

## **TRANSMITTAL LETTER**

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**18 June 2024**

Dear Rt. Hon. Speaker,

### **REPORT OF THE AUDITOR-GENERAL ON THE PUBLIC ACCOUNTS OF GHANA - TECHNICAL UNIVERSITIES AND COLLEGES OF EDUCATION FOR THE YEAR ENDED 31 DECEMBER 2023**

I have the honour to submit my audit report on the Public Accounts of Ghana, Technical Universities and Colleges of Education, in accordance with Article 187 (5) of the 1992 Constitution of the Republic of Ghana and Section 20 (1) of the Audit Service Act, 2000 (Act 584).

2. This report is a consolidation of the significant findings and recommendations emanating from our routine audits of the 10 Technical Universities and 46 Colleges of Education in the country and covers the period 1 January to 31 December 2023.

3. The report is in three parts: Part I provides overall summary of significant findings and recommendations. Part II gives summary of findings and recommendations according to each Technical University and College of Education, while Part III provides details of findings and recommendations.

4. In line with Section 20 of the Audit Service Act, 2000 (Act 584), significant irregularities arising from the audit have been highlighted in the report. We have also drawn attention to instances of non-compliance with financial and other regulations. On each issue raised, we have provided recommendations which if implemented, could help reduce the incidence of the irregularities.

5. I am grateful to the Vice Chancellors of the Technical Universities, Principals of the Colleges of Education, Directors of Finance, and staff of the Technical Universities and the Colleges of Education for the cooperation and support accorded my staff during the audit.

6. I also acknowledge the contribution of the Public Accounts Committee of Parliament for reviewing my reports and ensuring that my recommendations are enforced to enhance better public financial management.

Yours faithfully,



**JOHNSON AKUAMOAH-ASIEDU  
AUDITOR-GENERAL**

**THE RT. HON. SPEAKER  
OFFICE OF PARLIAMENT  
PARLIAMENT HOUSE  
ACCRA**

**DR HILLA LIMAN TECHNICAL UNIVERSITY, WA**

341. This report relates to the audited financial statements of Dr. Hilla Liman Technical University, Wa for the year ended 31 December 2023.

**Financial Performance**

342. The University ended the year with a deficit of GH¢1,294,632 as compared with a deficit of GH¢3,337,289 recorded in 2022. The details of the University's performance indicators for the year are presented in table 43.

**Table 43 Statement of Financial Performance for the year ended 31 December 2023**

Income/Expenditure	2023	2022	Incr./ (De r.)	%
	GH¢	GH¢	GH¢	change
Government Subvention	30,988,861	29,362,724	1,626,137	5.5
IGF & Other Income	4,665,998	3,128,970	1,537,028	49.1
<b>Total Income</b>	<b>35,654,859</b>	<b>32,491,694</b>	<b>3,163,165</b>	<b>9.7</b>
<b>Expenditure</b>				
Compensation of Employees	31,032,580	29,386,508	1,646,072	5.6
Goods and Services	5,916,911	6,442,475	(525,564)	(8.2)
<b>Total Expenditure</b>	<b>36,949,491</b>	<b>35,828,983</b>	<b>1,120,508</b>	<b>3.1</b>
<b>Surplus / Deficit</b>	<b>(1,294,632)</b>	<b>(3,337,289)</b>	<b>2,042,657</b>	<b>61.2</b>

343. Total income increased by 9.7% to GH¢35,654,859 in 2023 from GH¢32,491,694 in 2022 due to increases in government subvention and internally generated funds and other income.

344. Total expenditure increased by 3.1% to GH¢36,949,491 in 2023 from GH¢35,828,983 in 2022 and this was due to an increase in compensation of employees.

### **Financial Position**

345. The summary of the University's financial position as at 31 December 2023 is presented in table 44.

**Table 44: Statement of Financial Position as at 31 December 2023**

<b>Assets/Liabilities</b>	<b>2023</b>	<b>2022</b>	<b>Incr./ (Decr.)</b>	<b>% hange</b>
	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	
Non- Current Assets	18,778,994	18,409,543	369,451	2.0
Current Assets	2,635,130	1,793,932	842,198	46.9
Total Assets	21,415,124	20,203,475	1,211,649	6.0
<b>Liabilities</b>				
Current Liabilities	5,174,506	2,668,224	2,506,282	93.9
Total Liabilities	5,174,506	2,668,224	2,506,282	93.9
Net Assets	16,240,618	17,535,251	1,294,633	(7.4)
Current ratio	0.5:1	0.7:1		

346. Non-current assets increased by 2.0% to GH¢18,778,994 in 2023 from GH¢18,409,543 in 2022 due to the acquisition of additional property, plant and equipment during the year.

347. Current assets also increased by 46.9% to GH¢2,636,130 in 2023 from GH¢1,793,932 in 2022 and this was mainly attributed to an increase in receivables.

348. Current liabilities increased by 93.9% to GH¢5,174,506 in 2023 from GH¢2,668,224 in 2022 largely due to an increase in accrued expenses.

349. The current ratio declined to 0.5:1 in 2023 (2022: 0.7:1), indicating that the University would not be capable of meeting its short-term financial obligations.

### **MANAGEMENT ISSUES**

#### **Unearned salary- GH¢8,314**

350. Regulation 92 of the Public Financial Management Regulations, 2019 (L. I. 2378) states that, “the Principal Spending Officer of a covered entity shall ensure the immediate stoppage of payment of salary to public servants and notify the Controller and Accountant-General on the death, conviction and sentence to imprisonment, dismissal or relief of post, leave without pay, vacation of post, and resignation or retirement of an employee.” It further states that, “the head of the covered entity shall take the necessary action to retrieve any unearned compensation occasioned by any of the occurrences listed.”

351. We noted that Michael Gbegble, an Assistant Lecturer who retired on 29 June 2023 was paid an unearned salary of GH¢8,314.29 for the month of July 2023. The details are provided in table 45.

**Table 45: Payment of Unearned Salary – GH¢8,314.**

<b>Name</b>	<b>Rank</b>	<b>Staff No</b>	<b>Monthly Basic Salary- GH¢</b>	<b>Allowance</b>	<b>Total Gross-A</b>	<b>Less Tax-B</b>	<b>Add 13.5%-C</b>	<b>Total Unearned-A-B+C</b>
Michael Gbegble	Assistant Lecturer	767212	4,987.77	4,619.38	9,607.15	1,966.21	673.35	8,314.29

352. The above anomaly resulted in the loss of GH¢8,314.29 to the State.

353. We recommended that Management should recover the unearned salary of GH¢8,314.29 from Michael Gbegble and pay same into the Auditor-General’s Recoveries Account at Bank of Ghana, account number 1018331470015.

**Management Response**

354. Management has taken note of the observation and would act accordingly. Michael who is deceased now is yet to be paid his end of service benefit so Management would take part of his end of service benefit to settle the unearned salary and same paid into the Auditor’s General Recoveries account.

**Overpayment of allowances – GH¢11,256**

355. Regulation 86 of the Public Financial Management Regulations, 2019 (L. I. 2378) states that, “the Principal Spending Officer shall keep records of the nominal roll of the respective covered entity in a manner that ensures that the correct amount of emolument is paid.”

356. We noted that Management paid Dr. Tetteh Nicolas Addo responsibility and entertainment allowances totalling GH¢92,004.00 instead of GH¢80,748 for the period January 2023 to December 2023 resulting in an overpayment of GH¢11,256.00. The details are provided in table 46.

**Table 46 Overpayment of allowances – GH¢ 11,256**

Name	Role	Type of Allowance	Period	No. of Months	Amount Due Per Month	Amount Paid Per Month	Total Amount Due	Total Amount Paid	Overpayment
					GH¢	GH¢	GH¢	GH¢	GH¢
Dr. Tetteh Nicolas Addo's	Vice Dean	Responsibility Allowance	Jan 2023 - May 2023	5	4,461.00	5,576.00	22,305.00	27,880.00	5,575.00
		Entertainment Allowance	Jan 2023 - May 2023	5	1,673.00	2,091.00	8,365.00	10,455.00	2,090.00
	Director, International Relations and Collaborations	Responsibility Allowance	June 2023 - Dec. 2023	7	5,203.00	5,576.00	36,421.00	39,032.00	2,611.00
		Entertainment Allowance	June 2023 - Dec. 2023	7	1,951.00	2,091.00	13,657.00	14,637.00	980.00
<b>Total</b>							<b>80,748.00</b>	<b>92,004.00</b>	<b>11,256.00</b>

357. The anomaly resulted in a loss of GH¢11,256.00 to the State.

358. We recommended that Management should recover the overpayment of GH¢11,256.00 from Dr. Tetteh Nicolas Addo and pay same into the Auditor-General’s Recoveries Account at Bank of Ghana, account number 1018331470015.

### **Management Response**

359. Management has already written to the affected staff to make the refund. A follow up would be done.

### **Students Indebtedness – GH¢1,205,095**

360. Regulation 32 of the Public Financial Management Regulations, 2019 (L.I. 2378) provides that, “a Principal Spending officer of a covered entity shall take efficient and appropriate steps to collect money due to the covered entity.”

361. We noted that 812 students were indebted to the University to the tune of GH¢1,205,095.43 as at 31 December 2023. This represented an increase of 56.6% (GH¢435,743.43) over 2022 students debtors’ figure of GH¢769,352.00. The details are provided in table 47.

**Table 47: Students Indebtedness – GH¢1,205,095**

Faculties/Schools	Number of Students	Amount Outstanding GH¢	Aged of Debt	
			12 months to 23 months	24 months and above
School of Business	232	280,128.70	249,110.19	31,018.51

362. The above condition deprived the University of funds needed to support its activities.

363. We recommended to Management to recover the outstanding amount of GH¢1,205,095.43 from the affected students and provide evidence for audit verification.

### **Management Response**

364. Management has put in place very stringent measures to recover the outstanding debts of students. There is a policy where the students debtors list is published two weeks before the commencement of examinations. No student is allowed to sit for examination if he or she owes the University.

School of Engineering	146	238,532.44	217,599.62	20,932.62
School of Applied Science	371	622,894.60	497,639.42	125,255.18
School of Applied Art	63	63,539.69	52,005.51	11,534.18
<b>Total</b>	<b>812</b>	<b>1,205,095.43</b>	<b>1,016,354.74</b>	<b>188,740.49</b>



**Outstanding liability – GH¢1,860,666.**

365. Section 7 of the Public Financial Management Act, 2016 (Act 921) states that, “a Principal Spending Officer shall, in the exercise of duties under this Act, establish an effective system of risk management, internal control and internal audit in respect of the resources and transactions of a covered entity.”

366. Regulation 78 of the Public Financial Management Regulations, 2019 (L.I. 2378) requires that, “a principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of the covered entity, that there is a sufficient unspent amount of an appropriation for making the payment.”

367. We noted that the University was indebted to suppliers to the tune of GH¢1,860,666.42 for various items supplied for periods ranging between 12 and 48 months as at the time of our audit. The details are provided table 48.

**Table 48: Outstanding liability – GH¢1,860,666**

S/n	Name of Contractor	Date of Contract	Contract Description	Contract Amount-GH¢	Date of contract Delivery	Contract sum delivered-A	Aged of Indebtedness	Remarks	Funding source
1	Kingdom Books and Stationery Ltd	22/12/2020	Supply and Delivery of office and library Equipment (Lot 1) office furniture, cabinets and other Accessories	1,485,382.00	22/12/2022	906,000.00	12 months	Partially Delivered	GETFund
2	IPMC	22/12/2020	Supply and Delivery of office and Library Equipment (Lot 2) office equipment computers and Accessories	687,682.15	30/04/2021	666,266.42	32 months	Complete delivery	GETFund
2	Sparkx SM Ghana Ltd	11/5/2020	Supply and delivery of vehicle (15-seater Minibus Super roof (Lot 2)	288,400.00	21/10/2020	288,400.00	48 months	Complete delivery	GETFund
<b>Total</b>				<b>2,461,464.15</b>		<b>1,860,666.42</b>			

368. The University's continuous indebtedness to these suppliers could result in legal actions and the payment of judgement debts.

369. We recommended to Management to liaise with GTEC and GETFund to settle the debts to forestall any legal actions against the University.

### Management Response

370. Management would make the necessary follow up at GETFUND.

<b>Income/Expenditure</b>	<b>2023</b>	<b>2022</b>	<b>Incr./ (Decr.)</b>	<b>%</b>
	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>Change</b>
Non-Tax Revenue	18,959,996.72	16,485,356.99	2,474,639.73	15.0
Government Grants	80,523,114.90	63,894,798.27	16,628,316.63	26.0
Finance Income	2,362.96	5,426.41	(3,063.45)	(56.5)
<b>Total Income</b>	<b>99,485,474.58</b>	<b>80,385,581.67</b>	<b>19,099,892.91</b>	<b>23.8</b>
<b>Expenditure</b>				
Compensation of Employees	83,163,017.27	65,005,550.92	18,157,466.35	27.9
Goods & Services	12,108,329.45	9,824,325.90	2,284,003.55	23.2
Finance Cost	590,234.84	358,208.71	232,026.13	64.8
Specialized Expenses	1,025,530.60	521,277.43	504,253.17	96.7
Grant	644,027.47	631,307.49	12,719.98	2.0
Consumption of Fixed Assets	1,043,412.93	587,608.26	455,804.67	77.6
<b>Total Expenditure</b>	<b>98,574,552.56</b>	<b>76,928,278.71</b>	<b>21,646,273.85</b>	<b>28.1</b>
<b>Surplus/(Deficit)</b>	<b>910,922.02</b>	<b>3,457,302.96</b>	<b>(2,546,380.94)</b>	<b>(73.7)</b>

373. Total income increased by 23.8% to GH¢99,485,474.58 in 2023 from GH¢80,385,581.67 in 2022 mainly due to an increase in government grants.