARITIES WITH FINANCIAL IMPACT ACROSS MINISTRIES AND DEPARTMENTS

Name of MDAs	Details	Total				Financial Years							Paragraph Reference
						2019	2020	2021	2022				
		US\$	€	£	SLE	SLE	SLE	SLE	SLE	US\$	€	£	
Ministry of Basic & Senior Secondary Education(HQ) : 2022	Salary paid to non-staff	-	-	-	12,754.00				12,754.00				3.11.4
	Salary paid to staff not available for physical verification	-	-	-	1,480,281.00	-	-	-	1,480,281.00				3.11.5
	Fixed Assets not available for physical inspection	-	-	-	13,500.00	-	-	-	13,500.00				3.11.6
Ministry of Technical & Higher Education (South):2022	Skills Development Fund(SDF) grants paid to non-existing institutions				900,079.50				900,079.50				3.16.1
	Three Institutions and their documents not available to account for SDF grants				4,321,958.50				4,321,958.50				3.16.1
Ministry of Agriculture & Food Security(HQ)-2022	Lease not paid by 14 private businesses	-	-	-	19,464,733.40	-	-	-	19,464,733.40				3.17.1
	Unaccounted Funds from the E-Vouchers system	-	-	-	1,589,398.75	-	-	-	1,589,398.75				3.17.2
	E-Vouchers system payment of subsidies to 247 non-existing Agro-farmers				1,387,213.75				1,387,213.75				3.17.2
	Rehabilitation work not done (SLE148,550+SLE 148,600+SLE147,900)	-	-	-	445,050.00	-	-	-	445,050.00				3.17.3
	Fertilizers not available for physical inspection	-	-	-	24,364,500.00	-	-	-	24,364,500.00				3.17.4

APPENDIX II DETAILED ANALYSIS OF IRREGULARITIES WITH FINANCIAL IMPACT ACROSS MINISTRIES AND DEPARTMENTS													
Name of MDAs	Details	Total				Financial Years							Paragraph Reference
						2019	2020	2021	2022				
		US\$	€	£	SLE	SLE	SLE	SLE	US\$	€	£		
Ministry of Agriculture & Food Security(HQ)-2022	Standing imprest not retired	-	-	-	26,700.00	-	-	-	26,700.00				3.17.6
	Uniforms for staff not brought to account	-	-	-	49,392.00	-	-	-	49,392.00				3.17.8
Ministry of Health & Sanitation(HQ)-2022	Bank withdrawals without supporting documents	198,228.44	-	-	3,978,934.66	-	-	-	3,978,934.66	198,228.44			3.22.3
	Donated vehicles not available for physical inspection	154,837.13	-	-	-	-	-	-		154,837.13			3.22.4
	Withholding and PAYE taxes not paid	-	-	-	2,056,648.59	-	-	-	2,056,648.59				3.22.8
Bo Government Hospital: 2022	Double payment of rent allowances to two doctors	-	-	-	10,000.00	-	-	-	10,000.00				3.27.3
	Withholding taxes not paid				132,033.00				132,033.00				3.27.4
	Missing assets				11,890.00				11,890.00				3.27.6
District Health Management Team, Bombali:2022	Contracted work not done	-	-	-	37,060.00	-	-	-	37,060.00				3.32.1
	Salary paid to staff not available for physical verification	-	-	-	40,293.00	-	-	-	40,293.00				3.32.4
Ministry of Defence:2022	Fuel not accounted for	-	-	-	19,515.00	-	-	-	19,515.00				3.34.3
	Bank withdrawals without supporting documents	-	-	-	295,398.11	-	-	-	295,398.11				3.34.4
	Allowances paid for overseas training without annual progress report	-	-	-	294,977.29	-	-	-	294,977.29				3.34.5

APPENDIX II
DETAILED ANALYSIS OF IRREGULARITIES WITH FINANCIAL IMPACT ACROSS MINISTRIES AND DEPARTMENTS

Name of MDAs	Details	Total				Financial Years							Paragraph Reference
						2019	2020	2021	2022				
		US\$	€	£	SLE	SLE	SLE	SLE	SLE	US\$	€	£	
Ministry of Defence:2022	Imprest not retired (SLE65,500+ SLE333,680)	-	-	-	399,180.00	-	-	-	399,180.00				3.34.6
	Store items without distribution list	-	-	-	71,271.90	-	-	-	71,271.90				3.34.7
Ministry of Land, Housing & Country Planning: 2022	Revenue not banked	50,000.00	-	-	461,100.00	-	-	-	461,100.00	50,000.00			3.35.2
	Bank withdrawals without supporting documents	-	-	-	805,032.00	-	-	-	805,032.00				3.35.4
	Payments not acknowledged by beneficiaries	-	-	-	341,754.00	-	-	-	341,754.00				3.35.5
	Staff receiving DSA without evidence of work done	-	-	-	367,126.72	-	-	-	367,126.72				3.35.6
	Salary paid to staff that were not available verification	-	-	-	1,397,643.96	-	-	-	1,397,643.96				3.35.8
	Stores items not brought to account	-	-	-	26,650.00	-	-	-	26,650.00				3.35.10
Ministry of Gender and Children's Affairs: 2021-2022	Salary paid to a non-staff				23,094.00				23,094.00				3.41.2
	Bank withdrawals without supporting documents				121,750.00				121,750.00				3.41.3
Ministry of Fisheries and Marine Resources: 2022	Withholding tax not paid to NRA				22,217.17			9,789.17	12,428.00				3.41.4
	Excess payment of DSA to a staff without justification	-	-	-	42,394.73	-	-	-	42,394.73				3.43.1
	Assets not available for verification	-	-	-	153,300.00	-	-	-	153,300.00				3.43.2

APPENDIX II
DETAILED ANALYSIS OF IRREGULARITIES WITH FINANCIAL IMPACT ACROSS MINISTRIES AND DEPARTMENTS

Name of MDAs	Details	Total				Financial Years							Paragraph Reference
						2019	2020	2021	2022				
		US\$	€	£	SLE	SLE	SLE	SLE	US\$	€	£		
Ministry of Works and Public Assets:2022	GST invoices not provided to justify payments made	-	-	-	22,396.00	-	-	-	22,396.00				3.44.3
Ministry of Youth Affairs:2022	Revenue not received from Fishing Groups(SLE365,376.65+SLE1,876,588.81)	-	-	-	2,241,965.00	-	-	-	2,241,965.00				3.45.1
	Bank withdrawals without supporting documents	-	-	-	510,910.00	-	-	-	510,910.00				3.45.3
Ministry of Mines and Mineral Resources: 2022	Sitting fees to Board Members without evidence of meetings held	-	-	-	36,000.00	-	-	-	36,000.00				3.46.1
Ministry of Information and Communica-tions: 2022	Imprest not retired	-	-	-	93,500.00	-	-	-	93,500.00				3.47.2
Ministry of Environment and Climate Change:2021-2022	Short supply of seedlings by Service Providers	-	-	-	1,194,442.00	-	-	-	1,194,442.00				3.48.2
	Imprest not retired	-	-	-	128,800.00	-	-	50,000.00	78,800.00				3.48.5
Ministry of Transport and Aviation: 2022	Contract for the supply of vehicles not executed	-	-	-	1,481,490.00	-	-	-	1,481,490.00				3.49.1
	Work not done in respect of installation of electrical materials	-	-	-	28,750.00	-	-	-	28,750.00				3.49.2

APPENDIX II DETAILED ANALYSIS OF IRREGULARITIES WITH FINANCIAL IMPACT ACROSS MINISTRIES AND DEPARTMENTS													
Name of MDAs	Details	Total				Financial Years							Paragraph Reference
						2019	2020	2021	2022				
		US\$	€	£	SLE	SLE	SLE	SLE	SLE	US\$	€	£	
Ministry of Energy: 2022	Withholding tax not paid	-	-	-	25,170.00	-	-	-	25,170.00				3.50.2
	Bank withdrawals without supporting documents (SLE50,311.70+SLE52,200.00)	-	-	-	102,511.70	-	-	-	102,511.70				3.50.3 & 3.50.4
Ministry of Labour and Social Security:2019-2022	Special imprests not used for its intended purpose and without the approval of MoF	-	-	-	598,000.00	-	598,000.00	-	-	-	-	-	3.51.2
	Withholding taxes not paid to NRA	-	-	-	95,681.44	19,683.01	19,565.91	3,660.00	52,772.52	-	-	-	3.51.3
	Fixed Assets not available for physical inspection	-	-	-	563,150.00	64,900.00	30,300.00	430,350.00	37,600.00	-	-	-	3.51.5
	Payments without evidence of assets coding	-	-	-	15,600.00	-	-	-	15,600.00	-	-	-	3.51.5
	Payments to non-registered persons under the Safety Net Scheme	-	-	-	18,000.00	-	9,750.00	8,250.00	-	-	-	-	3.51.4
Ministry of Political and Public Administration : 2021-2022	Excess payment of salaries to staff	-	-	-	176,051.00	-	-	51,779.00	124,272.00	-	-	-	3.52.2
Ministry of Tourism and Cultural Affairs: 2022	Bank withdrawals without supporting documents (SLE464,759.03+SLE40,000+SLE51,790)	-	-	-	556,549.03	-	-	-	556,549.03	-	-	-	3.53.2

APPENDIX II DETAILED ANALYSIS OF IRREGULARITIES WITH FINANCIAL IMPACT ACROSS MINISTRIES AND DEPARTMENTS													
Name of MDAs	Details	Total				Financial Years							Paragraph Reference
						2019	2020	2021	2022				
		US\$	€	£	SLE	SLE	SLE	SLE	US\$	€	£		
Cabinet Secretariat: 2022	Bank withdrawals without supporting documents	-	-	-	89,612.00	-	-	-	89,612.00	-	-	-	3.55.2
	Payment for food allowance to staff without justification	-	-	-	253,400.00	-	-	-	253,400.00	-	-	-	3.55.3
Judiciary of Sierra Leone(HQ): 2022	Salary advances not recovered	-	-	-	155,600.00	-	-	-	155,600.00	-	-	-	3.56.1
Office of The President: 2022	Bank withdrawals without supporting documents	-	-	-	22,570,463.00	-	-	-	22,570,463.00	-	-	-	3.58.1
	Special imprest not retired	97,000.00	10,000.00	-	-	-	-	-	-	97,000.00	10,000.00	-	3.58.2
Office of The Vice President:2022	Withholding taxes not paid to NRA	-	-	-	32,123.06	-	-	-	32,123.06	-	-	-	3.59.2
Office of the Chief Minister: 2022	Non-compliance with guideline on internship placement	-	-	-	92,800.00	-	-	-	92,800.00	-	-	-	3.60.1
	Signed beneficiary list not submitted to support payments	-	-	-	78,200.00	-	-	-	78,200.00	-	-	-	3.60.2
Sierra Leone Immigration Department: 2022	Unpaid royalty from passport production	429,627.00	-	-	-	-	-	-	-	429,627.00	-	-	3.61.2
Sub-Total for Ministries and Departments (B)		969,442.57	39,526.42	4,746.06	99,861,449.23	84,583.01	657,615.91	553,828.17	98,565,422.14	969,442.57	39,526.42	4,746.06	
Grand Total(A+B)		969,442.57	39,526.42	4,746.06	139,586,212.23	84,583.01	657,615.91	553,828.17	138,290,185.14	969,442.57	39,526.42	4,746.06	

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APPENDIX III DETAILED ANALYSIS OF IRREGULARITIES WITH FINANCIAL IMPACT ACROSS DIPLOMATIC MISSIONS												
Name of Embassy	Details	Total	2014	2015	2016	2017	2018	2019	2020	2021	2022	Paragraph Reference:
		US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	
Sierra Leone Embassy in the Republic of Türkiye -	Medical expenses not retired	93,840	-	-	-	-	-	-	-	45,640	48,200	3.6.4
March 2020 to December 2022	Loan not recovered	11,310	-	-	-	-	-	-	11,310	-	-	3.6.3
Sierra Leone Embassy in Geneva,	Unclaimed Salaries not paid back into the consolidated fund	156,432	39,108	39,108	39,108	39,108	-	-	-	-	-	3.8.3
Switzerland: 1st January 2012 to 31st December, 2022	Consular fees not accounted for	21,163	-	-	-	19,537	-	-	1,626	-	-	3.8.2
Sierra Leone Embassy in Iran: 1st January 2015 - 31st December 2022	Consular fees not accounted for	6,500	-	-	2,450	3,150	750	-	-	-	150	3.9.4
	Bank withdrawals without supporting documents	18,900	-	-	-	-	-	5,200	4,900	4,400	4,400	3.9.7
	Total	1,823,068.74	447,886.48	285,144.71	241,134.71	271,488.72	86,007.48	82,546.88	189,186.88	110,904.88	108,768.00	

APPENDIX IV DETAILED ANALYSIS OF IRREGULARITIES WITH FINANCIAL IMPACT ACROSS LOCAL COUNCILS			
Name of Council	Details	Amount SLE	Table/Paragraph Reference
Bo District	Withholding tax not paid to NRA	67,889.00	4.4.1
Bombali District	Salary paid to staff not available to physical verification	7,260.00	4.7.1
	Payments for work not done	96,544.00	4.8.1
Bonthe District	Revenue not accounted for	42,439.69	4.3.2
Bo City	Revenue not accounted for	42,924.00	4.3.2
	Payments for work not done	363,760.55	4.8.1
Falaba District	Fuel not accounted for	102,376.00	4.6.1
	Withholding tax not paid to NRA	65,250.00	4.4.1
	Payments for work not done	29,470.00	4.8.1
	Payments for goods not delivered	66,112.00	4.8.1
Freetown City	Withholding tax not paid to NRA	177,313.00	4.4.1
	PAYE not paid to NRA	284,132.33	4.4.1
	Difference between framework contract and invoice prices	335,425.00	4.8.5
Kailahun District	Assets not available for physical verification	385,960.00	4.6.2
	Withholding tax not paid to NRA	126,942.00	4.4.1
	Payments without supporting documents	151,352.00	4.5.1
Kambia District	Transportation allowances and sitting fees paid to absentee councillors	251,725.00	4.5.2
	Double payment of transportation allowances and sitting fees to councillors	14,900.00	4.5.2
	Assets not available for physical verification	60,953.60	4.6.2
	Fuel not accounted for	448,535.00	4.6.1
	Payments for devolved sector activities not brought to account	54,555.00	4.5.2
	Under payments of salaries to School Bus Conductors	12,000.00	4.7.2
	Withholding tax not paid to NRA	16,098.00	4.4.1
	PAYE not paid to NRA	2,049.84	4.4.1
Kenema District	Payments for work not done	2,004,838.00	4.8.1
	Assets not available for physical verification	274,430.00	4.6.2

APPENDIX IV DETAILED ANALYSIS OF IRREGULARITIES WITH FINANCIAL IMPACT ACROSS LOCAL COUNCILS			
Name of Council	Details	Amount SLE	Table/Paragraph Reference
Karene District	Revenue not accounted for	52,112.00	4.3.2
	Fuel not accounted for	284,950.00	4.6.1
	Ineligible expenditure	91,840.00	4.5.2
	Withholding taxes not paid to NRA	222,811.25	4.4.1
	PAYE not paid to NRA	1,344.00	4.4.1
	Payments without support documents	119,127.50	4.5.1
	Payments for work not done and services not rendered	313,858.00	4.8.1
Kono District	Revenue not accounted for	146,619.00	4.3.2
	Withholding taxes not paid to NRA	54,927.34	4.4.1
Koidu New Sembehun City	Withholding taxes not paid to NRA	153,951.00	4.4.1
Makeni City	Salaries paid to absentee staff	52,538.18	4.7.1
Moyamba District	Assets not available for physical verification	55,000.00	4.6.2
	Sitting allowances to Ward Development Committees without evidence of meeting	6,000.00	4.5.2
Port Loko District	Transportation allowances and sitting fees paid to absentee councillor	14,940.00	4.5.2
	Payments for work not done	1,405,679.00	4.8.1
Port Loko City	Withholding taxes not paid to NRA	261,292.65	4.4.1
	Fictitious payments of rents allowance to two core staff	14,500.00	4.5.2
	Fuel not accounted for	27,942.00	4.6.1
	Payments for work not done	199,673.75	4.8.1
Tonkolili District	Payments for devolved sector activities not brought to account	561,294.00	4.5.2
	Assets not available for physical verification	11,250.00	4.6.2
	Withholding taxes not paid to NRA	91,760.00	4.4.1
	Payments without supporting documents	43,000.00	4.5.1
	Fictitious payments for the purchase of EDSA prepaid charges	50,000.00	4.5.2
	Salaries paid to absentee staff	19,875.00	4.7.1
	Payments for services not rendered	25,500.00	4.8.1

APPENDIX IV DETAILED ANALYSIS OF IRREGULARITIES WITH FINANCIAL IMPACT ACROSS LOCAL COUNCILS			
Name of Council	Details	Amount SLE	Table/Paragraph Reference
	Alleged payment of salary to staff	1,500.00	4.7.3
Western Area Rural District	Assets not available for physical verification	32,000.00	4.6.2
	Revenue not accounted for	36,943.00	4.3.2
	Payments for work not done	100,000.00	4.8.1
Total		9,937,461.68	