

PAC grills energy ministry over funds

By Moses Mulondo and Paul Kivuva

The public accounts committee (PAC) faulted the energy ministry for misappropriation of public funds.

The PAC chairperson, Angelina Chege, said as a committee, they would accept that such accounting officers are appointed.

"The problem of mischarge (diverting) into what it was not budgeted for is in so many entities. As a committee, we resolved that accounting officers who misappropriate and misappropriate funds do not continue serving as public servants," she argued.

The committee was grilling the officer in charge of audit queries in the 2015/2016 financial year. The report indicates that the ministry was mischarged and spent on inappropriate activities for which it had not been budgeted.

"Mischarge of expenditure, misstatement of balances in the financial statements and defeats in the appropriation of funds by the Auditor General stated in the report."

Prisca Boonabantu, the undersecretary of the ministry, who is also the acting accounting officer, admitted that a mistake not allowed by law was committed, but they had been allowed to them in the budget were insufficient to undertake pressing activities.

The ministry officials were also put to explain the audit query of sh734m of pensioners which they never paid in the course of the financial year.

Boonabantu said the money could not be given out because at the time there was a verification exercise going on for some pensioners.

BETWEEN THE LINES:

■ The report indicates that sh511m was mischarged and spent on inappropriate activities for which it had not been budgeted.

The Auditor General also faulted the ministry for failing to collect royalties from gold dealers worth sh34b.

The Auditor General reported that whereas the ministry had reported that only 93kg of gold worth sh11.8b had been exported, their investigations established that 5316kgs worth sh698b had actually been exported.

Vincent Kedi, the acting commissioner for the directorate of geological survey and mining, told the committee that they were constrained to collect more royalties after they had received a letter from the private principal secretary of the President asking them to exempt the Africa Gold Refinery at Entebbe and other gold dealers from paying corporate taxes and royalties.

But the committee vice-chairman, Gerald Karuhanga, rejected the argument explaining that such waivers are only granted by the finance minister.

The Auditor General also faulted the ministry for outstanding advances totalling sh315.7m as facilitation to undertake activities, but could not be accounted for.

The accounting officer said efforts were being made to ensure that funds are either accounted for or recovered from the individuals.

The energy ministry officials were also out to task to explain why they had failed to collect mining rental charges totalling sh691m from two licensed mining companies.

Boonabantu said the contract of the companies, Moroto Cement Ltd, had its licence cancelled over defaulting.

She said plans are underway to also cancel the licence of the second defaulting company, Jan Mangal Company