

Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ)

Financial Audit of “Responsible Fisheries Business Chain on Lake Victoria - FFOU Component”

XX March 2021

Contract subject to Audit:	No. 81246624
Entity subject to Audit:	Federation of Fisheries Organisations Uganda
Project location:	Uganda
Audit location:	Uganda
Framework Contract:	No. 81243990
Service Contract:	No. 81262560
Audit:	No. UGA-012
Period subject to audit:	01 September 2019 to 30 September 2020
Dates of audit fieldwork:	02 to 05 February 2021
Project status:	On-going

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This report is made solely to GIZ. Our audit work has been undertaken so that we might state to GIZ those matters we are required to state in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than GIZ, for our audit work, for this report, or for the opinions we have formed. The report may only be disclosed to those national authorities having regulatory right of access to it, such as the German Federal Court of Auditors.

INDEPENDENT AUDITOR'S REPORT

Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH
Dag-Hammarskjöld-Weg 1-5
65760 Eschborn
Germany

Qualified opinion

We have audited the expenditure and revenue as stated in the Financial Report of the project entitled 'Responsible Fisheries Business Chain on Lake Victoria - FFOU Component' (the 'Project') prepared by the Federation of Fisheries Organisations Uganda (the 'Entity') for the period from 01 September 2019 to 30 September 2020 which is set out in Annex 1.

Our findings are set out in the relevant sections of our report, which is made solely to GIZ in order to gain assurance that the Project funding provided has, in all material respects, been used in conformity with the applicable Contractual Conditions which are set out in section 2.1 of our report, and to facilitate determination with the Entity of any balance of funding which is payable or recoverable.

In our opinion, except for the effects of the matters described in the below 'Basis for opinion' paragraph:

- The Financial Report presents fairly, in all material respects, the actual expenditure incurred and revenue received for the Project for the period from 01 September 2019 to 30 September 2020 in conformity with the applicable contractual conditions; and
- The Project funds provided by GIZ have, in all material respects, been used in conformity with the applicable contractual conditions.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), insofar as these standards can be applied in the specific context of a contractual compliance audit. Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the Financial Report' section of this report.

We are independent of GIZ and the Entity in accordance with the IESBA Code of Ethics for Professional Accountants. We have fulfilled our other ethical responsibilities in accordance with these requirements. We have taken into account all the available evidence presented to us during our fieldwork, which we finalised on 05 February 2021 and additional evidence and information provided electronically up to the date of this report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We refer to our financial findings totaling € 5,737.03 as set out in Section 1 (Summary of Findings) of our report. These findings represent 7.39 % of the total expenditure amount subject to audit.

We consider these financial findings material in the context of our audit.

Emphasis of matter

We also draw attention to the internal control findings as set out in the relevant section of our report that represent important control weaknesses which we came across during the conduct of our financial audit.

Our opinion is not modified in respect of these matters.

Responsibilities of the Entity's management

In accordance with the Contractual Conditions, the Entity's management are responsible for the preparation of the Financial Report and for being satisfied that it presents fairly the actual expenditure incurred and revenue received for the Project in conformity with the applicable Contractual Conditions.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are set out in the Terms of Reference for the audit engagement, and include obtaining reasonable assurance about whether the Financial Report is 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the Financial Report.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the Financial Report, 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

We communicate with the Entity's management 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.

Volker Wetzel
Partner
BDO LLP

XX March 2021

1 SUMMARY OF FINDINGS

1.1 Summaries of all Findings

Description	Amount €	% of total Project expenditure reported
Total expenditure reported for the Project (see Annex 1)	77,639.06	
Financial Findings (ineligible expenditure established)	5,737.03	7.39 %
Total of all Financial Findings	5,737.03	
Total eligible expenditure for the Project	71,902.03	

The financial findings are summarised further in section 1.2 below. Our internal control and other findings are summarised in sections 1.3 and 1.4.

Overall, our findings can be summarised as follows:

Financial Findings			
N°	Category of Finding	No. of findings	Amount €
1	Missing / inadequate documentation	1	595.24
2	Reported expenditure not based on actual costs	1	200.00
3	Expenditure incurred outside contractual period	-	-
4	Expenditure double-counted/double-funded	-	-
5	Budget exceeded/expenditure not budgeted	-	-
6	Expenditure not for project purposes	-	-
7	Sub-recipient expenditure	-	-
8	Incorrect procurement procedure	1	3,066.67
9	Calculation/allocation error	1	0.00
10	Expenditure includes non-eligible VAT/taxes	-	-
11	Incorrect exchange rates	1	1,499.80
12	Income not reported	-	-
13	Adjustment to indirect costs	1	375.32
14	Other	-	-
Total Financial Findings		6	5,737.03

Internal Control Findings		
N°	Category of Finding	Total No. of findings
21	Weaknesses in documentation / audit trail	1
22	Monitoring of sub-Recipient	-
23	Accounting system and procedures	1
24	Financial reporting system and procedures	-
25	IT systems and procedures	-
26	Expenditure control	-
27	Cash and bank management	1
28	Procurement procedures	1
29	Asset management	-
30	Human resources and payroll management	-
31	Control environment (general)	-
32	Governance and Organisation (incl. Policies)	-
33	Other	-
Total Internal Control Findings		4

Other Findings		
N°	Category of Finding	Total No. of findings
41	Delays in/lack of project reporting to GIZ	-
42	Reporting format not respected	-
43	Lack of visibility and publicity of GIZ as donor	-
44	Incorrect bank account used	-
45	Lack of transfer of assets at project end / Inventory listing	-
46	Value for Money principle not respected	-
47	Project activities delayed/not completed	-
48	Other contractual requirements not met	-
49	Incorrect exchange rate applied	-
50	Other	-
Total Other Findings		-

1.2 Financial Findings

We have identified financial findings totalling € 5,737.03 which represent amounts included in the Financial Report presented to us for audit which in our opinion are ineligible for funding under the contractual conditions.

These financial findings, which are detailed in Section 3, can be summarised as follows:

Finding No.	Title	Amount €
1	Incorrect budget lines used	0.00
2	Insufficient or inadequate supporting documentation	595.24
3	Expenditure claimed not based on actual costs	200.00
4	Non-compliance with procurement procedures	3,066.67
5	Incorrect exchange rate applied	1,499.80
6	Indirect costs adjustment	375.32
Total Financial Findings		5,737.03

1.3 Internal Control Findings

Our detailed internal control findings in Section 4 can be summarised as follows:

Finding No.	Title	Priority (1)
1	Non-compliance with financial policies and procedures	1
2	Excessive use of cash	1
3	Poor record keeping	2
4	Inadequate competitive procedures for the award of contracts	2

(1) Priority level of the recommendation (see below)

1.4 Other Findings

We have not raised any other findings.

Priority levels for ranking recommendations

Priority 1 - Urgent remedial action is required. Key internal controls are absent or are not complied with on a regular basis. There is a fundamental weakness or deficiency in an internal control or in a series of internal controls which involves a substantial risk of either material error, or irregularity or fraud with regard to the expenditure and revenue stated in the Financial Report of the Project. There is a substantial risk of failure to achieve the control objectives for the Project which concern reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations notably the Contractual Conditions for the Project. Such risks could lead to an adverse impact on the financial report of the Project. Remedial action should be taken urgently.

Priority 2 - Prompt specific action is required. There is a weakness or deficiency in an internal control or in a series of internal controls which, although not fundamental, relates to shortcomings which expose specific internal control areas (e.g. cash and bank management or budgetary and expenditure control) to a less immediate level of risk of either error, or irregularity or fraud. Such a risk could impact on the effectiveness of the internal controls and on the internal control objectives and should be of concern to the Entity's management. Prompt specific action should be taken.

Priority 3 - Specific remedial action is desirable. There is a weakness or deficiency in internal control which individually has no major impact but where the Project would benefit from improved internal controls and/or where the Entity would have the opportunity to achieve greater effectiveness and/or efficiency. There is a possibility of undesirable effects at the process level, which, combined with other weaknesses, could give cause for concern.

2 ENGAGEMENT CONTEXT

2.1 Contractual Conditions

The Grant Agreement states that the maximum grant is € 179,620.79 with a set period of execution from 01 September 2019 to 30 June 2021.

2.2 Financial information subject to audit

The financial information subject to audit is the expenditure and revenue stated in the Financial Report of the Project for the period from 01 September 2019 to 30 September 2020 (see Annex 1).

Amounts in Euro			
Sources of funding and revenue	Budget (22 months) **	Actual (13 months) *	Eligible (13 months) *
GlZ contribution as per Grant Agreement	179,620.79	72,557.04	72,557.04
Total of funding and revenue	179,620.79	72,557.04	72,557.04

Expenditure category as per Grant Agreement	Budget (22 months) **	Actual (13 months) *	Eligible (13 months) *
1. Staff	63,201.60	34,978.46	34,177.50
2. External Experts	27,330.00	11,110.39	7,846.71
3. Transportation / Travel Costs	3,656.31	2,488.10	502.52
4. Training Costs	45,840.06	1,964.29	3,227.30
5. Procurement of Goods	18,330.49	18,253.04	17,623.44
6. Other Costs	9,511.44	3,765.59	3,820.69
7. Administration Costs (7%)	11,750.89	5,079.19	4,703.87
Total expenditure for the project	179,620.79	77,639.06	71,902.03
Less: Financial Findings		5,737.03	
Total eligible expenditure for the project		71,902.03	71,902.03

* Period from 01 September 2019 to 30 June 2021

** Period from 01 September 2019 to 30 September 2020

3 FINANCIAL FINDINGS

We report as **financial findings** those amounts included in the Financial Report presented to us for audit which in our opinion are ineligible for funding under the contractual conditions.

Finding n°: 1	Title: Incorrect budget lines used
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Compliance issue: 9 - Calculation/allocation error

Description of the finding:

Article 1.2 of the Grant Agreement states:

“The Recipient shall use the grant exclusively for expenditures within the Project described in Article 2 as attributed to the GIZ grant according to the budget lines below and the Schedule of Estimated Expenditures which sets out details of the Project expenditures. The Schedule of Estimated Expenditure is attached hereto (Annex 1) and forms an integral part of the Agreement.”

We noted one instance in which a transaction had been charged to the wrong budget lines. The specific transaction is detailed in the table below (of the total voucher value of €2,178.57, only € 1,840.48 has been incorrectly posted):

Ref.	Date	Description	Amount (€)	Incorrect budget line used	Correct budget line
106	19/08/20	Transport and Travel expenses for CATs	1,840.48	3. Transportation / Travel Costs	4. Training Costs

The reallocation to the correct budget lines does not result in any budget line being exceeded by an amount greater than the 20% permitted per the Grant Agreement. Therefore, this finding has a financial impact of nil. However, there is a risk that budget lines may be exceeded in future periods if this is not closely monitored.

Amount € 338.10

Related internal control finding n°: -

Comments from the Recipient:

Following the recommendations, the vouchers have been re-aligned in our financial systems to the most appropriate budget lines.

Further comments from the auditor:

Finding n°: 2	Title: Insufficient or inadequate supporting documentation
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Compliance issue: 1 - Missing/inadequate documentation

Description of the finding:

Article 3.11 of the Grant Agreement states:

“The recipient shall [...] b) keep for five years after submission of the final financial statement books, records and the originals of the supporting documents, clearly identifying all expenditures for the services and supplies for the Project and those services and supplies financed from the grant”.

We noted that for one expenditure item, we were not provided with sufficient and appropriate supporting documentation. Specifically, we were not provided with field reports to support the preparatory visits for roll out made in the Kasenyi, Katosi, Kiyindi and Buvuma landing sites. We were therefore unable to verify that the activity occurred and was related to this project. Details are shown in the table below:

Ref.	Date	Description	Amount (€)
111	29/08/20	Allowances for Preparatory visits for Roll-out	595.24
Total			595.24

An amount of € 595.24 is therefore considered to be ineligible.

Amount € 595.24

Related internal control finding n°: 3

Comments from the Recipient:

Finding n°: 3	Title: Expenditure claimed not based on actual costs
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Compliance issue: 2 - Reported expenditure not based on actual costs

Description of the finding:

Article 3.4 of the Grant Agreement states:

“The Recipient shall keep a separate project record exclusively for the funds disbursed by the GIZ. In this project record all receipts and expenditures related to the measures and/or expenditure categories to be financed from the GIZ grant are entered in chronological order and according to the regulations for proper and orderly accounting. These expenditures shall be subdivided into the categories specified in the Schedule of Estimated Expenditures and shall contain the following items at least:

Receipts: a) Entry number, b) Date of receipt, c) Origin of receipt, d) Amount of and reason for receipt

Expenditures: a) Entry number, b) Date of payment, c) Recipient of payment, d) Amount of and reason for payment”.

Article 3.8 of the Grant Agreement states:

“All other cost categories shown under 1.2 above will be settled against evidence.”

Annex 1 states:

“All budget lines will be settled against evidence (with the exception of the administration costs).”

We noted that some listed attendees as shown on the training attendance list that did not actually attend the training held. This included:

- Voucher number 108: Sandra (0703561030), Namayirira (0758157868) and Nakaggwa Mary (0776260226) who were each contacted and confirmed that they did not attend the training that took place in the Katosi Landing site on the 2nd and 3rd of July 2020; and
- Voucher number 106: Semandeke Charles (0753941317), Nakanwagi Getrude (0750649334), Tugume Joshua (0756925228) and Nakaggwa Mary (0776260226) who were each contacted and confirmed that they did not attend the training that took place in the Katosi Landing site on the 10th September 2020.

These costs are outlined in the table below.

Ref.	Date	Description	Amount Claimed (€)	Amount Ineligible (€)
108	29/08/20	Training costs and allowances for CATs	1,369.05	14.29
106	29/08/20	Transport and Travel expenses for CATs	2,178.57	185.71
Total			200.00	

An amount of € 200.00 is therefore considered to be ineligible

Amount € 200.00

Related internal control finding n°: 3

Comments from the Recipient:

The stated names were from FFOU member associations. However, it was noted that most of the highlighted participants did not attend as invited but the associations delegated other participants to show up in their positions

Most of the participants were reported to have been away on the planned dates for the training.

Further comments from the auditor:

Finding n°: 4	Title: Non-compliance with procurement procedures
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Compliance issue: 8 - Incorrect procurement procedure

Description of the finding:

Article 4.1 of the Grant Agreement states:

“When awarding contracts for supplies and services to be financed in full or in part from the grant, the Recipient shall observe the regulations for public procurement which apply in Uganda, but shall in any case comply with the provisions in Annex 4 (Award Procedure), which forms a constituent part of this Grant Agreement. The corresponding documents shall be kept with the accounting vouchers pertaining to the Project.”

Annex 4a to the Grant Agreement states that for purchases of € 1,000 to € 200,000 “at least three offers for comparison purposes” shall be obtained and a Documentation of Contract Awards (Annex 4b) completed and kept with the relevant transaction.

We noted some suppliers and experts / consultants who were awarded contracts without following the appropriate procedures for procurement as set out in Annex 4 of the Grant Agreement. We were therefore unable to confirm that the best value for money has been achieved.

Details are shown in the table below:

Ref.	Date	Description	Amount (€)
080	19/03/20	Module Development	1,500.00
117	02/09/20	Adapting and Finalisation of the Application	1,566.67
Total			3,066.67

An amount of € 3,066.67 is therefore considered to be ineligible.

Amount € 3,066.67

Related internal control finding n°: 4

Comments from the Recipient:

Tendering was not done because the supplier was recommended by Nano Tech Ltd who is also working on the same project.

Further comments from the auditor:

Finding n°: 5

Title: Incorrect exchange rate applied

Compliance issue: 11 - Incorrect exchange rates

Description of the finding:

Article 3.7 of the Grant Agreement states:

“Settlements for expenditure in a currency different to the contract currency or the currency of account shall be made at the rate based on the foreign-exchange purchase vouchers presented in evidence of the amount charged. In the absence of the required documentation, the GIZ may choose either to reimburse the expenditures in foreign currency or to convert the expenditures on the basis of the exchange rate in the EU currency convertor that can be accessed by the Recipient (www.giz.de/en/, Procurement, Currency Exchange Rates) and reimburse them in the contract currency”.

We noted that the incorrect exchange rate was applied to the expenditure items noted in the table at Annex 3.

An amount of € 1,499.80 is therefore considered to be ineligible

Amount € 1,499.80

Comments from the Recipient:

Finding n°: 6	Title: Administration costs adjustment
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Compliance issue: 13 - Adjustment to indirect costs

Description of the finding:

As a result of Financial Findings 1 to 5, the allowable 7 % lump sum for indirect costs has been over-claimed, as follows:

Total direct costs per report	72,559.87
Financial finding no. 1	0.00
Financial finding no. 2	(595.24)
Financial finding no. 3	(200.00)
Financial finding no. 4	(3,066.67)
Financial finding no. 5	(1,499.80)
Total direct costs as adjusted	67,198.16
Indirect costs @ 7% - adjusted	4,703.87
Less: Indirect costs @ 7% - reported	(5,079.19)
Over-claim	(375.32)

We therefore consider € 375.32 of indirect costs to be ineligible.

Amount €: 375.32

Related internal control finding n°: -

Comments from the Recipient:

4 INTERNAL CONTROL FINDINGS

Finding n°: 1	Title: Non-compliance with financial policies and procedures
Compliance issue: 23 - Accounting systems and procedures	
Description of the finding: We noted that the employment contract of the Executive Director states that he will be offered a monthly gross salary of UGX 4,000,000 subject to statutory deductions. However, we identified a number of instances of non-compliance, with all payslips indicating a total gross pay of UGX 2,000,000. There is therefore a possibility that the balance of UGX 2,000,000 is going untaxed. Failure to pay in line with statutory requirements could result in penalty charges or fines from the regulator.	
Recommendation: We recommend that there is a reconciliation between the employment contract and what is actually paid on the payslips to ensure appropriate and required statutory deductions are made, and in order to avoid penalties of under declared of PAYE and NSSF.	
Recommendation priority: Priority 1 - Urgent remedial action is required	
Comments from the Recipient: The 50% was initially planned before the commence of the project. This elaborates that the ED provides half of their operational time to project activities. Therefore, for project salary he is entitled to a salary of 2.000.000 Ugx which 50% of 4.000.000 Ugx provided in the project budget and also shown on the payslips to indicate the actual salary earned as per regards the project budget.	

Finding n°: 2	Title: Excessive use of cash
Compliance issue: 27 - Cash and Bank management	
Description of the finding:	
<p>We found that a high volume of the project payments were made in cash.</p> <p>Whilst we appreciate that the financial environment in Uganda means that the majority of payments are made in cash, cash transactions are inherently more risky than other types of transaction due to greater exposure to misappropriation of funds and reduced traceability of expenditure. Therefore, cash policies and internal controls are especially important for projects with a high volume of cash payments in order to ensure expenditure is appropriate and that accurate records can be maintained for financial reporting claims.</p>	
Recommendation:	
<p>We recommend that management introduce a payment policy which specifies preferred methods of payment and documentation required (e.g. payment receipts) for these, and which outlines thresholds for cash payments above which additional explanation and authorisation is required.</p>	
Recommendation priority: Priority 1 - Urgent remedial action is required	
Comments from the Recipient:	

Finding n°: 3

Title: Poor record keeping

Compliance issue: 21 - Weaknesses in documentation / audit trail

Description of the finding:

A key component of usual accounting and internal controls is the existence of effective financial control policies and procedures. An important financial control is ensuring that the recordkeeping system is well organised and well maintained. Such a system acts as an aid to the preparation of the Financial Reports that are produced from the accounting records and also reduces the risk of error. In addition, clear accounting records increase management's ability to monitor project spending and ensure authorisations are appropriate.

However we noted that:

- Employment contracts do not state or specify that statutory deductions like PAYE will be deducted from the employee's gross salary;
- Field reports have not been prepared to document activities undertaken; and
- Attendees of training sessions held have not signed the attendance lists themselves on each day they have attended, resulting in our finding that some of those listed did not attend (see Financial Finding no. 3).

Recommendation:

We recommend that:

- Employment contracts be drafted clearly specifying all the statutory deductions to be made on one's gross salary such that one is certain about their take home or net pay;
- Field reports are prepared documenting the activities performed during each visit, along with those involved; and
- All attendees of training sessions sign an attendance list on each day they are on-site.

Recommendation priority: Priority 2 - Prompt specific action is required

Comments from the Recipient:

The contracts are currently under review to include the recommended changes. This will enable employees know the statutory deductions made on their payments.

Finding n°: 4	Title: Inadequate competitive procedures for the award of contracts
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Compliance issue: 28 - Procurement procedures

Description of the finding:

Article 4.1 of the Grant Agreement states:

“When awarding contracts for supplies and services to be financed in full or in part from the grant, the Recipient shall observe the regulations for public procurement which apply in Uganda, but shall in any case comply with the provisions in Annex 4 (Award Procedure), which forms a constituent part of this Grant Agreement. The corresponding documents shall be kept with the accounting vouchers pertaining to the Project.”

Annex 4a to the Grant Agreement states that for purchases of € 1,000 to € 200,000 “at least three offers for comparison purposes” shall be obtained and a Documentation of Contract Awards (Annex 4b) completed and kept with the relevant transaction.

We noted that there are some suppliers and experts or consultants who were awarded contracts without following the appropriate procedures as set out in the Recipients Procurement and Procedures Manual, which states:

“FFOU requires a minimum of three quotations which will be evaluated by the finance and procurement committee for procurements ranging from UGX 510,000 to UGX 10,000,000.”

The suppliers and experts in question are; Instant Computer and Stationery Services, Transnational Consultants Limited and Africa’s Talking. Details are shown in the table below:

Ref.	Date	Description	Amount (UGX)	Amount (€)
074	03/02/20	USSD Subscription and Set-up	2,800,000	703.52
088	08/05/20	USSD Package	3,200,000	800.00
113	01/09/20	Flyers for ITA Training	3,290,000	783.33
080	19/03/20	Module Development	6,000,000	1,500.00
084	15/04/20	Mobile Money Processing	3,500,000	875.00
117	02/09/20	Adapting and Finalisation of the Application	6,580,000	1,566.67
058	18/11/19	Supply of office tables, chairs and Cabinets	2,950,000	739.35

By not following the procurement procedures there is an increased risk that value for money will not be achieved and the transparency of the project operations will be reduced.

Recommendation:

We recommend that, in order to comply with the Procurement and Procedures Manual, the Recipient ensure that staff are trained in the procurement procedures and that the Recipient complete spot checks to ensure the procedures are being followed. The Recipient must ensure that all procurement-related documentation is properly prepared, authorised and approved. All procurement guidelines, as set out in the Recipients Procurement and Procedures Manual, are to be followed with proper justification of the supplier or expert selected available.

Recommendation priority: Priority 2 - Prompt specific action is required

Comments from the Recipient:

Recommendation noted.

5 OTHER FINDINGS

We have not raised any other findings.

ANNEXES

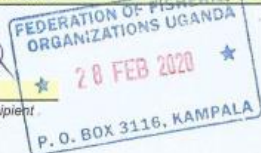
ANNEX 1: FINANCIAL REPORT SUBMITTED TO GIZ

(1st and 2nd Quarter*) Financial Statement - Totals per expenditure category (budget lines)

Recipient: **Federation of Fisheries Organisations Uganda (FFOU)**
 Project Processing No.: **16.0126.9-102.00** Contract No.: **81246624**
 Period from: **08.11.2019**
 to: **21.02.2020**

I Expenditure category (according Grant article 1.2)	II Expenditures for the current period (transfer from breakdown/Annex 3e) €	III Only for GIZ	IV Expenditures from previous periods €	V Budget lines according to Grant article 1.2 €	VI Rest budget in €	VII Rest budget in %
Staff	15,730.08			63,201.60	47,471.52	75.11%
External Experts	4,221.11			27,330.00	23,108.89	84.56%
Transport/ Travel Costs	0.00			3,656.31	3,656.31	100.00%
Training Costs	0.00			45,840.06	45,840.06	100.00%
Procurement of Goods	18,253.04			18,330.49	77.45	0.42%
Other Costs	105.96			9,511.44	9,405.48	98.89%
Administration Costs (7%)	2,681.71			11,750.89	9,069.18	77.18%
Total €	40,991.89 €		0.00 €	179,620.79 €	138,628.90 €	

Date and original signature of the Recipient



Financial Statement - Totals per expenditure category (budget lines)

Recipient: **Federation of Fisheries Organisations Uganda (FFOU)**
 Project Processing No.: **16.0126.9-102.00** Contract No.: **81246624**
 Period from: **22.02.2020**
 to: **29.06.2020**

I Expenditure category (according Grant article 1.2)	II Expenditures for the current period (transfer from breakdown/Annex 3e) €	III Only for GIZ	IV Expenditures from previous periods €	V Budget lines according to Grant article 1.2 €	VI Rest budget in €	VII Rest budget in %
Staff	11,234.10		15,730.08	63,201.60	36,237.42	57.34%
External Experts	3,175.00		4,221.11	27,330.00	19,933.89	72.94%
Transport/ Travel Costs	0.00		0.00	3,656.31	3,656.31	100.00%
Training Costs	0.00		0.00	45,840.06	45,840.06	100.00%
Procurement of Goods	0.00		18,253.04	18,330.49	77.45	0.42%
Other Costs	18.98		105.96	9,511.44	9,386.51	98.69%
Administration Costs (7%)	1,009.96		2,681.71	11,750.89	8,059.22	68.58%
Total €	15,438.04 €		40,991.90 €	179,620.79 €	123,190.85 €	

Date and original signature of the Recipient



Financial Statement - Totals per expenditure category (budget lines)

Recipient: **Federation of Fisheries Organisations Uganda (FFOU)**
 Project Processing No.: **16.0126.9-102.00** Contract No.: **81246624**
 Period from: **30.06.2020**
 to: **30.09.2020**

I Expenditure category (according Grant article 1.2)	II Expenditures for the current period (transfer from breakdown/Annex 3e) €	III Only for GIZ	IV Expenditures from previous periods €	V Budget lines according to Grant article 1.2 €	VI Rest budget in €	VII Rest budget in %
Staff	8,014.29		26,964.18	63,201.60	28,223.13	44.66%
External Experts	3,714.29		7,396.11	27,330.00	16,219.60	59.35%
Transport/ Travel Costs	2,488.10		0.00	3,656.31	1,168.21	31.95%
Training Costs	1,964.29		0.00	45,840.06	43,875.77	95.71%
Procurement of Goods	0.00		18,253.04	18,330.49	77.45	0.42%
Other Costs	3,640.65		124.94	9,511.44	5,745.85	60.41%
Administration Costs (7%)	1,387.51		3,691.67	11,750.89	6,671.71	56.78%
TOTAL €	21,209.12 €		56,429.94 €	179,620.79 €	101,981.73 €	


 Date and original signature of the Recipient: **KAMPALA**

ANNEX 2: PERSONS CONTACTED OR INVOLVED IN THE AUDIT

Auditor	
Caitlin Gordon	Audit Manager
Kwezi Rinet	Auditor

Entity subject to audit - Federation of Fisheries Organisations Uganda	
Kanyana Ezra	President
Kalema Micheal	Executive Director
Baidhuse Micheal	Project Manager
Luyimba John	Accountant

GIZ HQ / GIZ office in Uganda	
Adolf Gerstl	Project Manager (Auftragsverantwortlicher)
Nsanze Ignatius Kanya	Programmes Manager

ANNEX 3: FINANCIAL FINDING 5 - DETAILS

Ref.	Date	Budget line	Description	Amount (UGX)	Exchange Rate (based on actual funds received)	Amount Eligible (€)	Amount Claimed (€)	Amount Ineligible (€)
051	11/08/19	1. Staff	September and October Salary	16,192,000.00	4,132.54	3,918.17	4,058.15	139.98
052	11/12/19	1. Staff	Staff and Employer Contribution (Sept & Oct)	3,420,000.00	4,132.54	827.58	857.14	29.57
053	11/12/19	1. Staff	PAYE - September	2,734,000.00	4,132.54	661.58	685.21	23.63
054	11/12/19	1. Staff	PAYE - October	2,734,000.00	4,132.54	661.58	685.21	23.63
060	27/11/19	1. Staff	November Salary	8,096,000.00	4,132.54	1,959.08	2,029.07	69.99
061	27/11/19	1. Staff	Staff and Employer Contribution	1,710,000.00	4,132.54	413.79	428.57	14.78
062	27/11/19	1. Staff	PAYE - November	2,734,000.00	4,132.54	661.58	685.21	23.63
065	23/12/19	1. Staff	December Salary	8,096,000.00	4,132.54	1,959.08	2,034.17	75.09
066	01/09/20	1. Staff	Staff and Employer Contribution for January	1,710,000.00	4,132.54	413.79	429.65	15.86
067	01/09/20	1. Staff	PAYE - (December)	2,734,000.00	4,132.54	661.58	686.93	25.36
068	28/01/20	1. Staff	January Salary	8,096,000.00	4,132.54	1,959.08	2,034.17	75.09
070	29/01/20	1. Staff	Staff and Employer Contribution for January	1,710,000.00	4,132.54	413.79	429.65	15.86
071	29/01/20	1. Staff	PAYE - January	2,734,000.00	4,132.54	661.58	686.93	25.36
077	28/02/20	1. Staff	February Salary	7,218,000.00	4,132.54	1,746.62	1,813.57	66.94
078	28/02/20	1. Staff	Staff and Employer Contribution for February	1,530,000.00	4,132.54	370.23	384.42	14.19
079	28/02/20	1. Staff	PAYE - February	2,472,000.00	4,132.54	598.18	621.11	22.93
081	24/03/20	1. Staff	March Salary	7,218,000.00	4,132.54	1,746.62	1,804.50	57.88
082	24/03/20	1. Staff	Staff and Employer Contribution for March	1,530,000.00	4,132.54	370.23	382.50	12.27
083	24/03/20	1. Staff	PAYE - March	2,472,000.00	4,132.54	598.18	618.00	19.82
085	30/04/20	1. Staff	April Salary	7,218,000.00	4,132.54	1,746.62	1,804.50	57.88
086	30/04/20	1. Staff	Staff and Employer Contribution for April	1,530,000.00	4,132.54	370.23	382.50	12.27

Ref.	Date	Budget line	Description	Amount (UGX)	Exchange Rate (based on actual funds received)	Amount Eligible (€)	Amount Claimed (€)	Amount Ineligible (€)
087	30/04/20	1. Staff	PAYE - April	2,472,000.00	4,132.54	598.18	618.00	19.82
089	26/05/20	1. Staff	May Salary	7,218,000.00	4,132.54	1,746.62	1,804.50	57.88
090	26/05/20	1. Staff	Staff and Employer Contribution for May	1,530,000.00	4,132.54	370.23	382.50	12.27
091	26/05/20	1. Staff	PAYE - May	2,472,000.00	4,132.54	598.18	618.00	19.82
094	30/06/20	1. Staff	PAYE - June	2,472,000.00	4,132.54	598.18	588.57	(9.61)
095	30/06/20	1. Staff	Staff and Employer Contribution for June	1,530,000.00	4,132.54	370.23	364.29	(5.95)
096	30/06/20	1. Staff	June Salary	7,218,000.00	4,132.54	1,746.62	1,718.57	(28.05)
099	29/07/20	1. Staff	Staff and Employer Contribution for July	1,530,000.00	4,132.54	370.23	364.29	(5.95)
100	29/07/20	1. Staff	PAYE - July	2,472,000.00	4,132.54	598.18	588.57	(9.61)
101	29/07/20	1. Staff	July Salary	7,218,000.00	4,132.54	1,746.62	1,718.57	(28.05)
102	28/08/20	1. Staff	PAYE - August	2,472,000.00	4,132.54	598.18	588.57	(9.61)
103	28/08/20	1. Staff	Staff and Employer Contribution for August	1,530,000.00	4,132.54	370.23	364.29	(5.95)
104	28/08/20	1. Staff	August Salary	7,218,000.00	4,132.54	1,746.62	1,718.57	(28.05)
097	30/06/20	3. Transportation / Travel Costs	Pre-visits to landing sites of Buvuma, Katosi and Kasenyi in Preparation for Consumer Acceptance Tests (CATs)	1,300,000.00	4,132.54	314.58	309.52	(5.05)
106	29/08/20	3. Transportation / Travel Costs	Transport and Travel expenses for CATs	9,150,000.00	4,132.54	2,214.13	2,178.57	(35.56)
108	29/08/20	4. Training Costs	Training costs and allowances for CATs	5,750,000.00	4,132.54	1,391.40	1,369.05	(22.35)
111	29/08/20	4. Training Costs	Allowances for Preparatory visits for Roll-out	2,500,000.00	4,132.54	604.95	595.24	(9.72)
072	28/01/20	2. External Experts	Designing of the Personal Accounting Module	2,000,000.00	4,132.54	483.96	502.51	18.55
073	28/01/20	2. External Experts	Software and Interface Planning and, Creating Designs for the Dashboard	9,000,000.00	4,132.54	2,177.84	2,261.31	83.47

Ref.	Date	Budget line	Description	Amount (UGX)	Exchange Rate (based on actual funds received)	Amount Eligible (€)	Amount Claimed (€)	Amount Ineligible (€)
074	03/02/20	2. External Experts	USSD Subscription and Set-up	2,800,000.00	4,132.54	677.55	703.52	25.97
075	07/02/20	2. External Experts	Dashboard Design	3,000,000.00	4,132.54	725.95	753.77	27.82
080	19/03/20	2. External Experts	Module Development	6,000,000.00	4,132.54	1,451.89	1,500.00	48.11
084	15/04/20	2. External Experts	Mobile Money Processing	3,500,000.00	4,132.54	846.94	875.00	28.06
088	08/05/20	2. External Experts	USSD Package	3,200,000.00	4,132.54	774.34	800.00	25.66
107	29/08/20	2. External Experts	Expenses and Allowances for Pre-visit and Actual Consumer Acceptance Test Training	8,600,000.00	4,132.54	2,081.04	2,047.62	(33.42)
117	02/09/20	2. External Experts	Adapting and Finalisation of the Application	6,580,000.00	4,132.54	1,592.24	1,566.67	(25.57)
118	02/09/20	2. External Experts	Withholding Tax for the Services rendered by Spoton Uganda Ltd.	420,000.00	4,132.54	101.63	100.00	(1.63)
055	14/11/19	5. Procurement of Goods	IT Equipment Setup, Network Installation, Windows Server, Server and Call service configuration	8,566,313.00	4,132.54	2,072.89	2,146.95	74.05
056	15/11/19	5. Procurement of Goods	VPS, Domain name, SSL	11,852,308.00	4,132.54	2,868.04	2,970.50	102.46
057	18/11/19	5. Procurement of Goods	Supply of IT Equipments	12,881,000.00	4,132.54	3,116.97	3,228.32	111.35
058	18/11/19	5. Procurement of Goods	Supply of office tables, chairs and Cabinets	2,950,000.00	4,132.54	713.85	739.35	25.50
059	22/11/19	5. Procurement of Goods	IT Equipments	19,500,000.00	4,132.54	4,718.64	4,887.22	168.57

Ref.	Date	Budget line	Description	Amount (UGX)	Exchange Rate (based on actual funds received)	Amount Eligible (€)	Amount Claimed (€)	Amount Ineligible (€)
063	27/11/19	5. Procurement of Goods	Mobile Data Bundles	7,020,000.00	4,132.54	1,698.71	1,759.40	60.69
064	27/11/19	5. Procurement of Goods	Printer, Smart TV, Stabilizer and AC + Installation	10,060,000.00	4,132.54	2,434.34	2,521.30	86.97
069	28/01/20	6. Other Costs	Bank Charge	313,843.00	4,132.54	75.94	78.66	2.71
076	21/02/20	6. Other Costs	Bank Charge	108,650.00	4,132.54	26.29	27.30	1.01
092	29/06/20	6. Other Costs	Bank Charge	75,900.00	4,132.54	18.37	18.98	0.61
109	29/08/20	6. Other Costs	Stationeries for CATs	842,000.00	4,132.54	203.75	200.48	(3.27)
110	29/08/20	6. Other Costs	Field Router and Data bundles	905,000.00	4,132.54	218.99	215.48	(3.52)
112	01/09/20	6. Other Costs	Stationaries for Capacity Building of ITAs	2,500,000.00	4,132.54	604.95	595.24	(9.72)
113	01/09/20	6. Other Costs	Flyers for ITA Training	3,290,000.00	4,132.54	796.12	783.33	(12.79)
114	01/09/20	6. Other Costs	T-shirts for ITAs	3,600,000.00	4,132.54	871.13	857.14	(13.99)
115	01/09/20	6. Other Costs	Printer Cartridge, AC Gas Refill and Full Servicing of Printer and AC	2,800,000.00	4,132.54	677.55	666.67	(10.88)
116	01/09/20	6. Other Costs	IT Server Maintenance	1,050,000.00	4,132.54	254.08	250.00	(4.08)
119	10/09/20	6. Other Costs	Bank Charges	230,800.00	4,132.54	55.85	54.95	(0.90)
120	30/09/20	6. Other Costs	Bank Charges	72,950.00	4,132.54	17.65	17.37	(0.28)
							Total	1,499.80

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