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منظمة الوحدة الأفريقية

السكرتاريات

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ORGANISATION DE L'UNITE  
AFRICAINNE

Secrétariat  
B. P. 3243

Addis Ababa - أديس أبابا

COUNCIL OF MINISTERS

Twentieth Ordinary Session

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COMMENTS OF THE EXECUTIVE SECRETARIAT OF THE CO-ORDINATING  
COMMITTEE FOR THE LIBERATION OF AFRICA ON THE REPORT OF THE  
BOARD OF EXTERNAL AUDITORS



## INTRODUCTION

### PARAGRAPHS 1 - 4

The handicap in the work of the Board of External Auditors cannot be justifiably attributed to the alleged absence of one of the functionaries namely, the Accountant. As a matter of fact the Board was unable to form a quorum during the first three days of its proposed 7-day audit visit, the Mauritanian representative being the only Board member present. The Burundi Embassy in Tanzania had to be prevailed upon by the Assistant Executive Secretary for Finance and Administration into releasing one of its diplomatic staff to stand in for the Burundi expert who failed to appear. This was all in a bid to enable the Board to proceed with its work, at least for the time being.

The accountant was not at any time suspended, although not having submitted to authority for quite some time, his services were no longer contributory to the efficient functioning of the Finance Department and had become dispensable. Whatever assistance he might have rendered would most probably have turned out to be counter-productive. At the material time the accountant was on sick leave and had to be recalled to meet the auditors. The Assistant Executive Secretary in charge of Administration and Finance, the Assistant accountant, who has been deliberately wrongly referred to as a copying-clerk, and the Internal Auditors were all fully at the disposal of the Board members for the entire duration of their stay in Dar-es-Salaam to assist them in their work. It is therefore inexcusable for the Auditors to blame their shortcomings as well as the unfortunate timing of their arrival during public holidays on any other considerations.

(C) REVENUE

Paragraph 11

Regrettably enough, contributions from Member States are occasionally wrongly credited to the Committee's accounts with the Bank. This error on the part of our Bankers has however been corrected and, will certainly be avoided in future.

(D) Expenditure

Paragraph 12

(i) No OAU Staff on Financial Rules or Regulations prescribe a particular mode or form in which an officer should take out an imprest or advance on an official mission. Once he has been issued with a cheque for the expenditure that may be incurred outside his station, the dictates of common sense, convenience and the exigencies of his type of mission will determine how in his discretion he should apply to the Bank to convert his cheque, whether into a bank draft, foreign currency or travellers cheques. Provided of course that when he retires his imprest he should do so in convertible as distinct from local currency since he initially took out a convertible cheque from the Organization.

(ii) The Board of Auditors might be more specific on this point.

(iii) The withdrawal of some money from the Bank by means of a letter jointly signed by the Assistant Executive Secretary for Administration and Finance and the Egyptian Chairman of the Standing Committee on finance, who are both two of the signatories of the Committee's cheques, was by accident rather than design and was necessitated at the material time as a result of the obduracy and wilful refusal on the part of the accountant to co-operate, for personal reasons, in effecting a simple administrative transaction which warranted urgent and immediate attention.

(iv) No Tender Board existed at the time in question. Consequently, the transaction was effected by the former Executive Secretary in his own discretion. Following the Council's Decision thereafter, a Tender Board has now been established to deal with purchases of that nature.

(v) Same explanation as in (iii) above. The transaction with the El Nast Company for the purchase of materials for the use of Liberation Movements was properly effected and the Company had carried out its part and satisfactorily delivered the goods ordered to the beneficiaries. Payment was delayed for similar reasons by the accountant and the cheques were taken home by him and all finance documents were also carted away from the office. Hence the decision to fulfil our obligation by requesting the bank for payment by letter. Vouchers were completed later and attached to copy of the letter instructing the bank to pay to regularise the transaction.

(vi) The Liberation Committee is seised of this matter already. The observation accredited to the Assistant Executive Secretary for Administration does not constitute an admission ipso jure of the commission of an irregularity but rather an acceptance ipso facto of the non-existence of a specific decision of the Liberation Committee that could be produced to satisfy the Board of Auditors as to the act establishing the Co-ordinating Office under reference. The former Executive Secretary who is known to have approved the creation of the Office and all payments to it might be able to furnish more information about this matter.

(vii) The former Executive Secretary claims to have obtained, after private and individual consultations, the approval of the Resident Members of the Liberation Committee for the over-expenditure. This claim has neither been challenged nor refuted and the over-expenditure has been taken note at the meeting of the Standing Committee on Administration and Finance in Dar-es-Salaam on 7th December 1972.

(viii) Same explanation as in (iv) above.

(ix) There has since been strict compliance with the decision under reference and no military expert has since or will henceforth be paid gratuity of the old rate of twenty-five percent. The new rate of 15% is now applicable.

(x) The Board needs to be more specific and substantiate its statement with facts.

Paragraph 14            Over Expenditure

The Board might perhaps be more specific.

Paragraph 15            Stores

The Board should come out categorically and substantiate its allegation with concrete facts.

Paragraph 16

3. Once there is respect for hierarchy of authorities, there is hardly any need for definition of the responsibilities of the Chief Accountant, the Accountant and the Internal Auditor other than what has been specifically spelt out to the respective subordinate officers in the Schedule of Duties drawn up by their Head of Department. The Assistant Executive Secretary for Finance and Administration is the Chief Finance Officer of the Executive Secretariat to whom the staff of his department are primarily responsible. None of them is competent to arrogate to himself any functions or duties other than what derives from his Head of Department in the best interest and for the smooth functioning of the Department.

4. The matter of the signing of cheques is an administrative matter which is being considered and will be determined finally by the Liberation Committee at its 21st Session in the light of the decision of the 9th Ordinary Session of the Assembly of Heads of State and Government on the basis of that aspect of the Report of the Committee of Seven concerning the control of funds.



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# Comments of the Executive Secretariat of the Co-operating Committee for the Liberation of Africa on the report of the Board of External Auditors

Organization of African Unity

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