



OFFICE OF THE
AUDITOR GENERAL

SIMPLIFIED REPORT OF THE AUDITOR GENERAL



On the Accounts of the
Republic of Zambia
for the Financial Year
ended 31st December 2023



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This publication is a collaboration between the Public Relations Unit of the Office of the Auditor General (OAG) and the Transparency International Zambia (TI-Z) team, with the support of the Collaboration Action and Dialogue to Strengthen the Engagement of SAIs and CSOs in Improving Public Financial Management (CADRE) project.



This publication was made possible with the support of our partners:





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FOREWORD



It is my pleasure to present the Simplified Report of the Auditor General on the Accounts of the Republic for the financial year ended 31st December 2023.

The objective of this report is to provide our various stakeholders, a simplified version of the audit report to enable easy understanding through short narratives, cartoons and graphical presentation. My Office is aware of the stakeholder concerns with regard to the technical language contained in the audit reports and therefore, this report simplifies the audit report on the 2023 accounts of the Republic.

The report provides a snapshot of the audit findings on the revenue and expenditure incurred by the Ministries, Provinces and Agencies (MPAs) against the national budget. The presentation has taken a sector approach so as to give context in terms of accountability and transparency in the respective sectors.

It is therefore my considered view, that this report will be beneficial to all our stakeholders.

Further, I wish to express my gratitude to the Ministry of Foreign Affairs of France for the financial support; INTOSAI Development Initiative (IDI) for the coordination in the production of this report; and Transparency International Zambia for the collaboration.

As an Office, we remain committed to conducting audits that promote accountability, transparency and good governance. In the same line, I encourage you to complete the evaluation form provided through a link at the back of this report. This feedback will help us to improve our audit processes, and the quality of audit reports produced.

A handwritten signature in black ink, appearing to read 'Ron M. Mwambwa', written over a horizontal line.

Dr. Ron M. Mwambwa, FCMA, FZICA, CGMA, CFE
ACTING AUDITOR GENERAL



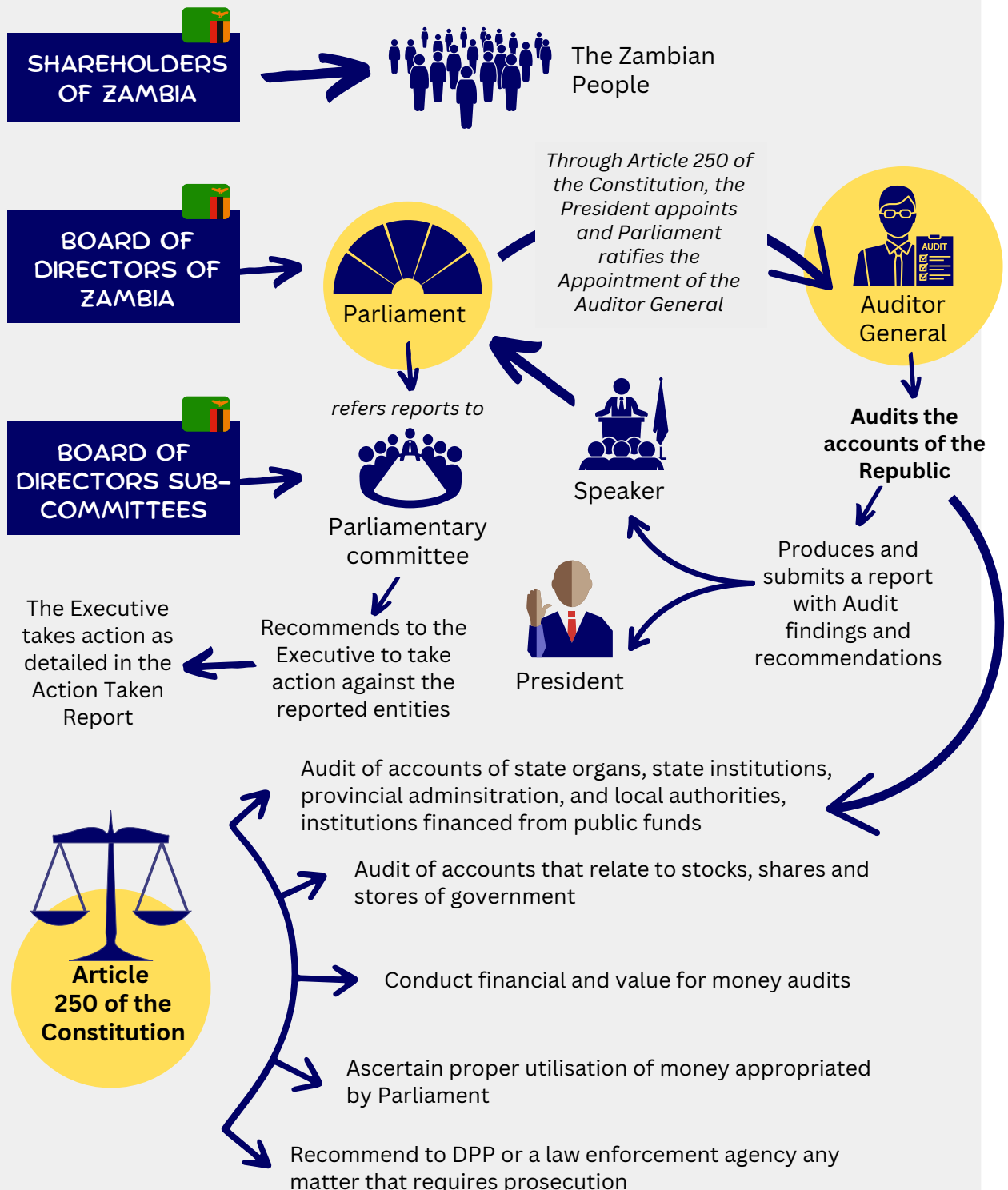
ACRONYMS

AG	Auditor General
DPP	Director of Public Prosecutions
GOVT	Government
HR	Human Resources
IDI	INTOSAI Development Initiative
INTOSAI	International Organisation of Supreme Audit Institutions
MPAs	Ministries, Provinces and Agencies
NRC	National Registration Card
OAG	Office of the Auditor General
OMCs	Oil Marketing Companies
OP	Office of the President
SCT	Social Cash Transfer
VAT	Value Added Tax
ZCS	Zambia Correctional Service
ZISPIS	Zambia Integrated Social Protection Information System

MANDATE

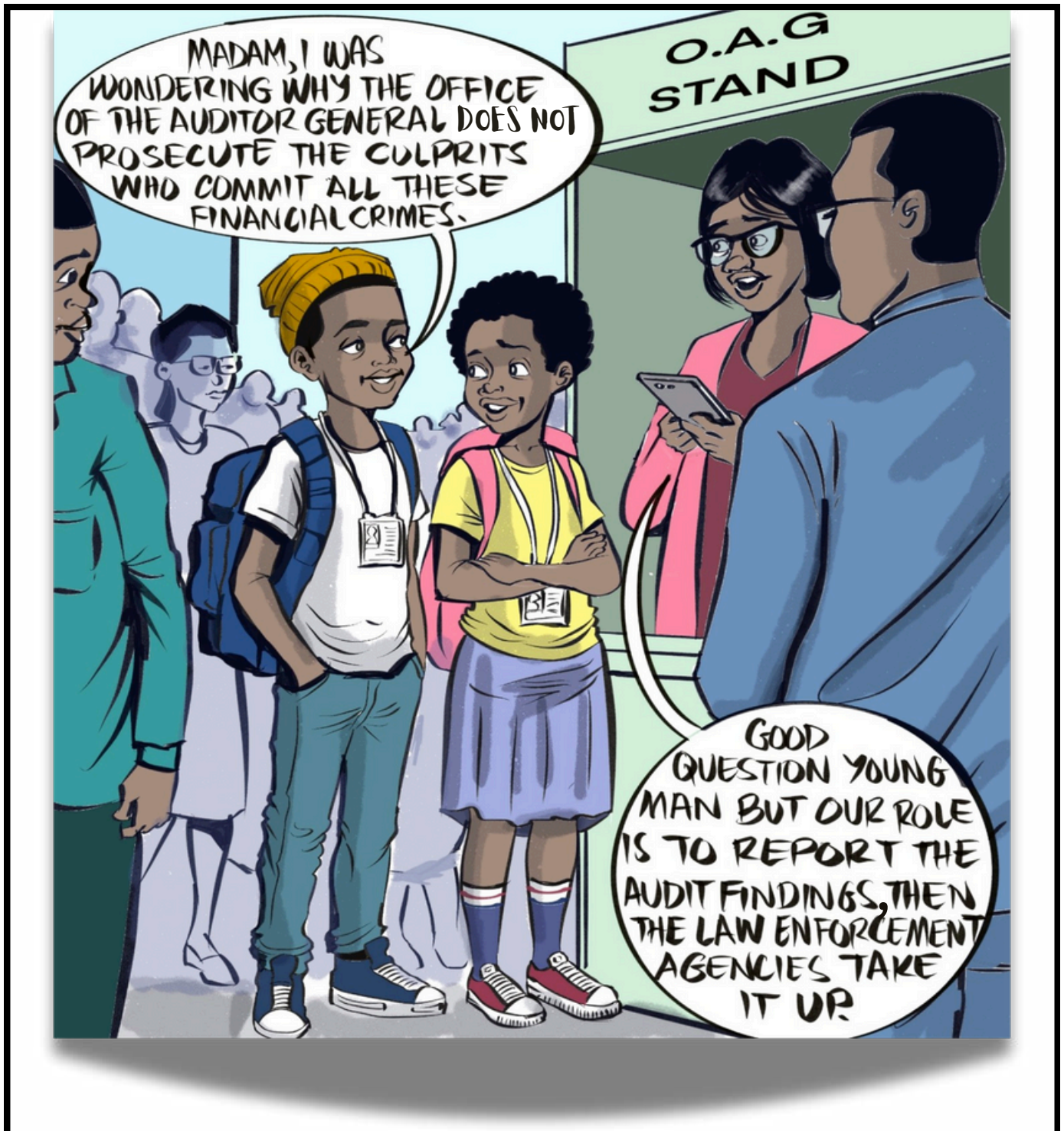
The mandate of the Auditor General is to audit public resources and is derived from Article 250 (1) of the Constitution of Zambia (Amendment) Act No. 2 of 2016, the Public Audit Act No. 8 of 1980 and the Public Finance Management Act No. 1 of 2018.

HOW DOES AN AUDIT COME TO LIFE?



ROLE OF THE AUDITOR GENERAL

The role of the Auditor General is to provide oversight in the management of public resources in order to assure the public that the resources are being utilised for the intended purpose and there is value for money. The Auditor General provides audit services to Ministries, Provinces, and Agencies (MPAs) as well as any institution that is financed from public funds.



VALUE AND BENEFITS OF THE OAG

Our work is guided by the following principles:



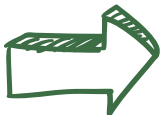
ONGOING RELEVANCE

We're here for the people, ensuring government actions **matter to YOU**.



LEADING BY EXAMPLE

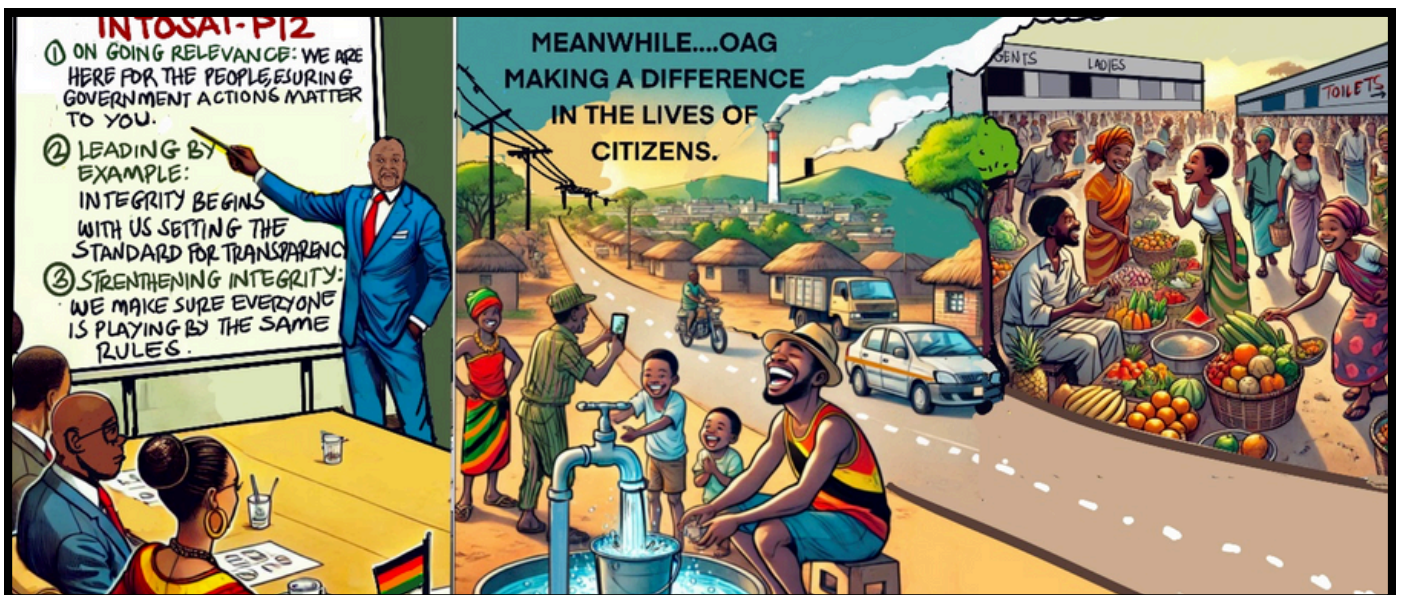
Integrity **begins with us**—setting the standard for transparency.



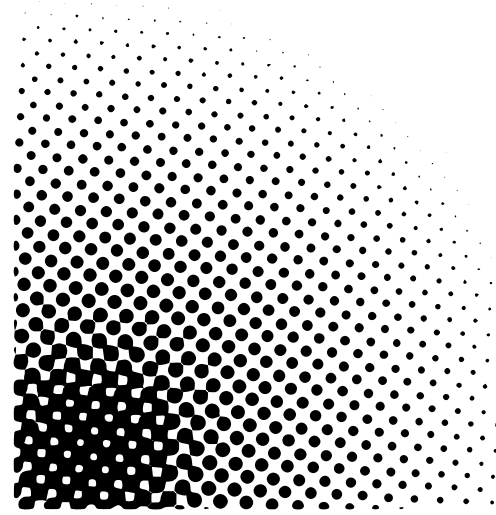
STRENGTHENING INTEGRITY

We make sure everyone is playing by the **same rules**.

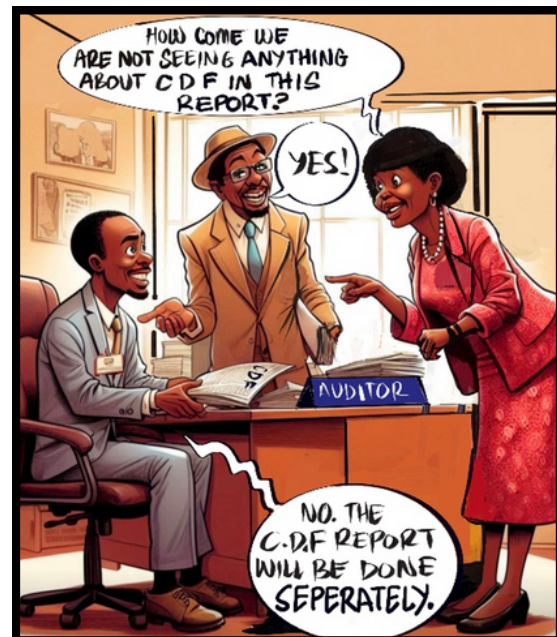
This is how we seek to contribute to Zambia's development and effect positive change. The impact of our work has implications on every sector of society.



SCOPE OF THE AUDIT



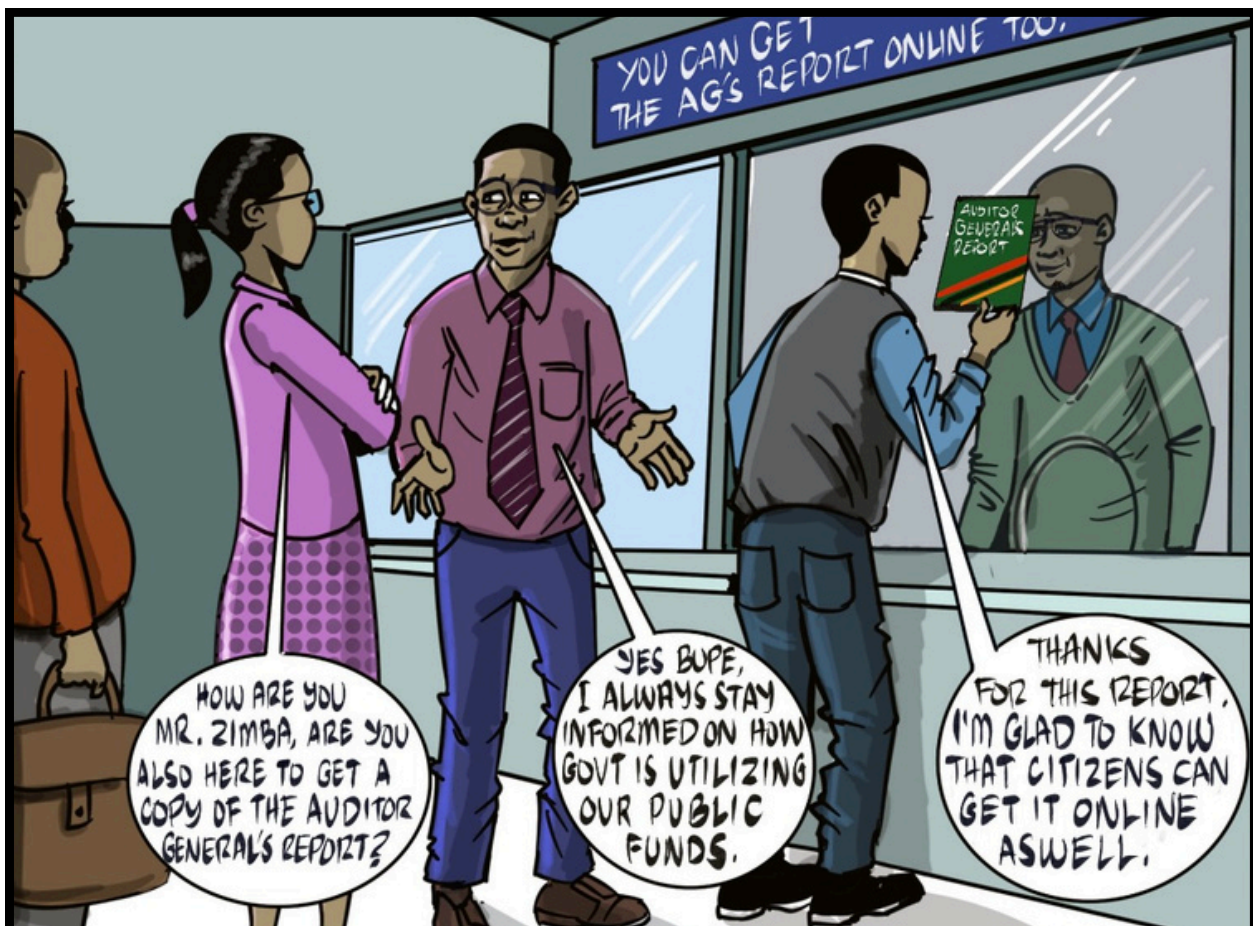
The audit scope covered the accounts and records of Ministries, Provinces and Agencies (MPAs) and other institutions financed from public funds for the financial year ended 31st December 2023. The report on the audits of the Constituency Development Fund (CDF) will be produced separately in line with Section 13 (3) of the Constituency Development Fund Act No. 11 of 2018. This Act has since been repealed and replaced with the Constituency Development Fund Act No. 1 of 2024 which has the same provision under Section 20 (3).



HOW CITIZENS CAN USE THE AG'S REPORT

The citizens can utilise the Auditor General's Report in various ways, and these include the following:

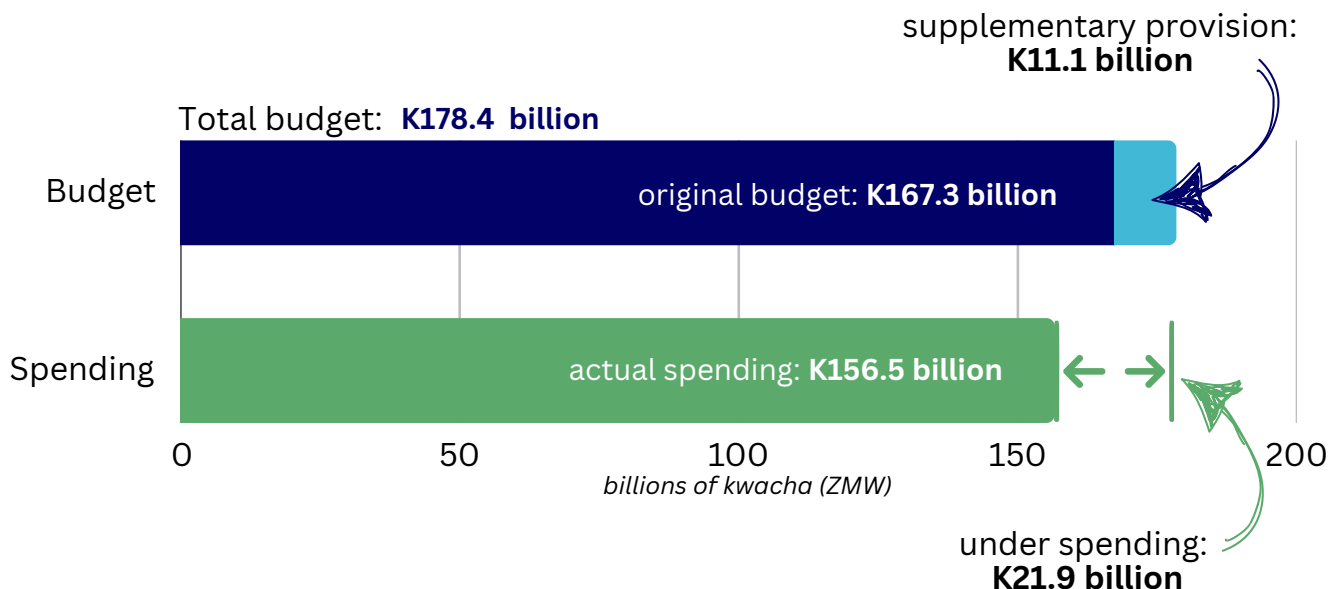
“ Overall, the Auditor General's Report empowers citizens to play an active role in promoting accountability, transparency, and good governance not only in their respective communities but the country at large. ”





BUDGET vs ACTUAL EXPENDITURE

The total original budget for 2023 was K167.3 billion. Then, during the year, there was a supplementary provision of K11.1 billion bringing the total final budget amount to **K178.4 billion**. The actual spending for the year was **K156.5 billion**, resulting in an **under spending of K21.9 billion**.



BRUSHING UP ON THE BASICS

The BUDGET is the plan that Ministries and government departments make each year to determine how much money they will need to fund their activities. It is an estimate!

The ACTUAL EXPENDITURE refers to the actual amount of money that Ministries and government departments spend during the year on their activities and programmes.

- It may be different from the budget since there can be last minute changes to activities or costs.
- A small change is normal. A big change may signal that there were some problems, either in the way the budget was calculated, or in the way the money was spent.

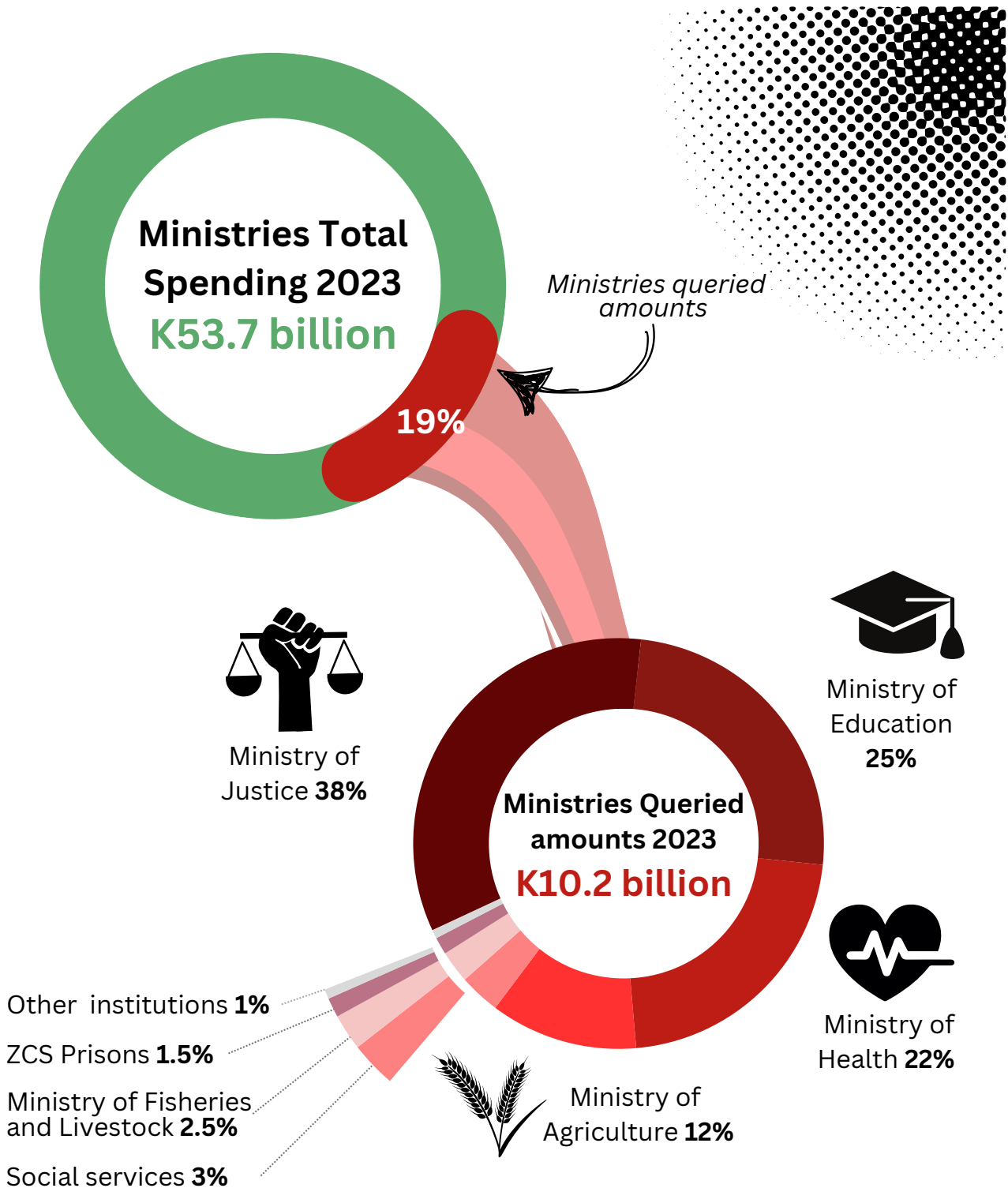


During an audit, **the QUERIED AMOUNT (or QUERY)** represents an amount of the expenditure that raises concerns, for instance about its accuracy, completeness, compliance, or proper documentation.

- The auditors while doing their job, may notice some suspicious activities and decide to look into them to see if everything was done “by the book.”
- The queried amount is not necessarily a mistake, but it represents an issue where the auditor seeks further clarification. It’s like ringing an alarm!

EXPENDITURE vs QUERY

Sampled Ministries were allocated a budget of **K70.3 billion** in 2023, and actual expenditure amounted to **K53.7 billion**, resulting in an under spending of K16.6 billion (equivalent to 76% of the total underspending for 2023). An amount of **K10.2 billion** was queried in 2023, accounting for **19%** of Ministries' total expenditure for 2023.



EXPENDITURE vs QUERY



QUERIED AMOUNT MAY BE HIGHER THAN EXPENDITURES DUE TO OUTSTANDING BILLS FROM PREVIOUS YEARS

WHO SPENT WHAT, AND HOW?

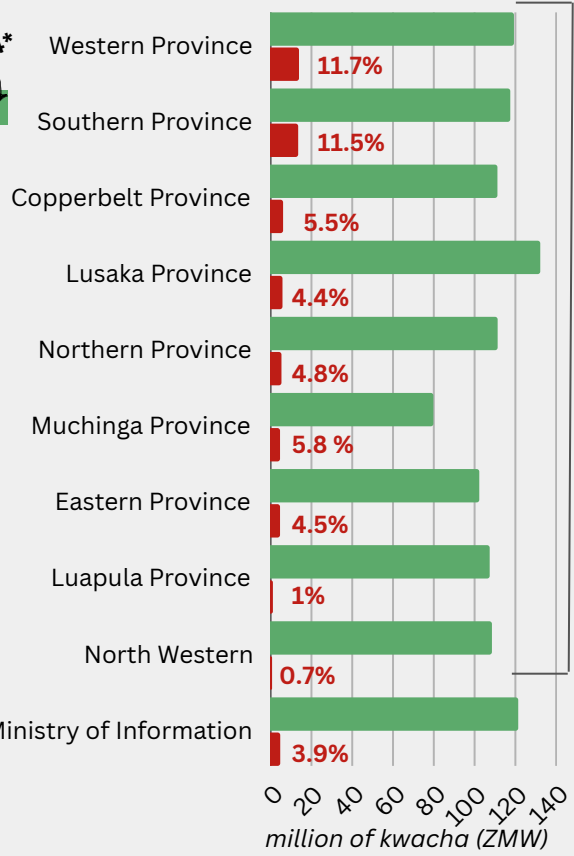
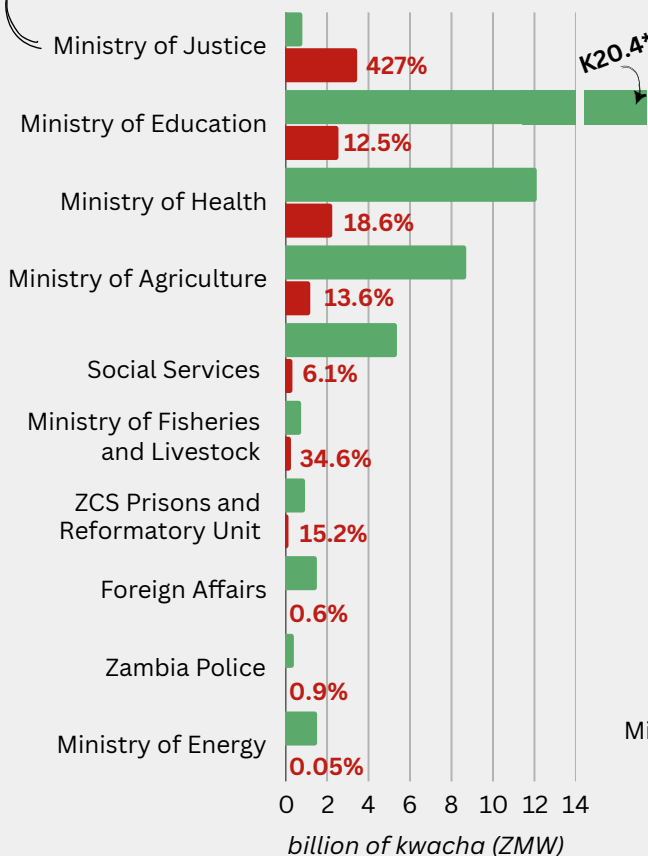
Below you can see, for each institution, the actual expenditure (green) and the queried amount (red).

The institutions on the left column are those with the highest expenditures. Data is presented in **billions** of kwacha!

Those on the right column have lower levels of expenditures. Data is presented in **millions** of kwacha.

Close to the queried amount (red), you find the portion of queried amounts as percentage (%) of total expenditure for each institution.

**Total expenditure for Ministry of Education is K20.4 billion, beyond the reach of this graph.*



Office of the President

WEAKNESSES IN INTERNAL CONTROLS AND EFFECTS

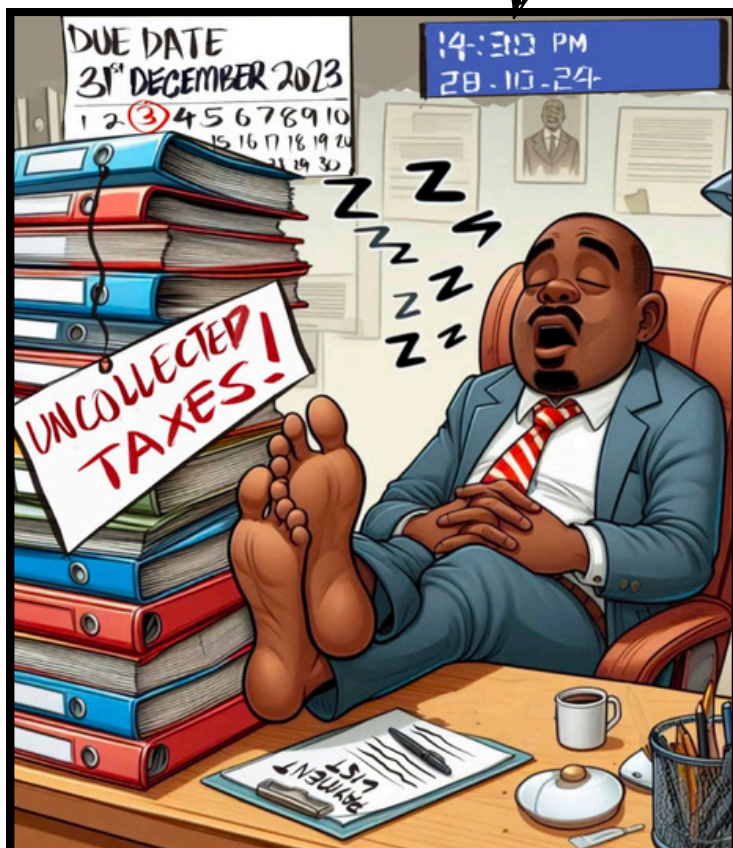
The report highlights weaknesses in internal controls as stated below:

1 FAILURE TO ADHERE TO PROCUREMENT PROCEDURES

There were numerous instances where procurement regulations were not followed.

2 FAILURE TO COLLECT GOVERNMENT REVENUE

Various MPAs were found to be inefficient in the way revenue is collected due to poor enforcement of financial regulations and inadequate tracking mechanisms



3

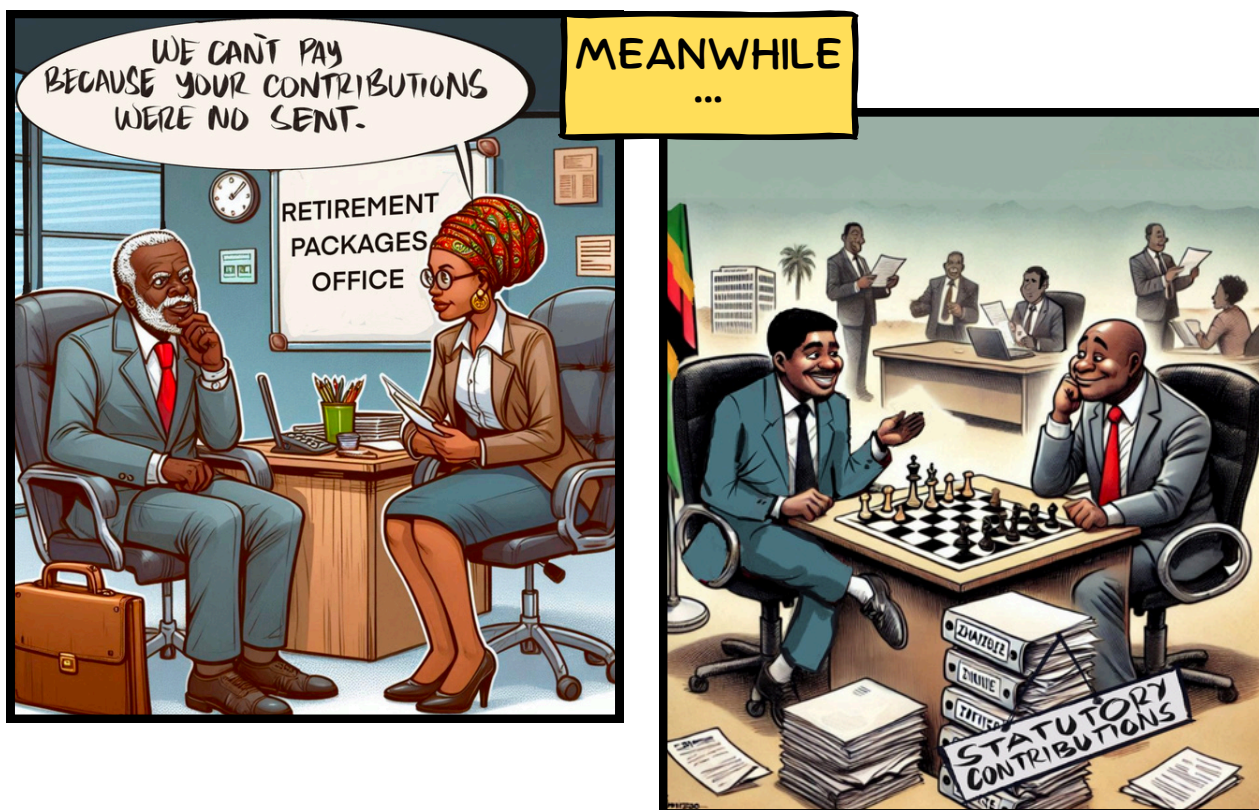
INADEQUATE UPDATING AND RECONCILIATION OF THE ESTABLISHMENT REGISTER AND STAFF ASSIGNMENTS

There was failure to regularly update staff records which caused inconsistencies between actual staff placement and payroll assignments, effectively hindering the effective and efficient utilization of human resources among the various MPAs.

WEAKNESSES IN INTERNAL CONTROLS AND EFFECTS

4 FAILURE TO REMIT STATUTORY CONTRIBUTIONS

MPAs were found to be defaulting on remitting statutory contributions such as pension payments and taxes.



5 NON-COMPLIANCE WITH GOVERNMENT CIRCULARS AND REGULATIONS

There was a general failure to follow Government circulars and guidelines such as the Terms and Conditions of Service for the Public Service, Financial Regulations and Public Stores Regulations. For example, it was noted that there was:

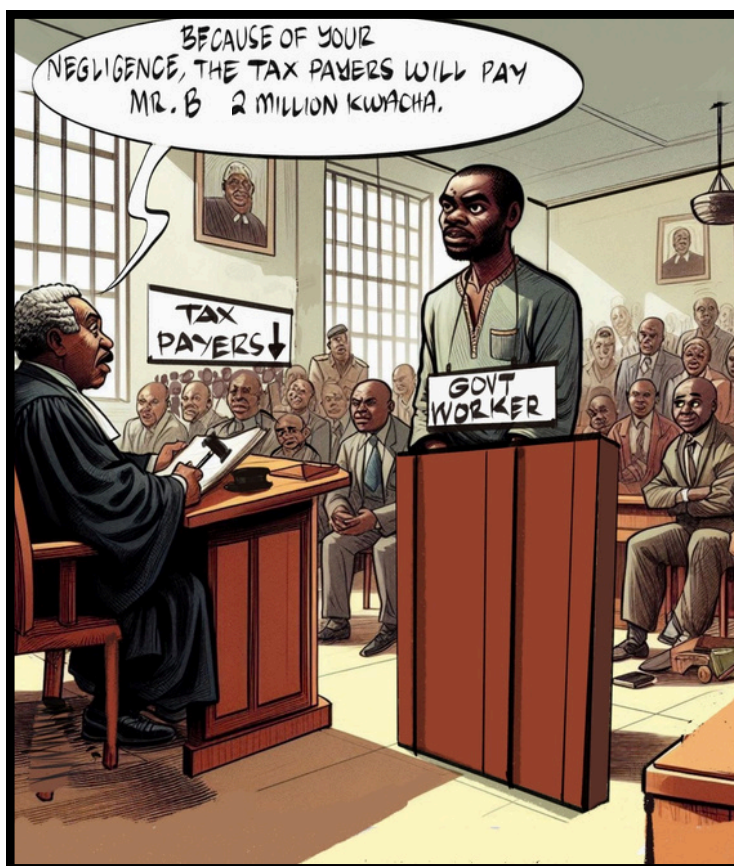
- Delayed removal of separated officers from the payroll, leading to wastage of public resources emanating from payment of salaries or allowances that should not have been paid out.
- Slow disposal of disciplinary cases.
- Unwarranted payments of remote and rural hardship allowances to officers stationed in ineligible areas.
- Payment of subsistence allowances to officers for duties performed within their own district boundaries.

WEAKNESSES IN INTERNAL CONTROLS AND EFFECTS

6

FINANCIAL LOSSES AND ACCRUED LIABILITIES IN FORM OF COMPENSATION AND AWARDS DUE TO AVOIDABLE LAWSUITS.

MPAs were found to be defaulting on remitting statutory contributions such as pension payments and taxes.



7

POOR RECORD KEEPING

Weak documentation practices resulted in missing or incomplete financial records. These included missing payment vouchers and payments made but not supported with relevant documentation.

8

MISALLOCATION OF PAYROLL

There were various cases where officers were drawing salaries from stations under which they were not assigned, this created unnecessary administrative confusion with respect to salary payouts.

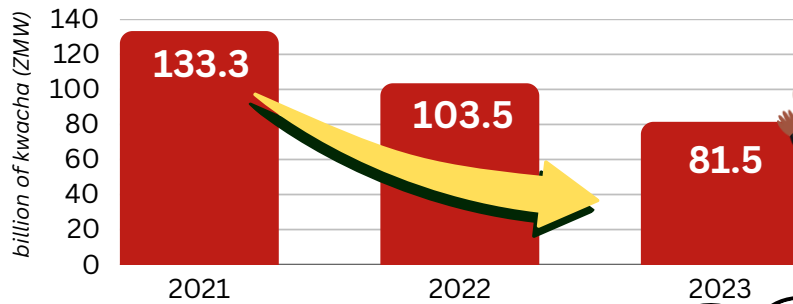
9

FAILURE TO INSURE GOVT ASSETS

A number of MPAs failed to insure Government property, leaving critical assets exposed to potential risk of losses from incidents such as theft, fire or natural disasters.

SUMMARY of FINDINGS

In the past 3 years, the amount of financial irregularities identified has constantly decreased: **K81.5 billion in 2023, 39% lower than in 2021.** The reduction of **K22 billion** from 2022 was primarily driven by reductions in the failure to collect tax arrears.



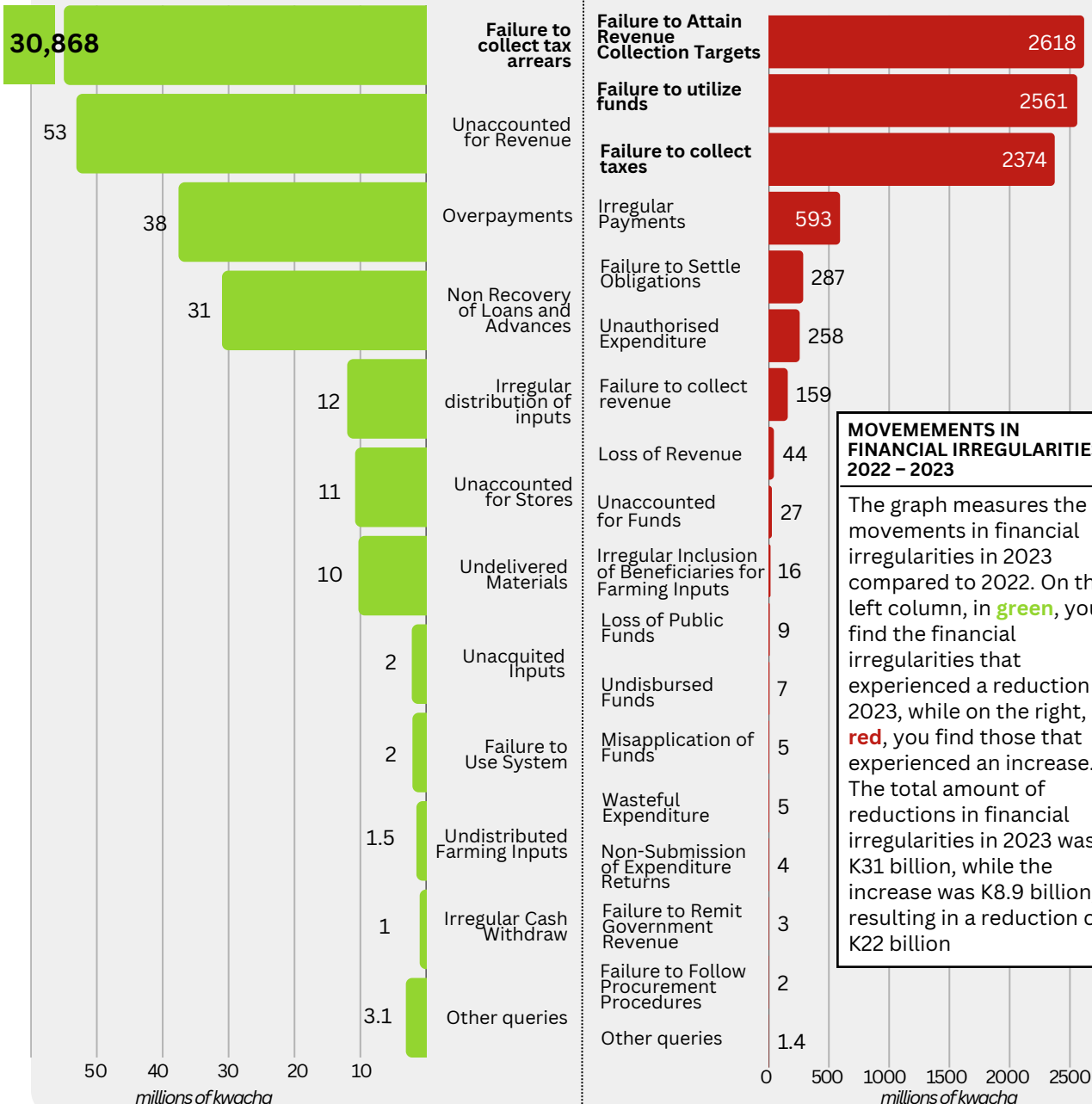
IT'S A REDUCTION OF 22 BILLION KWACHA FROM LAST YEAR!

K31 BILLION

K8.9 BILLION

REDUCTIONS

INCREASES



MOVEMENTS IN FINANCIAL IRREGULARITIES 2022 – 2023

The graph measures the movements in financial irregularities in 2023 compared to 2022. On the left column, in green, you find the financial irregularities that experienced a reduction in 2023, while on the right, in red, you find those that experienced an increase. The total amount of reductions in financial irregularities in 2023 was K31 billion, while the increase was K8.9 billion, resulting in a reduction of K22 billion

REVENUE ZAMBIA REVENUE AUTHORITY

A total revenue provision of K103 billion was made against which amounts totalling K100 billion were collected resulting in an under collection of **K3 billion**.



OUTSTANDING AUDIT QUERIES



Payments Not Accompanied with Tax Returns

K3,072,636,527 involving 9,841 transactions was collected in the period under review without corresponding returns and no tax assessments were made by the Authority



Failure to act against Taxpayers who abused the VAT Deferment Scheme

The Authority had not availed a report indicating that the suppliers were surcharged accordingly and cleared the VAT liability of **K1.26 million**.



Failure to pay Taxes by Some Oil Marketing Companies

1,449 uplifts involving forty-five (45) OMCs, with total tax payable amounting to **K82.9 million** were not declared to ZRA and not paid for by the OMCs.



Failure to collect VAT Withheld by OMCs

A review of VAT returns for the accounting period ended 31st December 2023 revealed that twenty (20) OMCs withheld amounts totalling K2.8 million. However, a total of K383,515 was paid leaving a balance of **K2.4 million** as at 31st August 2024



Reverse VAT Withheld but not Paid to the Authority

As at 31st August 2024, the Authority had not received the reverse VAT payments and no demand notices were issued by the Authority to collect **K297.5 million** which was not paid.

REVENUE MINISTRY OF FINANCE

A revenue provision of K3,824,662,430 was made against which amounts totalling K9,464,536,708 were collected resulting in an overcollection of **K5,639,874,278**.

Possible Loss of Revenue – Money Lenders

122 money lenders who got certificates from Subordinate Courts across the country did not pay for a Money Lenders licence at Ministry of Finance. In this regard, revenue amounting to K1.22 million in respect of license fees had not been collected by the Ministry as at 31st August 2024.



REVENUE NATIONAL ROAD FUND AGENCY

In the Estimates of Revenue and Expenditure for the year 1st January to December 2023, the Agency had budgeted to collect K2,370,334,419 (Road Toll - K2,323,646,455 and Weighbridge fines - K46,687,964) against which amounts totalling K3,028,270,399 were collected resulting in an over collection of **K657,935,980**.

OUTSTANDING AUDIT QUERIES

Inconsistencies in Toll Charges

323 motor vehicles with the same registration numbers were charged at Class D rate of K150 and Class A rate of K20, resulting in over collection of **K59,670**.



Unpaid for Abscondments

During the period under review, thirteen (13) stations had unpaid amounts totalling **K100,910** relating to fifty four (54) vehicles which passed without paying.



Release of Overload Vehicles without Payment – Kapiri Weighbridge

Motor vehicles were detained and charged a fine amounting to **K384,113** at Kapiri Mposhi Weighbridge for the offence of exceeding the legal maximum laden weights. However, the vehicles were released without payment, even after extending a payment plan.

Failure to Provide ICT Maintenance and Support - Mumbwa Weighbridge

Although management in response indicated that a new system would be installed by 31st December 2024, as at 31st August 2024, installation works on the new contract had not commenced.



EXPENDITURE MINISTRY OF HEALTH

Penalties for Delayed Payment of Outstanding Bills

The Ministry delayed in paying for issued invoices amounting to US\$11,773,639.20 for periods ranging from thirteen (13) to twenty-five (25) months. Consequently, the supplier charged interest in amounts totalling **US\$4,700,000** on the issued invoices as penalties.



Serving Officers Aged Above Sixty (60) Years

Amounts totalling **K20,694,736** were paid to eight-two (82) officers who had attained the normal retirement age of sixty (60) years and were still in active service. Further, the officers were not on contract and there was no authority from the President.



Irregular payment of salaries to employees on unpaid leave

Twenty two (22) officers who were granted unpaid leave for periods ranging from one (1) year to three (3) years were irregularly paid salaries in amounts totalling **K1,239,998**.

Salaries Paid to Officers who Resigned

Forty-nine (49) officers resigned and continued to receive salaries in amounts totalling **K3,330,949** for periods ranging from three (3) to twelve (12) months. As at 31st August 2024, the salaries paid had not been recovered.



EXPENDITURE MINISTRY OF COMMUNITY DEVELOPMENT



Social Cash Transfer Members Sharing National Registration Cards with other Citizens

59,258 beneficiaries shared National Registration Card (NRC) numbers with either other SCT beneficiaries or other citizens. This resulted in disbursement of funds totalling **K42,862,305** to beneficiaries sharing NRCs.



Supply of Unsuitable Maize Seed Varieties and Substandard Fertilizer

Afriseed and Steward Global Limited supplied medium maturity maize seed type AF638 instead of the recommended very early or ultra-early maturity maize seed varieties. As a result, 6,553 beneficiaries in four (4) districts were supplied with unsuitable maize seed valued at **K3,014,380** in the 2023/2024 agricultural season. In addition, the quality of fertilizer distributed between October and November 2023 were of sub-standard quality.



Payments Made at Disability Rate to Beneficiaries not Disabled

A review of beneficiary payments from the ZISPIS revealed that 180,891 beneficiary households that were not classified as disabled received payments at the disability rate. This resulted in overpayments totalling **K72,356,000**.

EXPENDITURE

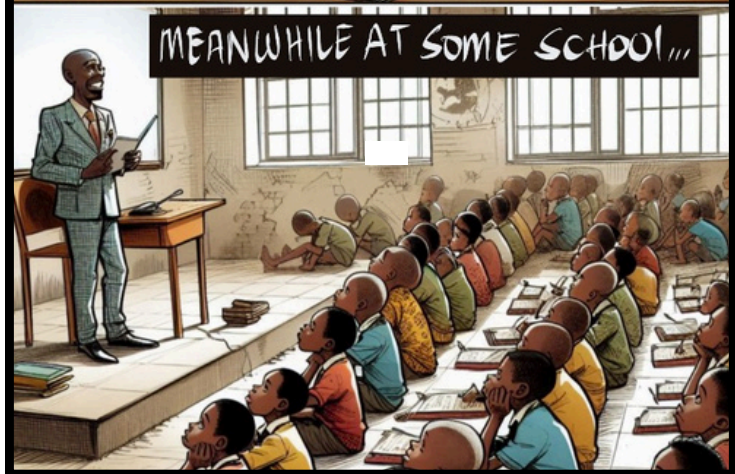
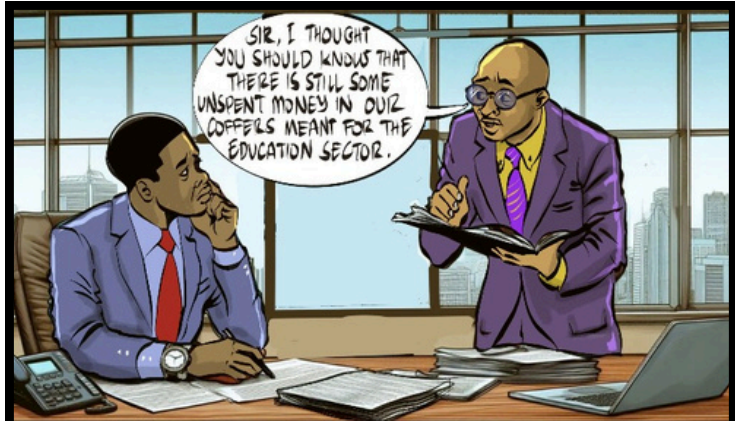
MINISTRY OF EDUCATION

Infrastructure Development - Stalled Projects

As at 31st August 2024, the outstanding balance on uncertified works with regards to thirty-five (35) contractors engaged during the period 2008-2014 for the construction of sixty-nine (69) schools was **K1,500,000,000**.

Acquisition of an E-census Software from M-SAT Limited - Wasteful Expenditure

As at 30th June 2024, the Ministry had set aside the M-SAT tool due to its non-functionality and developed an in-house software called MoE Statistical Tables in excel to use for purposes of data collection rendering the payment of **K3,621,000** to M-SAT wasteful.



MINISTRY OF INFORMATION AND MEDIA

Unaccounted for Fuel

There were no receipt and disposal details in respect of fuel costing **K903,248** procured during the period under review.



EXPENDITURE

MINISTRY OF JUSTICE

Compensation and Awards

As at 1st January 2023, the outstanding balance for Compensation and Awards was K3,316,260,380. In addition, new claims in amounts totalling K623,841,923 were made during the period under review, further increasing the Ministry's liabilities to K3,940,102,304. During the period under review, the Ministry was funded and paid amounts totalling K497,333,932 towards settling these liabilities. As at 31st December 2023, the outstanding balance stood at **K3,442,768,372**.



MINISTRY OF ENERGY

Loss of Funds Due to Questionable Contract Clauses

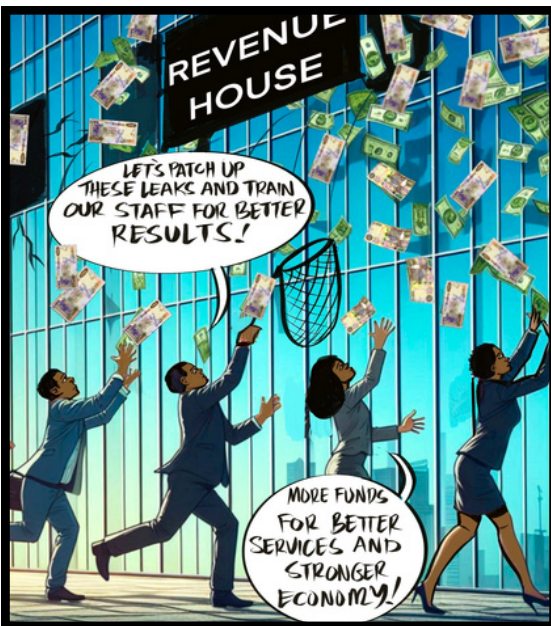
During the period under review, the Government incurred losses in amounts totalling **US\$1,950,272.13** due to overstated invoices. The Government was invoiced a total of US\$29,853,752.83 instead of amounts totalling US\$27,903,480.70, which would have applied had the contracts not used fixed densities.



RECOMMENDATIONS

In order to **improve Public Financial Management** and ensure that the Ministries, Provinces, and Agencies (MPAs) are operating within the financial management and accountability framework as set out in the Constitution of Zambia (Amendment) Act No. 2 of 2016, Public Finance Management Act No. 1 of 2018, Public Procurement Act No. 12 of 2008, Appropriation Act No. 22 of 2018, and any other laws and regulations, the following are recommended:

1 FIXING THE REVENUE LEAK



2 CURBING THE FAILURE TO INSURE GOVERNMENT ASSETS



3 TAMING THE PAYROLL MESS



4 ENSURING COMPLIANCE WITH GOVERNMENT CIRCULARS AND REGULATIONS IN THE PUBLIC SERVICE



RECOMMENDATIONS

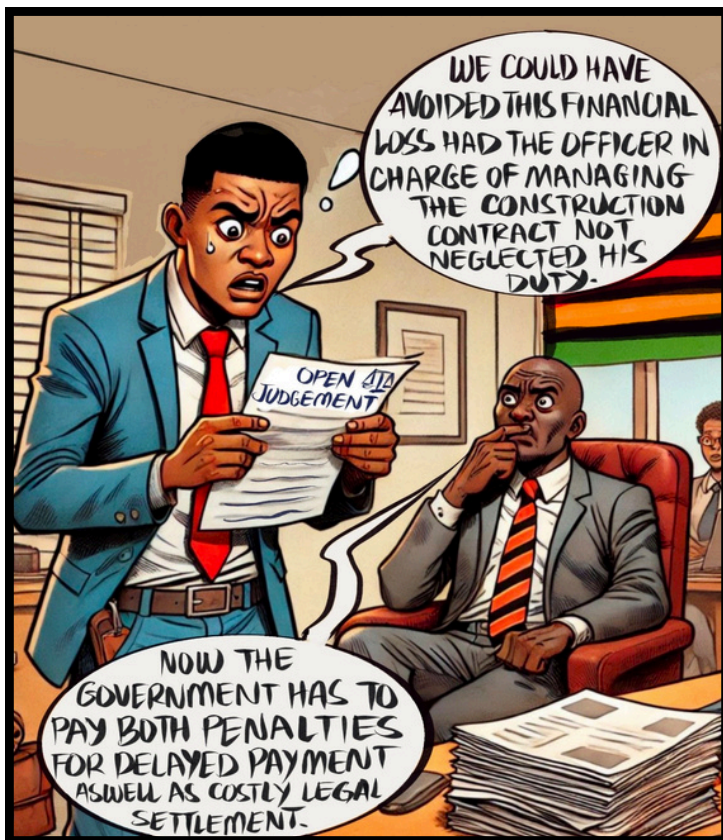
5 FIXING THE PROCUREMENT PROCESS



6 TAMING THE RECORD-KEEPING CHAOS



RECOMMENDATIONS



7 TAMING
NEGLIGENCE BY
PUBLIC OFFICERS

8 FIXING THE
STAFF REGISTER!



GLOSSARY OF TERMS

Accountable Documents Documents such as receipts, licences, certificates, discs or tokens and others used in the collection of Revenues.

Audit Finding The result of audit procedures and tests conducted by the auditor.

Controlling Officer An officer designated as such by the Secretary to the Treasury responsible and accountable for the proper financial management and expenditure of public monies appropriated to public bodies in respect of all public monies collected, received or disbursed and in respect of public stores or assets received, held or disposed of by or on behalf of the ministry or department or service for which such head is provided.

Delayed Banking Failure to bank moneys received not later than the next business day or at least twice every month where banking facilities do not exist.

Excess Expenditure Expenditure incurred above the authorised budget amounts without the authorisation of Parliament.

Failure to Follow Procurement Procedures Non-Compliance with the Zambia Public Procurement Act and Procurement guidelines in the purchase of goods and services.

Irregular payments Payments made outside the normal practice or acceptable regulations or norms.

Irregularity Breach of laws, regulations or rules.

Imprest Funds or monies issued out to facilitate payments of a minor nature, meet expenses when the officer is travelling on duty or to facilitate the purchase of goods and services whose value cannot be ascertained at the time.

Misapplication Unauthorised application of budget provisions to a use on a programme other than for an approved programme.

Misappropriation Use of public funds for personal purposes or crediting public funds to a private bank account.

Non-Submission of Expenditure Returns Failure to provide details of how funds disbursed were utilised.

Outstanding Issues These are audit queries that remain unresolved in the Treasury Minutes (Action Taken Report) prepared by the Ministry of Finance on the Reports of the Auditor General



GLOSSARY OF TERMS

Overpayments	Payments made above the correct price or rate.
Parliament	Legislative organ of Government
Public Accounts Committee (PAC)	A sessional committee of the National Assembly established in terms of the standing orders. PAC examines the Auditor General's Report, as part of their mandate of examining the accounts showing the appropriation of the sums approved by the National Assembly.
Reconciliation	The process of ensuring that two (2) or more sets of records agree.
Unaccounted for Revenue	Revenue collected but neither banked nor cash found on hand.
Unvouched Expenditure	Payment vouchers not availed for audit because they are either missing or inadequately supported.
Unretired Imprest	Imprest not accounted for.
Unauthorised Expenditure	Funds spent without approval by a responsible officer.
Unacquitted Payments	Payments made without evidence of having been received by the intended beneficiaries.
Unaccounted for Stores	Missing stores items without evidence of how they were received and utilised.
Undelivered Materials	Goods paid for but not received.
Unaccounted for Funds	Missing funds without expenditure records.
Wasteful Expenditure	Unnecessary expenditure incurred as a result of undue care and attention.

APPENDIX I: EXPENDITURE

This section presents all other queries concerning expenditure that were not mentioned in the expenditure chapter.

AMOUNT	AUDIT FINDING DESCRIPTION
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MINISTRY of HEALTH

k2,373,385	Irregular Payment of Rural Hardship Allowances: Amounts totalling K2,373,385 were irregularly paid as rural hardship allowances to 119 officers who were not eligible to receive the allowances in that their work stations were not designated for payment of the allowances.
k246,341	Irregular Payment of Housing Allowances: Twenty-three officers were paid housing allowances in amounts totalling K246,341 while they were being accommodated in institutional houses.
USD 4,700,000	Undelivered Drugs: Drugs and medical supplies costing K487,768 procured during the period under review had not been delivered to eight (8) stations in three Provinces as at 31 st August 2024
N/A	Failure to Store Drugs under the Required Conditions: Ten (10) dispensaries and bulk stores inspected in three (3) districts revealed that they did not have shelves, pallets and they were not temperature regulated among other weaknesses thereby exposing drugs to unfavorable conditions that could cause damage or reduction in potency and shelf life of the drugs.
k 992,472,569	Failure to Settle Outstanding Bills: As at 31 st December 2023, the Ministry had outstanding obligations in amounts totalling K861,154,518 in respect of other personal emoluments. In addition, five (5) stations owed various suppliers of goods and services amounts totalling K131,317,051.

MINISTRY OF EDUCATION

k964,674	Unclaimed Salaries: The Ministry of Education had 140 outstanding returned or rejected transactions in amounts totalling K964,675 in respect of forty-four (44) employees during the period from January to December 2023. The salaries had not been claimed despite the Ministry performing monthly payroll reconciliations
k436,526	Employment of Temporal Workers (Casualization) –Seven (7) stations employed fifty-two (52) casual workers for jobs that were permanent in nature such as watchmen and cleaners during the period under review. In this regard, the workers were paid wages in amounts totalling K436,526 for the period they were employed on a casual basis.
N/A	Failure to Act against Erring Colleges: Enrolment of Students without Minimum Qualifications. Nine (9) colleges in five (5) Provinces enrolled students without minimum qualifications during the period under review.

APPENDIX I: EXPENDITURE

AMOUNT	AUDIT FINDING DESCRIPTION
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N/A	Delayed Rehabilitation of Desks - TEVET Institutions: As at 31 st August 2024, thirteen (13) trades schools had not rehabilitated 19,998 desks for a delayed period of eight (8) months. Consequently, the learners in the affected schools were still learning whilst sitting on the floor
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N/A	Early Childhood Education (ECE) - Failure to Meet ECE Standards: Sixteen (16) schools (Early Childhood Education Centres (ECEC) with a total enrolment of 1,791 children in five (5) provinces did not meet the standards in that they did not have trained Pre-School teachers, lacked resting/sleeping rooms and age-appropriate toilets among others. Further, the Centres did not have classrooms, play parks and toilets designed for ECE learners.
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k26,062,356	Weaknesses in the Management of the Project - Loss in Value of Project Funds: The conversion of funds from United States Dollar to Zambian Kwacha without utilizing the funds within the planned period resulted in a loss of monetary value of amounts totalling US\$1,013,692.71 (K26,062,356) arising from the funds not utilized for a period of fifteen (15) months as at 31 st December 2023. In this regard, the exchange rate deteriorated by 56.64% from K16.41 per Dollar at the point of conversion to K25.71 per Dollar as at 31 st December 2023.
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MINISTRY OF AGRICULTURE

k27,302,800	Proceeds from Fertilizer Sales - Unaccounted for Deposits: During the 2023/2024 farming season, 1,024,601 farmers deposited amounts totalling K409,840,400 for farming inputs. However, a review of the bank statement revealed that K382,537,600 reflected on bank account while the balance of K27,302,800 was unaccounted for.
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k11,032,383	Food Security Pack Beneficiaries Benefiting from FISP Programme: 1,977 individuals who benefited from FSP programme at thirty (30) districts were also supplied with FISP farming inputs costing K11,032,383.
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k922,973	Irregular Issuance of Farming Inputs to Civil Servants: 134 civil servants were included on the approved farmer beneficiary list for 2023/2024 farming season and received inputs costing K922,973.
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MINISTRY OF COMMUNITY DEVELOPMENT

k6,707,017	Irregular Inclusion of Farmer Input Support Programme (FISP) Beneficiaries into FSP Programme: A total of 2,584 farmer beneficiary households irregularly collected farming inputs in amounts totalling K18,063,946 under FISP from the Ministry of Agriculture after having collected farming inputs valued at K6,707,017 under FSP from the Ministry of Community Development and Social Service during 2023/2024 farming season.
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APPENDIX I: EXPENDITURE

AMOUNT

AUDIT FINDING DESCRIPTION

MINISTRY OF JUSTICE

k20,698,127	<p>Loss of Public Funds through Negligence by Public Workers: During the period from 2017 to 2023, there were twelve (12) cases in which public officers either through negligence or failure to perform their duties resulted in losses to the Government. As a result, the Ministry paid amounts totalling K9,422,335 towards these cases, out of the court judgements amounting to K11,275,792. However, as at 31st August 2024, no efforts had been made to recover the funds from the officers that caused Government to incur these costs.</p>
k66,232,801	<p>Failure to Collect Outstanding Debt – Debt Collection Unit: During the period under review, the Unit was supposed to collect amounts totalling K66,232,801 on behalf of four (4) Government institutions that were owed by various private companies and individuals. Some of the debt had been outstanding for periods in excess of ten (10) years. As at 31st August 2024, no significant efforts had been made by the Ministry to recover the debt.</p>

MINISTRY OF HOME AFFAIRS AND INTERNAL SECURITY – ZAMBIA CORRECTIONAL SERVICE

N/A	<p>Congestion/Over-Crowding in Prisons and Correctional Facilities: Seventy (70) facilities which had a total standard holding capacity of 10,637 inmates had a population of 26,030 inmates resulting in overcrowding the facilities by 15,393 inmates.</p>
N/A	<p>Management of Liabilities - Failure to Settle Outstanding Staff Obligations: As at 31st August 2024, the Zambia Correctional Service had accrued debts in amounts totalling K90,923,066 in respect of personal emoluments, suppliers of food rations and utilities, some of which had been outstanding as far back as 2015.</p>

APPENDIX II EXPENDITURE VS QUERIES AMOUNTS PER MINISTRY

INSTITUTION	BUDGETED AMOUNT (K)	ACTUAL EXPENDITURE (K)	QUERIED AMOUNT (K)
Ministry of Justice*	853,756,155	808,507,427	3,452,278,875*
Ministry of Education	23,206,146,965	20,441,645,511	2,547,320,261
Ministry of Health	18,298,421,917	12,109,512,600	2,254,321,512
Ministry of Agriculture	11,325,109,654	8,707,470,761	1,186,467,641
Ministry of Community Development Social Services	6,931,481,818	5,374,667,414	328,658,551
Ministry of Fisheries and Livestock	1,287,920,881	746,758,975	258,667,110
ZCS Prisons and Reformatory Units	990,525,229	935,185,175	142,068,258
OP - Western Province	119,328,492	119,306,231	13,947,390
OP - Southern Province	124,528,092	117,535,979	13,461,835
Foreign Affairs	1,946,899,598	1,514,946,302	9,421,148
OP - Copperbelt Province	111,226,666	111,171,419	6,071,399
OP - Lusaka Province	133,948,997	132,249,822	5,837,509
OP - Northern Province	122,692,587	111,261,279	5,344,481
Ministry of Information	122,986,916	121,421,322	4,689,828
OP - Muchinga Province	80,845,459	79,793,229	4,640,593
OP - Eastern Province	102,375,167	102,323,793	4,631,075
Zambia Police	2,204,209,948	400,219,417	3,557,291
OP - Luapula Province	107,693,140	107,406,299	1,134,200
OP- North Western Province	108,642,117	108,525,818	743,750
Ministry of Energy	2,078,138,098	1,520,614,637	705,530
TOTAL	70,256,877,896	53,670,523,410	10,243,968,237

ZCS: Zambia Correctional Service / OP: Office of the President

*Queried amount may be higher than expenditures due to outstanding bills from previous years.

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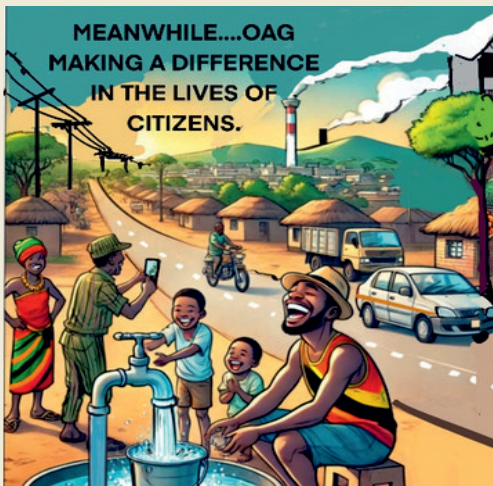
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