EFFECTIVENESS OF PUBLIC ACCOUNTS COMMITTEE (PAC) ON ENHANCING ACCOUNTABILITY AND TRANSPARENCY IN PUBLIC SECTOR ORGANIZATIONS (PSOs) IN ZANZIBAR:
EFFECTIVENESS OF PUBLIC ACCOUNTS COMMITTEE (PAC) ON ENHANCING ACCOUNTABILITY AND TRANSPARENCY IN PUBLIC SECTOR ORGANIZATIONS (PSOs) IN ZANZIBAR:

By

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A proposal Submitted in Partial Fulfillment of the Requirements for the Degree of Master of Accounting and Finance (MscA&F) of Mzumbe University

2015
CERTIFICATION

We, the undersigned certifies that we have read and hereby recommends for the acceptance by Mzumbe University, a dissertation entitled Effectiveness of Public Accounts Committee (PAC) on enhancing Accountability and Transparency in public sector organizations (PSOs) in Zanzibar in partial fulfillment of the requirements for award of Masters of science in Accounting and Finance (A&F) of Mzumbe University.

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LIST OF ABBREVIATION

CPA Certified Public Accountant
CAGZ Controller and Auditor General – Zanzibar
IFMS Integrated Financial Management System
INTOSAL International Organization of Supreme Audit Institution
HOR House of Representative
MKUZA Mkakatiwakupambananaumasikini– Zanzibar
MDAs Ministry, Department and Agency
NAO National Audit Office
PAC Public Accounts Committee
PEFA Public Expenditure Financial Accountability
PSOs Public sector organizations
RGoZ The Revolutionary Government of Zanzibar
SPSS Statistical Package of Social Science
SADCOPAC Southern Africa Development Community Public Accounts Committee
WBI World Bank International
ZSGRP Zanzibar strategy for growth and poverty reduction
ZSSF Zanzibar Social Security Fund
ZECO Zanzibar Electricity Corporation
ABSTRACT

This study was conducted in order to assess the effectiveness of Public Accounts Committee (PAC) on enhancing accountability and transparency in public sector organizations (PSOs) in Zanzibar. Specifically, the study was set in order to meet five objectives, namely; to understand how PAC promotes accountability and transparency in public sector organizations, to understand extent to which PAC promote accountability and transparency in public sector organizations, to examine the relationship between PAC and CAG in promoting accountability and transparency in public sectors, to ascertain whether reports, recommendations, and directives of PAC have an influence in improving accountability and transparency of the ministries, departments and other public institutions, and to identify challenges that PAC face in promoting accountability and transparency in public sectors. The study was conducted in Zanzibar using multiple embedded case study design where three units of study were involved. Data were gathered using questionnaires for accountants and auditors (internal and external), interviews for senior officials (including member of PAC) and documentary review. Data were analyzed using qualitative method.

The study found out that there is little contribution of PAC in ensuring accountability and transparency in public sector, due to the fact that Government auditors have not fully covered the audit mandate, there is delay in submission of Annual Audit report for accountability of budget cycle, Public Account Committee faces some challenges on exercising their duties which include lack of skills that can cover all aspects ranging from information technology, financial management and public administration; also operate within a limited budget, which hinders on their oversight work, increases workload and backlogs and the power of PAC in Zanzibar is limited to making recommendations to the House of Representative, on the other hand the study has also found out that PAC increase public awareness and transparency by publish in its report to the public and maintain cardinal relationship with auditor General and their recommendation increase responsiveness of audit queries.
Finally, the study recommends that various strategies that can be employed to address the above challenges. Such strategies include; reviewed some of the provision of the Constitution of Zanzibar of 1984, continuous capacitate of government auditors and PAC through training on the auditing matters and power to make sure their recommendation is implemented and those who steal tax payers money are punished according to rules.
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CHAPTER ONE

GENERAL INTRODUCTION

1.1 Introduction
This chapter contains background information to the study where the history of Public Accounts Committee (PAC) in Zanzibar is highlighted together with the function of PAC in ensuring accountability and transparency in Zanzibar. It is then followed by the statement of the research problem, research objectives and the research questions. The chapter ends up by describing the significance of the study and limitations of the study.

1.2 Background information
Zanzibar is an island faced with massive social economic challenge, especially poverty, challenge of increasing income, eradicating disease, improving the standard of living and quality public service to all its citizens. Various strategies have been adopted over time to realize this problem (ZSGRP II, 2010-2015). For instance, in 2000 the government adopted vision 2020 which aims to improve the standard of living among citizens followed by Zanzibar strategy for growth and reduction of poverty (MKUZA).

The Zanzibar government is a multiparty democracy, which exercises its power through organs of the central government. The organs of central government are: the Executive, Judiciary and Legislature that have powers over the conduct of public affairs. The central government is where the bulk of services take place and where a large portion of public funds are spent and where effective oversight role over the spending of public funds should be in place. However, the central government faces serious challenges as far as governance, accountability, transparency and financial management system are concerned. The unacceptably high number of financial management deficiencies and services delivery failure report issued by Controller and Auditor General in Zanzibar (CAG report, 2012 – 2013).
These challenges lead to persuasive need for corrective action to be taken, which may include oversight mechanisms that will enable and facilitate effective management of public resources, promote transparency and accountability among oversight institutions. Office of Controller and Auditor general and House of Representative (HOR) committee play the oversight roles, the government has strengthened them in order to enable them effectively fulfill their mandate (ZSGRP II, 2010-2015). Nevertheless, transparency and accountability mechanism within government ministries, civil society organization and private sector still leaves much to be desired (ZSGRP II, 2010-2015).

A non-executive oversight mechanism such as a Public Accounts Committee has the potential to play a key contributing role in determining the success with which public funds and other resources are applied or managed in order to successfully deliver quality public services (cobusBotes, 2011). Internationally, legislatures in the national and sub-national spheres appoint committees as their main instruments of oversight. And as far as financial oversight is concerned, legislatures appoint the Public Accounts Committee as their key financial oversight committee. The main objective of ex post oversight (oversight after the event) by a PAC is to hold to account those charged with the use of public funds to implement annual plans and priorities, and to look back in order to have an informed perspective and insight for purposes of future planning. Although PACs have been functioning with varying degrees of success, the PAC has built up a reputation as one of the more successful legislative oversight mechanisms (cobusBotes, 2011).

In Zanzibar, the introduction of Integrated Financial Management System (IFMS) and the enactment of Public Procurement and Disposal of Public Assets Act 2005 was not only meant to help combat corruption, but also ensure efficient use of budgeted financial resources, for the purpose of deepening accountability and transparency. Since the adoption of IFMS in 2007, improves efficiency and effectiveness in government and increase transparency and ensure accountability. Also separate ministry charged with public services and good governance has been adopted for
successful implementation of Public Financial Management Reform, the most common elements of good governance are accountability, transparency, participatory governance, combating corruption, and an enabling legal/judicial framework. (Sam Agere, 2000). Nevertheless, there are still gaps in utilization of resources to the public, high cost of production and services delivery and challenge of providing truly and timely information (ZSGRP II, 2010-2015), the PAC should fulfill these gaps by ensuring transparency and accountability applied in public sector. The study therefore was geared to assess the effectiveness of PAC in promoting accountability and transparency in public sector organizations (PSOs) in Zanzibar.

1.3 Statement of the problem

Based on foregoing historical background, the poor performance on financial management in terms of misuse of public funds is a serious problem due to inadequate effectiveness in relation to the functioning of the PAC in promoting accountability and transparency in public sector organizations. Therefore, the researcher intended to study on the effectiveness of PAC in promoting accountability and transparency in public sector organizations in Zanzibar.

1.4 Main Objective of the study

The main Objective of this study was to assess the effectiveness of Public Accounts Committee in promoting accountability and transparency in public sector organization (PSOs) in Zanzibar.

1.4.1 Specific objectives

To meet the above broad objective, the study intended to achieve the following specific objectives:-

i. To understand how PAC promoted accountability and transparency in PSOs in Zanzibar.

ii. To understand the extent to which PAC has promoted accountability and transparency in PSOs in Zanzibar.
iii. To examine the relationship between PAC and Controller and Auditor General (CAG) in promoting accounting and transparency in PSOs in Zanzibar

iv. To ascertain whether reports, recommendations and directives of PAC have an influence in improving the accountability and transparency of the ministries, departments and other public institutions.

v. To identify challenges which affect the operation and effectiveness of the PAC in promoting accountability and transparency in PSOs in Zanzibar.

1.5 Research questions
This study was guided by the following research questions:-

i. How PAC promote accountability and transparency in PSOs in Zanzibar?

ii. To what extent has the PAC promoted public sector organizations accountability and transparency in Zanzibar?

iii. What are the relationships between PAC and CAG in promoting accountability and transparency in PSOs in Zanzibar?

iv. How PAC reports, recommendations and directives influence accountability and transparency of the ministries, departments and other public institutions.

v. What are the challenges that PAC face in promoting accountability and transparency in public sector?

1.6 Significance of the study
Since the establishment of PAC in government sectors as per government regulations, the study has the following benefits:-

i. Findings of this study will promote the understanding of the effectiveness of the PAC on enhancing accountability and transparency, by unveiling the factors that promote to the effectiveness of PAC and presenting challenges that hinder the successful implementations of PAC reports and recommendations to the PSOs.

ii. To provide awareness on PAC report, conclusions and recommendations or directives that have influence in improving the accountability and transparency of the PSOs.
iii. The finding and recommendation of this research will be helpful for governmental and non-governmental organizations working and interested in good governance and operation of PAC in Zanzibar jurisdiction.

iv. The study will come up with modern approaches/methodologies and tactics of promoting effectiveness and transparency in promoting public accounts through committee.

v. The result of the research may lead parliament (PAC) in a position to formulate policies that will pressurize employees in the public sector to adhere to accountability and hence strengthen the fight against corruption and fraud.

1.7 Limitations of the study

Although, PAC is working since 1980 but the main objective of this research is to make an assessment on effectiveness of PAC in promoting accountability and transparency in public sector organizations in Zanzibar from 2012 – 2014. The study did not assess the effectiveness of PAC in past years (different years) due to the difficulty in obtaining PAC report in Zanzibar. The researcher managed to file a few report for the year and make detailed comparisons of various years.
CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter discusses literature review which includes theoretical and empirical literature relating to establishment and functioning of PAC, the theoretical literature begins with the description of key concepts relates to accountability, transparency as well as PAC. Furthermore the chapter presents the conceptual framework of the study and finally, the chapter winds up with a conclusion on the literature reviewed among other things with the need to conduct this study.

2.2 Theoretical literature

2.2.1 Definition of key terms

This section provides definitions and elaboration of the key concepts used in this study. Such definitions and elaboration are as explained below.

2.2.2.1 Accountability

According to Swarnajothi (2009), accountability is a mechanism intended to ensure that the affairs of the entities are conducted according to the interests of those who are interested in the affairs of the entity. To him the concept of accountability tends to assume great significance in situations where activities are conducted under delegated authority. Similarly, Lawson and Rakner (2005) have reported that accountability denotes the duty to be accountable in return for the delegation of a task, a power or a resource. In their work, Lawson and Rakner (2005) have concluded that, the political science literature suggests that all effective accountability mechanisms operate according to a logic based around three criteria: Transparency, Answerability and Controllability (Lawson and Rakner, 2005).
Similarly Cole (2006) has defined the concept of accountability entailing both public sector entities and the individuals within them. In his own words Cole says:

“Accountability is the process whereby public sector entities, and the individuals within them, are responsible for their decisions and actions, including their stewardship of public funds and all aspects of performance, and submit themselves to appropriate external scrutiny”.

According to Aruwa (2004) accountability is enhanced by the extent to which the duty to answer is discharged. Oral representation or verbal account of actions represent the minimum and weakest form in the discharge of responsibility for accountability, it becomes strengthened and even stronger if account is documented in writing and backed by supporting documents to evidence claims in the account. The form and content of accountability is further enhanced by procedural influences such as timeliness (or report authentication and communication) as well as the process (details of form and content).

The Tokyo Declaration of 1985 defines the Public Accountability as “the obligations of persons authorities entrusted with public resources to report on the management of such resources and be answerable for the fiscal, managerial and programme responsibilities that are conferred”. Accountability in the public sector has traditionally been based on compliance with rules and procedures. It did not matter what you did as long as you observed the rules. Now, when the public sector is deregulated, a new results-based system is needed to hold managers accountable (Blöndal, 2003).

Hallak and Poisson (2006) suggest that in order for accountability to exist, an individual’s actions must come under review and that person must receive a higher or lower degree of sanction if their performance does not come up to standard. In this study, accountability has been perceived as the obligation of not only to explain and
justify one’s conduct, but also the possibility of debate, of questions by the forum and answers by the actor, and eventually of judgment of the actor by the forum.

However, it is important to note that the cycle of accountability does not occur in isolation with social, political and economic factors, provide a context that will impact on the effectiveness of the accountability process (Schacter, 2007:4). Hedger and Blick seem to be in agreement, as they point out that a fully functioning accountability mechanism such as a PAC can be rendered ineffective if the surrounding governance environment is not conducive and supportive (2008:4).

**Figure 2.1 Schacter’s accountability cycles**

The above figure relates with information improvement on financial and non-financial performance report, the detail and quality information are evaluated in the financial statements to determine the accurate and relevant of information contain
with regard to services delivery performance. Action is taken so as to determine and improve accountability in the public sector.

2.2.2.2 Transparency

The term “Transparency” is defined by the Concise Oxford English Dictionary as “a condition of being transparent”. The same dictionary defines the term transparent as “being open to public scrutiny”. Therefore in simple words, the term transparency refers to the condition of being open to public scrutiny. Carstens (2005) in his address at the regional workshop on transparency and accountability in Resource Management in CEMAC Countries held in Malabo-Equatorial Guinea said:

“Transparency ensures that information is available that can be used to measure the authorities’ performance and to guard against any possible misuse of powers. In that sense, transparency serves to achieve accountability, which means that authorities can be held responsible for their actions. Without transparency and accountability, trust will be lacking between a government and those whom it governs. The result would be social instability and an environment that is less than conducive to economic growth”.

According to Kiraso (2009), transparency is a requirement that will cultivate results, facilitates public monitoring of public institutions, ensure proper public institution administration and management, promote administrative reforms and encourage civil society participation. Kiraso further insisted that transparency is imperative in the fight against corruption; it makes it possible for the public to monitor actions of office bearers, the commitment to administrative reforms, development of codes of conduct, good practices for public servants, promotion of public participation and accountability and full participation of the media and civil society. Other examples of transparency are freedom of information acts, administrative procedures, televised parliamentary debates, published government audit reports and advertised government positions. In this study, transparency was regarded as a process that requires people to disclose substantively and truthfully their performance to those
who are entitled to know. Thus, in order for transparency to be effective, the disclosure must be mandatory, full and truthful.

2.2.2.3 Relationship between Accountability and Transparency

Many studies have shown that there is a strong relationship between accountability and transparency. Djankov et al (2008) for example, have reported that: “Accountability of government officials relies on availability of information about their misconduct. There can be little accountability without transparency”. Likewise, Kiraso (2009) has reported that, it is most apparent in situations where there is no transparency, accountability is lacking. Similarly, Aruwa (2004) argues that, accountability and transparency are two inseparable ideas. The mutually reinforcing transparency is worthless if it does not match appropriate accountability for use of discretion; and accountability is meaningless if it does not spring from transparent medium.

According to Parry (2000), corruption has become a significant problem in many countries with serious consequences on development projects of the countries concerned. Some of the problems related to corruption include increased managerial costs, misallocation of resources and slowed investments. Parry finally concluded by arguing that if full information is made available, transparency is achieved, and corrupt practices are more difficult to hide.

2.2.2.4 Auditor General, Accountability and Transparency

The Auditor-General assumes the highest point of the financial accountability pyramid. As the officer responsible for auditing government income and expenditure, they act as a watchdog over financial integrity and the credibility of reported information (Parry, 2000; Swarnajothi, 2009). According to a report published by the Common Wealth Parliamentary Association, CPA (2006), the role of the Auditor General in enhancing Accountability and transparency and the fight against corruption should not be confused with that of the financial police which existed in the former Soviet Union; the role of the Auditor General is that of a ‘watchdog, not a
bloodhound’ as it has been decided in a famous UK case judgment. It is not the auditor’s role to actively seek out corruption, this responsibility rests to the management of the entity. This is further emphasized by one of the audit postulates, which states that “auditor cannot be relied on to identify fraud or corruption” when these are in reality the role of the management.

The government accounts should be closed in a timely way and be auditable by the Auditor-General so that they will be able to include in their report their comments on areas of weakened financial and accounting systems which encourage corrupt practices. It is obvious that the periodic review of public accounts by the Auditor-General enhances accountability and transparency. However, the Auditor-General should possess the independence required in terms not only of reporting to Parliament but also of budget availability and recruitment and administration of his staff (CPA, 2006). Furthermore, CPA (2006) has reported that most of the Auditor Generals in developing countries are using manual methods to carry out government auditing functions. They also carry out the auditing functions by applying outdated audit methods. Such functions can be improved by applying computer-based audit methodologies such as application of audit software, sampling methods and risk based audit methodologies. This would drastically improve the capacity of the offices of the Auditors General and improve public sector governance and transparency in government.

In this study, accountability and transparency have been conceived and measured in terms of adherence of the financial statements produced by IFMS and submission of government accounts to the Auditors General to check for accuracy, reliability, understandability and comparison of financial statements and control of public resources. Auditor General’s report submitted to President and Parliaments (through PAC) for further follow up, recommendation and directives so as to increase accountability and transparency.
2.2.3 Public Accounts Committee (PAC)

Apart from accountability and transparency, this study has discussed much on Public Accounts Committee (PAC). According to report of Public Accounts Committee in Tanzania (2014), PAC is one of 18 parliamentary committees and 2 accountability committees which operate under section 8 and 9 of the constitution and 2008 Public Audit act. The Tanzanian PAC is chaired by a member of the opposition, and 80 per cent of the members sitting on the PAC belong to the government, the appointment of both PAC members and chairperson used to be five years but it has recently been reduced to 2.5 years. The Chairperson is elected by the members of the committee itself. The quorum for the PAC is one-third of the members, the committee in its functioning strives for consensus, but it can take decision by simple majority.

In some cases, the tradition to award the chair of the PAC to an opposition member might simply reflect an unwritten convention, whereas elsewhere this principle has been written into the rules of the house. The chairperson is to play certain roles, i.e. he has to ensure the smooth and effective running of the committee. In particular, PAC chairpersons are responsible for setting the committee’s agenda, usually in consultation with the committee and the auditor general. The latter should be able to indicate the flow of reports to be released, which should allow the committee to plan ahead reasonably well. The chairperson is also crucial in fostering a culture of consensus in the committee, by steering it clear of party political divisions as far as possible (Organization of Economic Co-operation and Development, 2001:7).

According to Sam Agere (2000), “Where legislative committees are effective, they help enhance the quality of policy-making (increasing their responsiveness to citizen’s needs and demands), check abuses of government power through their investigations, and monitor performance. One good example in a parliamentary system of government is the role of a Public Accounts Committee (PAC) which undertakes a posterior control of government expenditures. Its work is based on annual reports of the Auditor General who is normally independent of the executive. This represents a critical meeting point of political and financial accountability.
Where PACs are effective, they help to enhance efficiency as well as check financial mismanagement.” Sam Agere also describes, it is important to stress that effective use of PACs depends on the capacity of the Auditor General’s office, the ability of PAC members and the publicity that is given to both the hearings and the sanctions that are imposed (if any). It is absence of a combination of two or more of these factors that explains the ineffectiveness of PACs in some countries that have established British-style parliamentary system of government for example, Kenya, Nigeria and Tanzania.

2.2.3.1 PAC, accountability and transparency.
There are a number of studies that have shown an improvement in financial accountability and transparency in the public sector after the establishment of PAC in different countries. Southern Africa Development Community Public Accounts Committee meeting (SADCOPAC) (2009), member state believe that the PAC can ensure integrity, accountability, transparency and improving efficiency of public financial management which is a basis of sustainable social-economic development. It is important for parliamentarians to discuss issues of transparency and accountability which are some of the tenets of good governance and observance of law and participation (Chimango SADCOPAC member, 2009); during SADCOPAC Chimango continue that the time has come for PACs in the region to be effective if the public they represent are to come out of poverty. “Africa remains a poor continent and it is imperative for PACs to ensure that the little resources that the nations have utilized to benefit the people,” (Chimango 2009). and The Malawian Speaker also pointed out that the theme for the conference which is ‘Making Governments Accountable to the People through Public Accounts Committees’ is appropriate as it sets the tone for good governance, accountability, transparency and integrity.

The former president of the Republic of South Africa, Nelson Mandela (2008), pointed out that

“It is in the legislatures that the instruments have been fashioned to create a better life for all. It is here that oversight of government has been exercised. It is here that our society in all its formations has had an opportunity to influence policy and its
implementation”. Yamamoto (2007) there can be no democratic system of government without transparency and accountability. The ultimate objective of PAC in Rwanda Parliament is to use financial accountability as a tool to improve public management and make public sector deliver on its commitments. The other objectives, according to Rwanda experience is to achieve the desired results and leverage change to modernise public sector and overall economic management while at the same time facilitates change of attitude by public sector workers to see themselves as facilitators and partners in national development (SADCOPAC, 2009).

2.2.3.2 Relationship between PAC and Auditor General

The supreme audit institution in commonwealth countries known as the Auditor General - is the primary assurance agency in systems of government and the main source of information as far as public accounts committees are concerned (McGee, 2002:99). The main purpose of a supreme audit institution is to examine the management of public funds by the government of the day, as well as the quality and credibility of information concerning financial accountability regarding funds that government provides to the legislature (Cobus Botes, 2011).

The relationship between Audit office and Parliament through PAC varies between the countries. The PAC is the primary viewers of the Auditor General, and it is important that a cordial relationship is maintained between the PAC and audit institution. While the PAC depends on high quality audit reporting to be effective, the Auditor General in turn requires an effective PAC to ensure that ministries and departments take audit outcomes seriously and ensure accountability and currently PAC focus on audit scrutiny.
In Zanzibar all reports of the Auditor General are addressed to the House of Representative, and the representative of Auditor General will attend the meetings of the PAC. In some cases, the PAC can request the Auditor General to conduct a specific investigation, and the Auditor General has no discretion and must do so. More recently, audit institutions have also tended to develop a more ad hoc advisory function, whereby the legislature requests advice or comments on specific issues under consideration. Especially in the absence or lack of dedicated legislature research capacity, this can broaden the access of parliament to independent expert analysis.
About 90% of the PAC inquiries are concerned with Auditor General Reports; example issue of accountability to the ministries was not directly relate to the Auditor report but there was closely linked to its report. The Audit office is the eyes and ears of the committee and presents the facts to the committee while the PAC holds individuals to account for what the Auditor has found. The PAC provide strengths to the Auditor General by draw further attention to the issues raised by CAG, because the Auditor Reports usually receive excellent media coverage which highlighting on minor sensational items and complex issues, its rarely for journalists to have time and space to dig deeply and sustain their inquiries, but PAC draw further attention to issues and problems. The PAC provides additional public and visible pressure on governments to change or account for their actions, because the committee has influences on fact finding and political accountability which lead easily accessibility of the public record. The committee appearance is not taken lightly by public servants, and this provides powerful and transparent follow up of the Auditor General’s investigations.

In 2009, the Controller and Auditor-General (CAG) was quoted by the ineffectiveness of the Tanzanian accountability framework (sikika, 2011) as saying: “The Parliament looks upon the Controller and Auditor-General and the National Audit Office (NAO) for assurance in regard to financial reporting and public resources management in the Central Government and in relation to efficiency and effectiveness of programs administration. My office contributes through recommendations given towards improvements in public sector performance. In this regard, the Central Government and my office each have a role in contributing to parliamentary and public confidence building in public resources management.”

2.2.4 Theoretical analyses of the study
Theoretical outlook is a way of looking at the world and making sense of it, understanding how we know and what we know (Crotty, 1998). Theoretical framework guides researchers in framing their project determining what kinds of investigations are appropriate and shaping their analysis (Goetz and LeCompte,
1984). By considering the above viewpoints, the following theoretical framework had been proposed.

**2.2.4.1 Agency Theory of Government**

The agency theory of government posits that the public, who act as the ‘principal’, entrust their money to government which act as their ‘agent’. In this model, government as an agent renders an account to the public. The first scholars to propose that a theory of agency be created and to actually begin its creation were Stephen Ross and Barry Mitnick, who worked independently and concurrently. Ross was responsible for the origin of the economic theory of agency and Mitnick for the institutional theory of agency. Although the basic concepts underlying these approaches are similar, they can be seen as complementary in their uses of similar concepts under different assumptions (Mitnick, 2012).

According to Castaner (2011), in democratic systems, the population is sovereign and thus the people are the principal who elects individuals to represent it as well as directly or indirectly lead each public administration. Thus, elected politicians who govern public administrations cannot be considered principals but agents of the voting population. Parry (2000) argues that in order to be effective, accountability must imply some power of Public (the electorate) over the government. He further posits that whilst this power exists for both governments and companies through the democratic process, their limited access to information makes it almost impossible for individual electors or shareholders to apply accountability in relation to specific policies or management actions. Hence, this model of accountability is difficult to operationalize effectively. Parry (2000) as well as Castaner (2011) further argues that, in order to achieve accountability within public sector, much work must revolve around the problem of public achieving some form of control over the actions of the government, and audit is one of the mechanisms by which effective accountability can be achieved. The present study has applied the agency theory of government in order to investigate the establishment of PAC in Zanzibar has helped the
Revolution Government of Zanzibar (RGZ) in promoting accountability and transparency in the public financial management.

Pictorially, the Agency theory of Government may be depicted as shown in figure 2.1 below.

**Figure 2.3: Accountability and Agency Theory**

![Accountability and Agency Theory](image)

*Source: Michael Parry (2000)*

### 2.3 Empirical literature

Many studies have been done in assessing the efficiency and effectiveness of PAC in promoting accountability and transparency in public sectors in different countries around the world. Some studies have reported the ‘stories’ of success and others in contrast have reported the failed in assessing the effectiveness of PAC in public sectors.

According to the report published by KPMG jointly with La Trobe University, on PACs of Australia and New Zealand in 2006, The purpose of the report was to classify the range of structures, responsibilities and working practices, and is regarded by Rick Stapenhurst and Cindy Kroon as the first exhaustively comparative work of
PACs in all Australian and New Zealand jurisdictions. Premise of the study is that “one size does not fit all”; the structure, terms of proceedings and the operational models vary from one PAC to another and there is no set of unique practices to follow in constituting an effective PAC. However, a number of operations and working practices adopted or developed by individual jurisdictions can be matching and beneficial to other jurisdictions. The study group observed a variance in rules, practices, and outcomes, differentiating each PAC from other.

Pere, AyapereandOsain, Orueze (2013) conducted a study to investigate functional impact of Public Accounts Committee on Public accountability over financial crimes in Nigeria. The study discovered that there is a positive and significant relationship between PAC function and public accountability, the relationship is very weak due to lack of maintaining cordial between them. Not only that, Nigerian PAC lacked systematic approach in carrying out its function to enhance public accountability. Secondly PAC in actual function carry out a measure of statutory duties but not good enough to enhance transparency and accountability in Nigeria. Thirdly there is great significance of PAC function for public accountability over financial crimes Nigeria. Thus, awareness has been created of PAC functions and its importance in the role of enhancing transparency and accountability in Nigeria. Fourthly there is no check on accountability and equilibrium of power, therefore, under minding that accountability forums are able to contribute to the prevention of corruption and the abuse of powers. Regarding accountability and reflective governance, the study also observed that there is no much learning perspective of political administrators in Nigeria. Otherwise, accountability arrangements could have stimulated administrative bodies and officials to achieve a higher awareness of the environment, increase self-reflection and induce the ability to change. Finally, the study discover that Auditor General dependency on auditees is not helping matters with due regard to giving adequate support to the PAC in terms of producing absolute annual report. However, the study focused on the following ideas: (1) there is a positive and significant relationship between the function of public accounts committee and public
accountability in Nigeria; (2) there is a significant impact of public accounts committee function on transparency and accountability in Nigeria; and (3) there is a great significance of public accounts committee function for public accountability over financial crimes in Nigeria.

Pere, Ayapere and Osain, Orueze (2013), the study recommend the following suggestions to enhance public accountability over financial crimes in Nigeria. A cordial working relationship between the PAC and the auditor general should be maintained. It is high time for us to practice our indigenous Audit Act that will make the office of the Auditor-General independent body. That is only when anti-corruption goals would be visualized. The PAC should be engaged in a constant exchange with the auditor general to ensure that information is provided when it is needed, and in an accessible and useful format. PAC deliberations should be open to the media and the interested public and any exceptions from this rule need to be thoroughly justified, reasonably justifiable, and limited to exceptional circumstances. Nigerian PAC should be increasingly concerned with assessing whether the state government obtained value for money in public spending. PAC should look into the aspects of evaluating collection and accounting for revenues; examine the probity and value for money in tax expenditures; evaluate the adequacy of safeguarding assets from loss, waste and misappropriation; and examine whether appropriate financial management controls are in existence or not. Thus, proper evaluation of administrative activities could be effective. There should be genuine practice of accountability and equilibrium of power so that power concentration in the executive is checked to pave way for accountability forums to contribute to the prevention of corruption in Nigeria. There is a great need of accountability and reflective governance so that learning perspective of political administrators in Nigeria should be encouraged, increase self-reflection and induce the ability to change.

Another study of Canadian PACs was carried out by CCAF-FCVI initially in 2004, while its final research report published in 2006. The report investigated accountability and governance relationships among public oversight committees,
legislative auditors, and senior government managers, with particular focus on the functioning of PACs in relation with these institutions. The report comes up with a structure of core powers and practices to help strengthen the effectiveness of PACs. The report identified four significant factors in Canadian PACs: i) each PAC is unique; ii) PACs must try to avoid partisanship to be effective; iii) PACs should operate independently of government and should be curious enough to ask probing questions; and iv) PAC proceedings can play a meaningful public-education role. The report also detects that there found no single model PAC because of the variances in structures and democratic cultures of the legislatures and administrations of the diverse jurisdictions. However, CCAF-FCVI reported a substantial disparity among the relationships between the legislative auditor and PAC and between Principal Accounting Officers and PAC, in the mandates of the committee, in the conduct of business, in reporting to the legislatures, in follow-up of committee’s recommendations and in the rate of compliance.

According to Stapenhurst et al (2005), a working paper on the assessment of PAC performance, thus deepening McGee’s (2002) analysis of PACs. The report explores PAC success and identifies factors affecting its performance. The study was based on data collected by WBI in 2002, where a survey questionnaire was sent to 51 parliaments in Commonwealth countries in Asia, Australasia, Canada and the United Kingdom. The WBI report observed that availability of information and non-partisan were critical success factors of the PACs as ascribed by McGee. The survey also resulted that two other factors were equally important including the institutional design of the PAC, and the PAC’s operational model. The report observed the extant of institutionalization and the nature of powers and mandate of a PAC directly contribute to its effectiveness. The results of the survey reached to the conclusion that a greater focus of PACs on government’s financial activity and accountability were important rather on the assessment of the content of the government’s policies. The study holds that the PAC empowered to probe all past and present government expenses was at a best practice, however, PAC better benefit from examining ongoing
projects. PACs should also be empowered to making departments and government implement its directives. Most importantly, the report pays greater focus on close working relationship of Auditor General with PAC. The report further proves that the behavior of PAC members and the functioning of the committee are successive factor other than the institutional design of a PAC. The practices identified by Stapenhurst et al, further include, a non-partisan fashion and consensus among members, preparation of Members prior to a meetings, keeping of the transcripts of meetings by PAC secretariats and publishing of Committee conclusions and recommendations on PAC website and in press and involving the public and the media. The paper also gives in its end the 17 aspects of an ideal committee. Jacobs et al, found that there were three categories on the result of their investigation of 148 reports produced by PACs in around nine Australian Jurisdictions over a period of four years’ time. The categories comprising firstly, those PACs for which the prime agenda was the follow-up of Auditor-General reports, secondly, the PACs for which self-initiated inquiries was the principal activity and thirdly the PACs who pay equal concentrations to Auditor General reports and the self-initiated inquiries. The third category being an interesting and exceptional case with a balance between follow-up enquiries and self-initiated enquiries was regarded the best practice. He concluded that the inclination of interpreting a balance of activity between both the PAC and the AG is a positive sign of independence constitutionally provided.

According to Mr. Chimango during the annual conference of member of SADCOPAC (2009), it is sad to note through, that research has established that parliaments in Africa, particularly those in our region are not as effective as they should be; the executive exerts more authority and has proved to be more powerful than the other two arms of government, namely the Judiciary and Parliament itself. Research shows that parliaments in the region and Africa as a whole are not as powerful as those in other continents when it comes to their oversight functions (Mr. Chimamgo, 2009). Africa needs more efforts so as to increase effectiveness to its oversight in order to promote public accountability and transparency.
2.4 Conceptual Framework

Figure 2.4 Conceptual framework

Source: Researcher own constructs (2015)

2.4.1 Description of variables in the model

Transparency
Means to ensure the information are available for public scrutiny against any possible misuse of power, in that sense transparency provides information for stakeholders and public in a format that facilitates understanding, analysis and participation of media and civil society.
Accountability
Is the process which applies to those responsible for the use of public resources, are responsible for their decisions and actions, including their stewardship of public funds and all aspects of performance.

Public awareness
To ensure and provides the information’s to the public in a way that facilitates understanding, analysis and enable them to make better decision.

Utilization of resources/allocation of resources
This means that the resources must be allocated in accordance with the government policies, either it's a scarce resources or optimal resources but the priorities of the government must be considered. The allocation of resources based on budget realism and comprehensive policies.

Compliance with laws and regulation
It can be achieved through the use of power in accordance with constitutional, laws, regulatory requirements and avoidance of corruption.

Public resources
It refers to the management and proper use of public resources in order to achieve efficiency, economic and effectiveness in expenditure in compliance with the regulations.

Services delivery
It can be achieved by delivering services in right time, right quantity and right places when they needed.

Proper control
Actions that can be taken to achieve the desired goal, it include training for those responsible in ensuring accountability, updating information of the public and compliance of laws to avoid corruption.
The CAG can facilitate the implementation and realization of these goals in line with the said criteria by providing recommendation, update information to enable the preparation of financial statements within the underpinnings of financial regulations. The PAC is responsible to ensure that those who fail to maintain accountability and transparency in public sectors are disciplined according to the laws and regulations.

2.5 Conclusion

The literature has shown that there are numbers of identifiable PAC functions, activities and practices that have been proven over the years to be important for this oversight mechanism to carry out its financial scrutiny work successfully. Despite the differences and complexity of various government systems and despite the numerous challenges that PACs are faced, still the existence of PAC improve transparency against misuse of public resources, compliance with laws and regulation concerning financial regulation and the committee has much to offer legislature at any level of government.

There are number of benefits derived from the implementation of PAC as far as accountability and transparency is concerned. Unfortunately, there are few studies which have been conducted within the Tanzanian context, especially in Zanzibar, in assessing the effectiveness of PAC on enhancing accountability and transparency. Given this gap of knowledge, there is need to conduct a study to assess the effectiveness of Public Accounts Committee (PAC) on enhancing Public Accountability and Transparency under the context of Tanzanian environment.
CHAPTER THREE

METHODOLOGY

3.1 Introduction
This chapter is concerned with the methodological issues regarding the study. It presents methods and procedures used in gathering information about the study. The chapter begins by presenting the study setting, followed by a brief description on the research design. Furthermore, it describes units of analysis, sampling technique and sample size. The chapter proceeds by presenting types and sources of data, data collection methods, data collection procedures and data analysis. Finally, the chapter winds up with a section on validity and reliability issues.

3.2 Study area
The study was carried out in Zanzibar West Urban region, at the Ministry of good governance, Office of the Controller and Auditor General Zanzibar, House of Representatives, together with two independent government institutions (Zanzibar Social Security Fund (ZSSF) and Zanzibar Electricity Corporation (ZECO)). The reason for selection of this area is the Head Quarter of all Ministries, Department, Agencies and other Public Institutions. The Zanzibar West Urban region is one of 5 regions of Zanzibar and is located on the island of Unguja. This region is at the center of the island, and it holds Zanzibar Town which serves as the island’s capital with a population of approximately 600,000. The selection of these Institutions and Ministry was due to the fact that, they are the key responsible for ensuring the implementation and maintenance of good governance in Zanzibar. Controller and Auditor General was chosen because it is responsible for the government auditing on the implementation of the budget, likewise the House of Representatives is parliamentary responsible for scrutinizing the annual government audit report.

ZECO is an Institution where by PAC conducts special investigation and enquiry against illegal connections of electricity (the guardian, 2013) so, this study wants to find out if there is an improvement after PAC report.
ZSSF is an institution which is claimed for frauds in payment of pensions to retirees, despite of providing good services to its customers. The Office of the Controller and Auditor General was chosen because it is the reviewer of the ministries and independent department and produce the report to the PAC. Furthermore, the researcher was assured access to data and information. So it became easy and summary to access data and information required in answering the research questions from both institutions.

3.3 Research design
This study has employed a descriptive multiple-embedded case study. An embedded case study is a case study containing more than one sub-unit of analysis (Yin, 2003). Accordingly, multiple-embedded case study allows comparison of data and information which provides an advantage of rich and valid findings. Scholz&Tietje (2002) and Yin (2003) contend that an embedded case study methodology provides a means of integrating quantitative and qualitative methods into a single research study. With respect to descriptive nature of this research design, so the researcher has employed this methodology due to fact that it contained more than sub unit of analysis which include External Auditors, Internal Auditors, Government official from Ministry of good governance, Office of Controller and Auditor General, House of Representatives, ZSSF and ZECO who are responsible for Public Account Committee, also there is a need for researcher to compare of data and information from sub unit of analysis which is integrated into single research study.

3.4 Unit of analysis
This study is composed of four types of units of analysis. These are: political leaders from Parliament (PAC), Accountants, Auditors (both internal and external auditors) and senior officials from both Ministry of good governance, Zanzibar Social Security Fund and Zanzibar Electricity Corporation and Office of the Controller and Auditor General-Zanzibar. Members of these units of analysis have education level between Certificate and Master’ degree and experience of at least 2 years in public sector, These categories of participants were considered for the study because they are the
ones using financial data in their daily activities and answerable for accountability in public sectors. In fact, selection of these groups was based on theoretical sampling (Strauss, 1987). That is, units of analysis were selected basing on different extremes. This also facilitated comparison.

3.5 Study population
The population of the study consists of 12 Accountants, 10 External Auditors, 6 Internal Auditors and 2 Senior Officers from ZSSF, 2 Senior Offices from ZECO and 2 Senior Officers from CAG who are responsible, working and interacting with Public Accounts Committee.

3.6 Sample size and Sampling technique
A purposive sampling method was used to identify and classify respondents for this study in order to achieve the research objectives. The researcher used this method because the respondents are directly interacting with PAC.

3.7 Types and source of data
The study has employed both primary and secondary data. Primary data have the advantage of giving the researcher an in-depth familiarity with the research findings, promoting accurate answers, and a better understanding of the research process (Gall et. al, 2005). These data were obtained through interviews and execution of questionnaire that were administered to participants.

Secondary data on other hands are the data obtained from literature sources (second hand information) or data that were collected sometime earlier for specific objectives or project. These data have the advantage of being easy and quick to be obtained, save time and cost; and can result in unforeseen discoveries (Saunders & Thornhill, 2000). On the other hand, secondary data for this study were obtained from various documents like Auditor General Reports, PAC reports, financial statements, books, journal, articles, internet search, official publications, etc. The information obtained
from these sources have helped the researcher to expand knowledge on PAC, and supported the data obtained from the respondents.

3.8 Data collection method

The study employed three methods for collecting data. These methods were questionnaires, interviews and documentary review. Accordingly, multiple methods in data collection have the advantage of improving validity as well as the reliability of the study findings. Also, Janesick, (1998), concludes that one advantage of adopting a case study design is that of triangulating methods and data as it was the case for this study. It can be said that, the three methods of evidence collection helped to see the same things from three different points of view which in fact improves validity of findings (Silverman, 1993).

Questionnaire

The semi-structured questionnaire having close-ended and open-ended questions will be employed to obtain responses from Accountants, Internal auditors and External auditors. This questionnaire comprised of four main sections that reflected objectives of the study.

A sample of the questionnaire may be depicted in the appendices

Interview

The study applied in-depth and structured interview concerning the effectiveness of PAC in enhancing accountability and transparency in public sector. An in-depth interview is a dialogue between a skilled interviewer and an interviewee. Its goal is to draw out rich, detailed material that can be used in analysis (Lofland&Lofland, 1995); In-depth interviews are characterized by extensive probing and open-ended questions. Typically, the researcher was prepared an interview guide that includes a list of questions or issues that explored on key issue concerning the government audit. The guide helps the interviewer pace the interview and makes interviewing more systematic and comprehensive.

The data can be recorded in a wide variety of ways including audio recording, video recording or written notes. The researcher was not able to use audio recording due to
fact that all respondents were not willing for recorded, but a written note was used in capturing reliable information concerning the Public Accounts Committee when the respondents were interviewed. Thus an in-depth interview was administered to the Director of Audit in the Office of the Controller and Auditor General Zanzibar.

Also, the researcher was used a structured interview so as to guide respondents on the kind of information they were expected to give. The researcher held interviews with both Senior Officers from ZSSF, ZECO and House of Representatives, this due to fact that these officers are responsible for the implementation of budgets in ensuring that there is proper use of public resources as well as accountability mechanisms for ensuring good governance. Under this model the questions, their wording and their sequence are fixed and identical for every respondent (Saunders & Thornhill, 2000).

This type of interview is highly standardized and the interviewer follows a rigid procedure, asking questions in a form and order prescribed (Kothari, 2004) using structured questions is important when conducting interviews because it enhances validity of the findings.

**Documentary review**

Documentary review will involve review of secondary data and other information from different sources concerning PAC. This included official publications such as Zanzibar constitution and public finance acts, library visits (PAC report and past research), research journals (include guideline on oversight reports issued by National Treasury) and internet search. The information obtained from these sources will help the researcher to expand knowledge on PAC, and support the data that will be obtained from the respondents.

**3.9 Data collection procedure**

Before collecting data, the researcher pilot tested the study instruments before full scale data collection. According to Janesick (1998), pilot testing the questionnaire is important because of improving validity and reliability and allowing the researcher to begin developing and solidifying rapport with participants as well as establishing
effective communications patterns. This pilot was done to 6 accountants and 5 auditors forming a total of 11. According to Fink (1995), the minimum number for pilot testing must be 10 in which case this study adhered to. After pilot testing, the instruments were adjusted accordingly before data collection. Each respondent was later approached individually by the researcher and introduced to the study; after consent from the interviewee the researcher administered the instruments to the respondents. After that, the researcher gave the respondent an ample time to answer the questionnaire. After about 3 days the researcher followed each respondent and collected back the questionnaires.

For the case of interviews, the respondents were approached and explained about the purpose of the study and were given the content of the upcoming interview. Once consent was given, the researcher gave a hard copy of the interview protocol to respondents before the interview took place. All interviews were conducted by the researcher without the help of any research assistant. This was done intentionally in order to avoid reliability error which might arise due to observer error and bias. On average, each interview took about one hour to complete.

3.10 Data analysis methods
This study has employed both qualitative and quantitative analysis techniques. Qualitative data were analysed through the application of pattern matching, strong explanation building, and comparison of data and information. This is due to the fact that, most of the qualitative analysis is based on the researcher’s own style and rigorous thinking along with the use of analytical strategy as most of the qualitative methods of analysis have not been invented so far (Yin, 1994 and Miles and Huberman, 1994).

On the other hand, quantitative data were analysed through the use of simple counts, tables, percentages and pictorial presentation for easy understanding. In conducting this analysis, correlation analysis were used according to Statistical Package of Social Science (SPSS version 15.0) to show the relationship between the Controller and Auditor General and PAC.
3.11 Reliability and validity issues

According to Joppe (2000), reliability is the extent to which results are consistent over time. A research instrument is considered to be reliable if the same results can be reproduced under a similar methodology. Validity on the other hand, is the extent to which interpretation of data collected by the researcher are appropriate, meaningful and useful (Gall et al., 2005). That is, the extent to which an account accurately represents the social phenomena to which it refers (Kirk and Miller, 1986). In other words, validity is the extent to which a test measures what it claims to measure (Sirkin, 1995). In order to ensure reliability and validity, the following will be done:-

- Multiple methods were used to collect data and information from different units of analysis, data were collected through questionnaires, interviews and documentary review through political leaders, accountants, internal auditors, external auditors and senior officials in order to corroborate data source and reduce bias and thus improve validity of data and information obtained.

- Pilot testing of instruments was done before being administered, after which some modification was done to eliminate ambiguities in the instruments. This in turn brought about consistency in understanding the questions by all respondents.

- Definitions of the study variables were based on past studies, and the study instruments were adopted from past empirical works apart from being pilot tested to suit the study context.

- Data were collected by the researcher alone, so as to avoid reliability error which might arise due to observer error and bias.
CHAPTER FOUR

FINDINGS AND DISCUSSION

4.1 Introduction
This chapter presents the findings of the study, analysis and the discussion on the overall findings from the study on the basis of the responses received from respondent. This chapter begins with the presentation of profile of the respondents, followed by a section on the description on the way PAC promotes accountability and transparency. The chapter further presents findings of the study. In so doing, analytical strategy (research objectives) has been used as guide as recommended by Yin (1994).

4.2 Demographic characteristics of the respondents
The demography shows the factual phenomena of the study and its validity and reliability of information. Demographic information provides data regarding research participants and is necessary for the determination of whether the individuals in a particular study are a representative sample of the target population for generalization purposes (Salkind, 2010). It mainly focuses on the sex, age, educational background and experience of the respondent in Auditing and Accounting matter.

4.2.1 Composition of respondents by profession
This study involved 34 respondents, of whom 12 were accountants, 6 were internal auditor, 10 were external auditors, 2 were senior officials from the office of Controller and Auditor General, 2 were senior officials from Zanzibar Social Security Fund and 2 were senior officials from Zanzibar Electricity Corporation. This is summarized below in table 4.1.
Table 4.1 Composition of Respondents by Profession

<table>
<thead>
<tr>
<th>S/N</th>
<th>Profession</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Accountants</td>
<td>12</td>
<td>32.4</td>
</tr>
<tr>
<td>2</td>
<td>Internal Auditors</td>
<td>6</td>
<td>16.2</td>
</tr>
<tr>
<td>3</td>
<td>External Auditors</td>
<td>10</td>
<td>27.0</td>
</tr>
<tr>
<td>4</td>
<td>Senior officials: OCAGZ</td>
<td>2</td>
<td>5.4</td>
</tr>
<tr>
<td>5</td>
<td>Senior officials: ZSSF</td>
<td>2</td>
<td>5.4</td>
</tr>
<tr>
<td>6</td>
<td>Senior official: ZECO</td>
<td>2</td>
<td>5.4</td>
</tr>
<tr>
<td>7</td>
<td>PAC members</td>
<td>3</td>
<td>8.1</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>37</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Field data, 2015

4.2.2 Gender Distribution of Respondents

In this study the number of male respondents was 26 (70.2%) whereas the number of female respondents was 11 (29.7%). It is obvious from the table 4.2 below that in all categories majority of the respondents were male compared to female respondents. The data indicates that in Zanzibar as in many other African countries, there is still gender inequality in working places. This could be explained due to the fact that many people in Africa give priority to boys than to girls when it comes to the issue of education, as it has been reported by Milanzi (1995), as a result, most of the professions are taken by males in the sense that males has more confidence as compare with females. The distribution of respondents basing on their sex is as shown in table 4.2 below.
Table 4.2: Gender Distribution of Respondents

<table>
<thead>
<tr>
<th>S/N</th>
<th>Profession</th>
<th>Sex of respondents</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>1.</td>
<td>Accountant</td>
<td>8</td>
<td>4</td>
</tr>
<tr>
<td>2.</td>
<td>Internal Auditor</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>3.</td>
<td>External Auditor</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>3.</td>
<td>Senior officials: OCAGZ</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>4.</td>
<td>Senior officials: ZSSF</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>5.</td>
<td>Senior officials: ZECO</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>6.</td>
<td>PAC members</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>26</td>
<td>11</td>
</tr>
</tbody>
</table>

Source: Field Data, 2015

4.2.3 Age of the Respondents

The age of the respondents were ranged between 18 to 60 years. By grouping the respondents based on their age with the interval of 14 it resulted into four groups. The number of respondents whose age was between 18 – 29 years was 2 (5.9%), while that of respondents whose age ranged between 30 – 45 years was 25 (73.5%). On the other hand, the number of respondents whose age ranged between 46 – 60 years was 7 (20.6%). Finally, it was observed that there were no respondents whose age was above 60 years. This data give good impression that most of the respondents were between the ages of 30 – 45 years old. It can be said that workers between these ages are more energetic and active to work effectively in their respective areas. The age based summary of the distribution of the respondents is as shown in the table 4.3 below.

Table 4.3: Age Distribution of Respondents

<table>
<thead>
<tr>
<th>S/N</th>
<th>Age group</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>18 – 29</td>
<td>2</td>
<td>5.9</td>
</tr>
<tr>
<td>2.</td>
<td>30 – 45</td>
<td>25</td>
<td>73.5</td>
</tr>
<tr>
<td>3.</td>
<td>46 – 60</td>
<td>7</td>
<td>20.6</td>
</tr>
<tr>
<td>4.</td>
<td>Above 60</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>34</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Field Data (2015)
4.2.4 Qualification and Education Level of Respondents

Apart from the age of the respondents, this study had also collected information about educational level of the respondents. This is because the study wanted to show the professional capability of the respondents and auditing information used by PAC in preparation of their reports generated from accountants, auditors and senior officials respectively. The results from the study revealed that the highest educational level attained by the respondents was Master Degree and the minimum level was Ordinary Diploma. When the respondents’ educational level is arranged in an ascending order, the results show that most of the respondents 12 (35.29%) have attained Master Degree. This was followed by 10 (29.41%) of the respondents attained Bachelor Degree. Similarly, the study indicates that 6 (17.65%) of the respondents have attained Advanced Diploma. Moreover, 5 (14.71%) of the respondents had Postgraduate. Similarly there was only one (2.94%) respondent with Ordinary Diploma who was an internal auditor. It is clearly from the data that most of the respondents have good academic qualification in their designation, but it was observed that most of the accountants and auditors have little professional qualification. Table 4.4 below summarizes the distribution of the respondents by qualification and educational level.

Table 4.4: Respondents Qualification and Education level

<table>
<thead>
<tr>
<th>S/N</th>
<th>Education level</th>
<th>Frequency</th>
<th>Designation</th>
<th>(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Accountants</td>
<td>Internal auditors</td>
</tr>
<tr>
<td>1.</td>
<td>Ordinary Diploma</td>
<td>1</td>
<td>0  1  0  0</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Advance Diploma</td>
<td>6</td>
<td>3  1  2  0</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Bachelor Degree</td>
<td>10</td>
<td>5  2  3  0</td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Postgraduate Diploma</td>
<td>5</td>
<td>2  1  2  0</td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Master and Above</td>
<td>12</td>
<td>2  1  3  6</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>34</td>
<td>12  6  10  6</td>
<td></td>
</tr>
</tbody>
</table>

Source: Field data (2015)
4.2.5 Experience of Respondents

The issue of experience has great role in every organization; this is because any organization has given out practically of the activities experienced in the area in which the employees are attached with. In my study the experience of respondents is important to substantiate the selection of individuals through unit of analysis.

Experience of respondents in Auditing and Accounting

The study indicated that the majority of Internal and External auditor have worked experienced for 11 years and above were 10/16 (62.5%) whereas 4/16 (25%) of respondents have experience of 7 – 10 years and 2/16 (12.5) of respondents have 2 – 6 years who are engaged in the audit field also helped the researcher to acquire necessary information about the auditing. In case of Accountants majority of them have worked experienced for 11 years and above were 6/12 (50%), whereas 4/12 (33.3%) of respondents have 7 – 10 years and 2/12 (16.6%) of respondents have 2 – 6 years who are engaged in the Accounting field also helped the researcher to acquire necessary information about the accounting issue especially in the preparation of the financial statement for auditing purposes.

Experience of PAC members and secretaries

Bearing in mind the significance of experience in the work place, the study had to find out the experience of the PAC members in conducting audit of the ministries, department and institution where public resources are spend and collected. In view of the fact that most of the PAC members are selected for the period of 2.5 years then new members are selected for the same period, therefore the experience in conducting auditing was assessed as to whether one has experience of 2.5 years in PAC or 5 years experience and above. In this case the study revealed that most of the PAC members have an experience of 5 years and above, the following results were obtained; the respondents with experience of 5 years were 5 (41.7%) whereas 3 (37.5%) of respondents have experience of 10 years and 2 secretaries had experience of 6 and 7 years. This data gives the interpretation that most of the PAC members have wide experience in conducting audit and become more effective in performing their duties.
4.3 PAC Promotion of Accountability and Transparency

The first objective of the study was to understand how PAC promotes accountability and transparency in public sectors. Therefore, the respondents were assessed on various items pertaining to the PAC issues such as work performed by PAC, submission of financial statements to Auditor General and work performed by Auditor General.

4.3.1 Works performed by PAC

In ideal situation, there are mechanisms set in place for the measurement of PAC performance, so that its function is effective. Thus, PAC function ensures that all erring Accounting officers are included in their report and recommendations for necessary action. Hence, PAC must have the opportunity and resources to effectively examine CAG fiscal report that it deems necessary. In this regard, does PAC follow up the audit queries raised by CAG fiscal reports in your ministry? A result from the study reveals that, all 28 respondents (100%) agree (yes and always) that PAC follow up the audit queries raised by CAG fiscal report. As one of the secretaries of PAC state that:

“Roles of Public Account Committee has an indispensable part to the Government entities to ensure that public resources are utilized for the intended purposes, this due to following reasons”

- Scrutinize, review and report on annual accounts on Government and Public Institutions expenditures and other accounts that will be reported to the House of Representatives through report of Controller and Auditor General.
- Scrutinize by any other means as the Committee finds fit on any Government account and its Institutions.
- Submit its report subject to any investigation it made on any acceding expenditures on fund authorized for the respective financial year.
- Follow up the report of Controller and Auditor General and made the recommendation on the issue reported through this report.
“On other hand the roles of Public Account Committee are not well ensured on the Government entities doing what they are supposed to do due the challenges faced by it, these challenges are Lack of Skill of Oversight Committee, Budget Constraint and PACs in Zanzibar don’t have powers to impose fine for regulations transgression.’’

In general the data show that strong parliamentary oversight is essential to promote good governance. Scrutinizing the audit observations, making audit recommendations and reviewing settlement of audit observations ensure transparency and accountability (OCAG, 2010).

4.3.2 Reliability of financial statements submitted to Controller and Auditor General (CAG)

All 12 accountants were asked how often do the financial statements of your office submitted to the CAG on time? Out of 12 accountants, 9 (75%) of them responded that financial statements are “always” submitted to the auditor general on time, 2 (16.6%) of them responded that financial statements are “often” submitted to auditor general on time, while 1 (8.3%) of them responded that “sometimes” financial statements are submitted to the auditor general on time.

In order to validate the responses of the accountants on submission of financial statements to CAG, the same question was asked to auditors as to whether the financial statements received by auditors are reliable and submitted on time (as required by law)? Findings from the field revealed that, out of the 16 auditors, 13 (81.3%) of them had agreed that they receive financial statements on time, while 3 (18.8%) of them responded that they do not receive financial statements on time. These data support the above findings and thus justifies that there is on time submission of financial statements to the auditors.

These data implies that, when financial statements are reliable and on time submitted to the auditor, the auditor will provide its report on time with effectiveness and submitted to the PAC. The report of CAG is a mechanism through which PAC performs its duties in effectiveness, accountability and transparency. As one of the
senior officers from OCAGZ presented a comment from the CAG report for 2012/2014 which states:

“There was successfully and timely submission of government account (financial statements of the government) in such a way the audit work performed according to the planned procedures, these successes are the results of technical advice and suggestion from the office and oversight committee on proper control of revenue and expenditure of the government for the purpose of improving efficiency and effectiveness in using public resources”

The above quotation implies that, the financial statement of the PSOs submitted on time to Controller and Auditor General after follow the Office and committee recommendation.

PEFA report 2010 in assessing the reliability of the financial statements opinion showed that:

The annual reports include an opinion on the annual accounts for each vote (MDA), for 25 MDAs’ Accounts were said to show a true and fair view i.e. unqualified opinions with ‘emphasis matter’ paragraphs pointing out matters requiring attention, while five Accounts got a disclaimer of opinion because there was insufficient audit evidence, so this annual report cannot show the criteria for selecting the audit opinion which is contrary with INTOSAI Standards also the focus of the reports is almost entirely on transactional irregularities, there are few observations or recommendations on systemic issues except a recurring comment on the lack of fixed asset registers and reports do not meet INTOSAI audit standards also this report show no evidence of response or follow-up to earlier audit reports, and the same criticisms are repeated each year.

Respondent from Director of Audit state that

“Financial statements opinions provided by Government Auditors are not reliable due to the following reason”
Capacity of government auditors in assessing materiality

- In assessing the materiality of the financial statements is the key issue when decide to provide the opinion on the financial statements whether the financial statements show true and fair view or not. So the government auditors have low capacity in assessing the materiality of the financial statements.

Improper keeping of audit working paper

- Working papers are instruments vital to the successful accomplishment of all audit assignments performed. The working papers provide documented evidence of an examination and evaluation and provide a connecting link between the work which is performed and the final audit report. They contain the back-up material in support of the audit findings, conclusions, opinions, and comments. Currently the audit staffs were not well kept the audit working paper accordingly.

Inadequate Audit Recommendation

- Most of the government auditors fail to provide adequate audit recommendations

Failing in applying Regularity Audit Manual

- Most of the government auditors fail to apply Regularity Audit Manual. Regularity Audit Manual is a guidance which describe on how to plan and to conduct the government audit and finally how to report the result of the audit.

Less awareness in the application of Standards

- Less awareness in the application of Standards may hinder the reliability of the financial statement opinion to the intended users.
Improper Planning during the audit

Regularity Audit Manual requires the audit exercise should be planned from pre-planning, strategic planning, detailed planning, execution of the audit and finally reporting, so the government auditors only consider in the early stage of the planning which is pre planning and other stages of planning were disregard then follow in execution of the audit and finally produce report, so the audit result cannot reached. The reliability of the financial statements opinions provided by government auditors to the intended users depend upon the application of Standards, Planning of audit and competency of auditors in exercising new methodologies influence the effectiveness of government audit in ensuring accountability of clients.

4.3.3 Work performed by the Controller and Auditor General

CAG’s reports provide information, advice and assurances to Parliament and the public about all aspects of financial and non-financial operations of the government. Thus regular and timely discussions of audit reports and findings would ensure transparency and accountability in the budget and government program activities.

According to all 16 Internal and External Auditors who were asked if whether they have ever audited the financial statements prepared by the ministries, department or institution? Data from the field reveals that, all 16 respondents agreed that Auditor has the rights to audit the financial statement of the ministries. Other questions relating to work performed by Auditor was asked to External Auditors and Internal Auditors. The result of the study showed that: all 16 respondents said there is no circumstances which might prevent Auditors from auditing financial statements. As one of the senior officers from ZSSF presented a comment which states that: “Financial statements opinions provided by Government Auditors are not reliable due to the following reason”

- In Zanzibar, Government Auditors their coverage is mainly on the expenditures rather than revenue auditing and the most type of audit approach is vouching audit.
• Government Auditors were not familiar with appropriate laws, regulations and procedures governing the source of revenue collection and types of revenue of Ministries, Departments and Agencies.

• Government Auditor were not familiar with different system used by the ministries, and institution such IFMS, EPICO and etc.

Further information was obtained through interview of six respondents from ZSSF, ZECO, House of Representatives and Directors of Audit from OCAG on how government auditor can minimize the chance of misuse and mismanagement of public resources.

The respondents comment that

“The role of Government Audit can minimize the chance of misuse and mismanage public resources due to the following reasons”

Provide advisory on the auditing matters

• Auditors may provide objective, expert advice in a range of areas in which they possess expertise. Based on their knowledge and expertise, they may provide technical advice on issues related to audit which include proper keeping of internal controls and sound business processes.

Strong Internal Control

• Government auditor’s role has to see whether the Ministries, Departments and Agencies have fully established internal control system of the organizations to ensure that there is no gap on misuse and mismanagement of public resources. Internal control system established by management is the key pillar for the role of government audit to minimize the chance of misuse and mismanagement of public resource, If there is strong internal control system in the organization there is a possibility that government audit can minimize the chance of misuse and mismanagement of public resources.

Most of respondents agree that government auditor minimize the chance of misuse and mismanagement of public resources, but in Zanzibar Auditor fails to large extent
to minimize the chance of misuse and mismanagement due to the following reasons mentioned by respondents.

**Vouching Audit**
- Most of the government auditors usually applied vouched audit rather than new methodology like Risk Based Audit and Value for Money Audit, under vouching audit only consider procedures are followed and not considered the risk associated in the organization to be audited.

**Operationally Independent**
- Constitution of Zanzibar provide the full independence for the government auditors to exercise the audit work, but operationally the government auditors are not fully independent based on employments, budgets including salary and Operationally Independent.

Additional information was obtained through PEFA report 2010 and OCAGZ feasibility study report 2011, ZADP project document 2011, Human resources report 2011 in assessing the role of government audit in minimizing the chance of misuse and mismanagement of public resource based on the types and process of audit, independence of the government audit as well as the office.

PEFA report shows that:

*The CAG is mandated by the Act number 11 of 2003. This Act required that, CAG undertake value for money audits, but until now there is no value for money audit report. The audit approach is still based on 100 percent examination of transactions without the use of risk-based sampling.*

ZADP Project document showed that:

*The quality of audit reports is generally low and there are many reasons for it. There is an outdated regulatory audit manual and regulations in place which are not in consonance with international demands on the quality of audit work. As a result there is no audit training based on a modern*
Regulatory Audit Manual to guide the financial audit work, this has resulted production of audit reports, which do not comply with professional standards, weaknesses in report writing skills by the audit staff also affect the quality of the audit reports.

Most of the audit work is dominated by comparing vouchers with book entries without applying a risk and materiality based approach in planning and executing the audit. The quality assurance system is insufficient.

Human Resource report showed that:

In OCAGZ, there are 142 works as auditors; around 40 of them hold a university degree. Many of them are still doing less qualified work. The education for some of the auditors are too low to be sufficient for the upcoming more demanding professional auditing based on the new audit manual. The SAI to fulfill the mandatory duties with respect to the international rules and procedures, the auditor has to act with a high level of competence and integrity.

Worldwide the Annual Audit Report were publicized in the website for the purpose of the citizen to know how their government utilized the public resources, but in Zanzibar there is no transparency about the publication of audit report in website.

The above facts and findings from questionnaires, interview and documentary reviews, this study noted that the mandates of CAG in Zanzibar are not covered full scope of audit; there is a delay in submission of annual general audit report for accountability of budget cycle, no publication of Audit reports and lack of skilled staff to audit the system (system audit). These challenges reduce the credibility and strength of the CAG but CAG for somehow enables to achieve in managing public resources in effective way.

4.3.4 Discussion on the Findings

Generally, the above facts and findings justify that PAC to the moderate extent promotes accountability and transparency as it appeared in the major items
investigated. Such items were works performed by PAC, Submission of financial statements, and works performed by CAG. To put more emphasis, one senior officer from the ZECO when asked about the promotion of PAC to accountability and transparency, he said:

*Function of Public Account Committee in Zanzibar influence the effectiveness of government audit and CAG report to ensure accountability of clients in exercising their function through scrutinize of the document, follow-up and timely examination of audit report. But the Public Account Committee faces some challenges during the exercise of their work, so these challenges can hinder the performance of Public Account Committee to ensure that there is accountability mechanism of client in executing of the budget.*

### 4.4 Extent of Accountability and Transparency

The second objective of this study was to “understand the extent to which PAC has promoted accountability and transparency”. Therefore, the answers of this objective are presented under the main items as follows: submission of Auditor General Report to the PAC or President, preparation of PAC report into native tongue (Kiswahili), availability of PAC report to the public and suitability of PAC on enhancing public sector accountability and transparency.

#### 4.4.1 Submission of Auditor General Report to PAC or Presidents

According to the Constitution of Zanzibar of 1984 and Public Finance Act number 12 of 2005 requires the CAG to present Annual General Report within nine months of the end of the year to the President i.e. 31st March each year for the purpose of the accountability on the budget cycle. The questions relating to the submission of annual general audit report to the President (PAC) was asked to External and Internal Auditors. The result of the study showed that: All 16 respondents (100%) disagree that CAG submits its annual general audit reports in timely manner. Table 4.3 below summarizes the submission of annual general audit report to the President.
Table 4.5 Submission of annual general audit report

<table>
<thead>
<tr>
<th>Year ended</th>
<th>Required date</th>
<th>Submission date</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010/2011</td>
<td>31st March 2012</td>
<td>30th June 2013</td>
</tr>
<tr>
<td>2011/2012</td>
<td>31st March 2013</td>
<td>31st October 2013</td>
</tr>
<tr>
<td>2012/2013</td>
<td>31st March 2014</td>
<td>31st October 2014</td>
</tr>
</tbody>
</table>

Source: Office of Controller and Auditor General Zanzibar.

The above table shows that CAG fails on submission of annual general audit reports. Timely examinations of audit report by legislation enhance the effective of government audit to ensure the public resources are managed to achieve intended result.

4.4.2 Preparation of PAC report into Native language (Kiswahili)

Apart from the submission of audit report to the PAC, the study further examined if the report prepared by PAC are translated into native tongue (Kiswahili). Accordingly, all 12 accountants and 16 auditor were asked if “… the PAC reports prepared into the native language (Kiswahili)?” The data from the field revealed that all 28 (100%) respondents had replied that the reports are prepared into native language (Kiswahili). It is generally believed that the use of Swahili language in preparing PAC reports to some extent increase the transparency of the particular report. This is due to the fact that majority of the people in Zanzibar use Kiswahili as their native language, and also Kiswahili used by the House of representatives (Zanzibar legislative body) to allocate the funds to each ministry (vote). So it makes easier for the representative and public to assess the performance of a particular ministry (vote). If the language used is the same from the one that was used to authorize the funds, it will increase the transparency reports as well as understandability of the report to the public.
4.4.3 Suitability of PAC on enhancing Public Sector Accountability and Transparency

All the 12 accountants and 16 auditors were asked to air their views on “whether or not PAC is a suitable tool for enhancing accountability and transparency in public sector”. The findings from the field revealed that, 24 (85.7%) of the respondents had agreed on the suitability of PAC on enhancing public sector accountability and transparency, while 4 (14.3%) of the respondents did not agree on the suitability of PAC in enhancing public sector accountability and transparency. The main reasons as to why PAC is suitable on enhancing public sector accountability and transparency as stated by respondents are explained as follows:-

(i) **PAC is a powerful and strongest committee to monitor public sectors.**

(ii) **PAC operate independently of government, because the chairman and other member of the committee come from opposition part, where arrangements of their opinion are not favors the government but public.**

(iii) **In most case PAC try to avoid partisanship, whether from majority party or from opposition parties ask probing questions to the government which increase credibility of the committee.**

(iv) **Committee are curious enough to explore new facts against misuse of public resources**

(v) **PAC focuses on financial and non-financial matters which increase accountability of the government officials.**

(vi) **PAC reports are available to everyone in the public, which increase the awareness and transparency among people**

On the other hand, as it has been described above, four respondents were not satisfied on suitability of PAC on enhancing public sector accountability and transparency due to the following reasons:-

(i) **PACs in Zanzibar don’t have powers to impose fine for regulations transgression.**

(ii) **Lack of time and resources to make follow up of CAG report on time.**
The Legislatures programmes are too congested, coupled with political commitment from Members, increases workload and backlogs. All those workloads and backlogs need to be dealt with, but at the same time not compromising robust oversight and accountability.

PACs operate within a Lack of budget also implies that even if there is training for Members and support staff, not all Members nor support staff will have an opportunity to attend such a training.

4.4 Availability of PAC Report to Public

In this item, the study interrogated 28 respondents if PAC report available to the public on time? Data from the field reveals that, all 28 (100%) respondents agreed that the PAC reports available to the public through media, internet (website) and books of the report. The publication of PAC report increase public knowledge, awareness and reduce misuse of public resources due to the fact that all those who steal tax payer’s money will be known by the public.

4.4.5 Discussion on the findings

Generally, it can be concluded that, since the PAC introduced in the public financial management in Zanzibar, it has to a moderate extent enhanced public accountability and transparency. As it have been revealed by the study findings that, the respondents have positive views on areas of control of public resources through PAC and suitability of PAC on enhancing public sector accountability and transparency. However, the study has found out that the financial reports of the Ministry are translated into Kiswahili and published on parliament website, media, and books which somehow increase transparency of the reports as the legislators are approving and assessing public funds in Kiswahili. The submission of Auditor General Report is an area which requires rectification.

4.5 Recommendation and directives

The purpose of a PAC report is to make recommendations to the ministries, departments, donor projects, public enterprises and public authorities on the basis of
the findings from the investigation (observation) carried out on behalf of the Parliamentary. The PAC reports presented in parliament and all members of Parliament get chance to contribute in that reports, and those findings and recommendation aired to the public through media and website of Parliament. This objective is categorized into responsiveness of audit recommendation and control of public resources.

4.5.1 **Responsiveness of audit recommendations**

Responsiveness means responding to or acting on audit recommendations against the observations or audit queries raised in the audit process. This not only establishes accountability in government operations, but also aids in the management performance.

One of the Senior Officials from CAG provide comment on audit recommendations state that: *there is high response of the line ministries in giving timely and proper action as per audit recommendation this due to fact that some line ministries fail to respond the audit observation as well as audit queries on due date and few ministries are response the audit observation on due date.*

Additional information was obtain through documentary review, the Researcher was reviewed PAC report 2010 and 2011 for assessing the effectiveness of Public Account Committee to ensure accountability of clients in utilization of the public resources through responsiveness of audit recommendations of the Ministries, Departments and Agencies. These reports showed that there is responsiveness of audit recommendations due to fact that there is decrease on unlawful of government expenditure like failure to recognize imprest, improper vouched expenditures and store not taken on ledger charge. Table 4.4 below shows the responsiveness of audit recommendations
Table 4.6 Responsiveness of Audit Recommendations

<table>
<thead>
<tr>
<th>Queries</th>
<th>Number of queries 2013</th>
<th>Number of queries 2014</th>
<th>Decrease in percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Failure to recognize imprest</td>
<td>3 of the MDAs are not response</td>
<td>9 of the MDAs not response</td>
<td>67% (6/9) of MDAs improve on response</td>
</tr>
<tr>
<td>Improperly vouched expenditure</td>
<td>5 of the MDAs are not response</td>
<td>15 of the MDAs are not response</td>
<td>67% (10/15) of MDAs improve on response</td>
</tr>
<tr>
<td>Store not taken on ledger charge</td>
<td>4 of the MDAs are not response</td>
<td>18 of the MDAs are not response</td>
<td>78% (14/18) of the MDAs improve on response</td>
</tr>
</tbody>
</table>


Even there is better response of audit recommendations from ministries. The PAC is not mandate to impose fine in the regulation but its power of PAC in Zanzibar is limited to making recommendations to the Parliament.

Moreover, an interview with the PAC member and technical staff’s on what approaches does PAC put in place to ensure implementation and responsiveness of audit recommendations and directives? The interviewees revealed that, in practice effective follow up of its recommendations often seem to be non-existent. The technical staffs attempts to monitor the implementation of PAC recommendations once the recommendations has been adopted by the ministry. There is no rule requiring a response to PAC recommendations however, and neither is there any stipulation concerning a period within which the ministries have to respond to PAC recommendations. One would expect there to be a requirement, though, for a formal response to be submitted to the PAC on behalf of the executive.

4.5.2 Control of Public Resources through PAC

These objective of the study assessed the contribution of audit in managing public resources are responsibly and effectively and to motivate the improvements in public internal financial control and service efficiency. In this item, the study interrogated the 28 respondents on how PAC recommendations and directives increase the control of public resources? Data from the field reveals that, all 28 (100%) respondents agreed that the recommendations and directives provided by PAC increase the control of public resources. The main reasons for the consensus on the above statement as given by the respondents themselves are explained as follows:-

51
(i) Sometimes PAC investigates issues other than those raised by the Auditor.

(ii) On time submission of financial statements to the CAG which comprise all its accounts, branches and activities of the ministry, and publication of those report. Also PAC ensures the execution is consistent with the approved budget.

(iii) Have unrestricted access to information relating to all personnel, books of account, records, assets and liabilities of the ministries and to any other sources of relevant information that may be required from the ministries for the purpose of its duties and responsibilities.

(iv) Follow up of their recommendation and directive.

(v) Issue of PAC reports to the public which mention all answerable against misuse of public resources.

(vi) A responsive executive willing to listen to PAC rather than auditor and be able to corporate during examination process, and making use of the power of influence.

(vii) Evaluate, direct and supervise investigations into any matters within the scope of its duties and responsibilities, and Investigate the alleged misappropriation of ministry funds by Accounting officer and Investigate unauthorized, irregular or fruitless and wasteful expenditure with a view to recommending to ministry whether such expenditure is irrecoverable or not.

4.5.3 Discussion on the finding

PAC recommendations on the audit findings made through discussion with the Executive Departments. Implementation and follow up of these recommendations render the audit work effective and meaningful and increase the performance of the ministries and control of public resources. PAC must set specific time for the government to implement its recommendations, to motivate the improvements in public internal financial control and service efficiency.
4.6 Relationship with CAG

The PAC is the primary audience of the Auditor General report. Therefore, it is vital that a cordial relationship exist between the two. The point is that while PAC depends on high quality audit reporting to be effective, the Auditor-General on the other hand, requires an effective PAC to ensure that ministries and departments take audit outcomes seriously. The question is, to what extent PAC maintained a cordial relationship with Auditor General to ensure public accountability and transparency in Zanzibar? The only respondents who were to answer this question were the external auditors. All 10 (100%) external auditor confirm to large extent PAC maintains cardinal relationship with CAG, as the report of PAC 2013/2014 state that:

“In the implementation of these functions, PAC and CAG must cooperate and help with each other and in any means in achieving our goals, also in all common wealth parliaments; PAC and CAG committees are brothers with the same goal of controlling misuse of public resources. This situation enables committees and auditor general office to corporate in one way or another in order to attain the goals of their nations.”

4.7 Challenges

The last objective of this study was to investigate on the challenges which affect the operation and effectiveness of the PAC in promoting accountability and transparency. This section presents various challenges as experienced by member of the PAC and their technical staffs and their opinions on the best way to enhance accountability and transparency.

4.7.1 Challenges which face auditor in conducting its audit

Coverage of Audit

- In Zanzibar, Government Auditors their coverage is mainly on the expenditures rather than revenue auditing and the most type of audit approach is vouching audit. Government Auditors also not covered on Human Resource
Audit which is important to know how much the Government spends on the wage bill and make recommendation on them as well as ghost workers.

**Misallocation of Audit Staffs**

- In Zanzibar most of the audit staffs that have low capacity were allocated on a wrong position.

**Requirement of Public Finance Act No 12 of 2005.**

- Public Finance Act no 12 of 2005 require the Controller and Auditor General to submit the Annual Audit Report in 31st March each year for the purpose of accountability and transparency, but CAG Zanzibar always fails to submit its own report timely.

**Failure on implementation of the establishment of the office of the Controller and Auditor General Act no 11 of 2003**

- The CAG is mandated by the Act number 11 of 2003. This Act required that, CAG undertake value for money audits, but until now there is no value for money audit report. The audit approach is still based on 100 percent examination of transactions without the use of risk-based sampling.

**Lack of Transparency on Annual Audit Report**

- Worldwide the Annual Audit Report was publicized in the website for the purpose of the citizen to know how their government utilized the public resources, but in Zanzibar there is no transparency about the publication of audit report in website.

**4.7.2 Challenges which face PAC in performing its duties**

The audit activity needs a professional staff, independent and follows code of conduct (code of ethics) that collectively has the necessary qualifications and competence to conduct the full range of audits required by its mandate. The main problems encountered according to the respondents were explained as follows:
Training
The first challenge mentioned by all the respondents is that of lack of training. This becomes a big barrier for the PAC member since they have no knowledge of accounting and finance apart from political skills and other academic profession. As the speaker of house of representative of Zanzibar said
“There is no school for parliamentarians, much less for politicians. When aspiring politicians are elected into office – as legislators – often they have to learn-on-the-job. While they bring with them various life experiences, academic and other professional qualifications, none of these prepares them sufficiently for the multi-layered and multi-faceted office of a parliamentarian.”
The PAC member require more training in order to increase the capacity of the members in performing its duties in a profession way and become more active on enhancing public sector accountability and transparency.

Lack of Skill of Oversight Committee
The Public Account Committee in Zanzibar has a lack of skills that can cover all aspects ranging from information technology, financial management and public administration. In addition, as government budget and expenditures increases, it will require changes in the current systems of financial management. Such changes will also require that more resources and technical expertise be devoted to the PACs so that it can be effective when executing its functions.

Lack of technical staff
In many developing countries one of the greatest constraints on PAC effectiveness is a practical lack of staff and facilities. In Zanzibar PAC use one suitable skilled external auditor from CAG office and two supporting staff (secretaries of PAC) from parliament with degree of law as a technical support. The CAG office typically supports the PAC by providing audit reports that are the primary basis for PAC work. It will directly assist the PAC through briefings and advice on work planning, hearings, reporting and follow-up. This number of technical staff is not adequate to the committee because all PAC secretaries lack accounting and finance knowledge.
Follow up action

There is a lack of effective follow up as far as implementations is concerned, PAC lack on time follow up of its recommendation due to the shortage of time, resources and increases of CAG reports and parliament activities. Most of the times external auditors make follow up of PAC recommendation before start new audit, or if the same ministry mentioned (against misuse of public resources) in CAG report in subsequent years, so during follow up of that report, PAC will interrogate the previous recommendation.

Budget Constraint

PACs operates within a limited budget, which hinders their oversight work. Lack of budget also implies that even if there is training for Members and support staff, not all Members or supporting staff will have an opportunity to attend such training due to the shortage of resources to cover all staff.

Powers of the PACs

PACs in Zanzibar don’t have powers to impose fine for regulations transgression. The power of the PACs in Zanzibar is limited to making recommendations to the House of Representatives. The interesting part is that the PACs are considered as the “watchdog” for public funds, but the media often indicates that the PACs don’t have teeth to bite those who steal tax payer’s money. Lack of power also results in other resolutions not being implemented.

Political commitment

The Legislatures programmes are too congested, coupled with political commitment from Members, increases workload and backlogs. All those workloads and backlogs need to be dealt with, but at the same time not compromising robust oversight and accountability. As a results PAC fails to perform special audits unless when there is suspension in parliament which require PAC to perform special audit on their behalf.
Discussion

All of the above difficulties can hinder the performance and effectiveness of PAC. In such circumstances the quality of the public audit process tends to be inhibited by wider problems that render accountability and transparency difficult to achieve. At the same time one key to reducing these same inhibitors could be an effective system of public financial accountability. In this sense there exists cycle of non-accountability. Problems of accountability and transparency are not uniform across all developing countries and it is possible that lessons learnt from one may be modified and applied to another. Basic practical constraints such as a lack of staff, facilities and financial resources can be among the most problematic and in some senses should be the easiest to remedy if the beneficial roles played by the PAC and the CAG can be demonstrated to the executive.
CHAPTER FIVE

SUMMARY, CONCLUSION, AND RECOMMENDATION

5.1 Introduction
The previous chapter has analysed and discussed the findings of the study on the “effectiveness of Public Accounts Committee (PAC) on enhancing Accountability and Transparency in public sector organization in Zanzibar”. This chapter aims at presenting the summary, finding of the study, conclusion, recommendation, policy implementation and limitations for the study, as well as the areas for future study. The chapter starts by presenting summary of the study on the main findings, followed by conclusion and finally recommendations.

5.2 Summary of the study
This study was set to assess the effectiveness of Public Account Committee (PAC) on enhancing accountability and transparency in PSOs in Zanzibar. With this regard, the study came up with five objectives, namely; to understand how PAC promotes accountability and transparency in a PSOs, to understand the extent to which PAC has promoted accountability and transparency in PSOs, to examine the relationship between PAC and CAG in promoting accountability and transparency in public sector, to ascertain whether reports, recommendation and directives of PAC have an influence in improving the accountability and transparency of the ministries, departments and other public institution and to identify challenges which affect the smooth operation and effectiveness of the PAC in promoting accountability and transparency in PSOs in Zanzibar. The summary on the findings of the study are as discussed below:

5.2.1 Promotions of Accountability and Transparency
This objective was assessed on various items pertained to the PAC in Zanzibar, public financial management can effectively enhance the level of public accountability and
transparency in managing public resources such as work performed by CAG, submission of financial statements to the CAG and work performed by PAC.

Work performed by CAG and submission of financial statements to the CAG are the most important factors for assessing the effectiveness of PAC in promoting accountability and transparency and evaluating whether there is a contribution of government audit in managing public resources. The findings of the study indicated that work performed by auditors and submission of financial statements used to conduct audit is moderate relevant to promote accountability and transparency, and ensure the public resources are managed in order to achieve the intended results. This is due to fact that 100% of respondents agree that CAG performed its duties according mandate provided through Constitution is moderately relevant, due to the fact that there is a limited scope of audit, so the coverage of audit mandate are mainly on the expenditures rather than revenue auditing. Also they are not covering on Human Resource Audit which is important to know how much the Government spent on the wage bill and make recommendations on them as well as ghost workers. On other hand, government auditors are not aware on procedures concerning revenue collection as well as source of revenues of Government Institutions.

Work performed by PAC is another criterion to ensure accountability and transparency in public sector, The finding from the study reveals that 100% of respondents agree that PAC performed its duties according to the laws and regulation covering the audit is relevant moderate, but PAC faces some challenges in exercising their duties which include lack of skills that can cover all aspects ranging from information technology, financial management and public administration; also PACs operate within a limited budget which hinders on their oversight work, increases workload and backlogs and the power of PAC in Zanzibar is limited to making recommendations to the House. PAC doesn’t have teeth to bite those who steal taxpayer’s money. Lack of power also results in other resolutions not being implemented.
5.2.2 Extent of Accountability and Transparency

This objective was assessed on the various items pertaining the effectiveness of PAC to ensure the government entities use public resources in order to improve the level of accountability and transparency which include submission of Auditor General report to PAC/President, preparation of PAC report into native language (Kiswahili), suitability of PAC on enhancing public sector accountability and transparency and availability of PAC report to public.

Suitability of PAC on enhancing public sector accountability and transparency, despite the fact that majority of the respondents 85.7% were satisfied with the level of accountability and transparency which was obtained after the introduction of PAC in public financial management. The study has also found that 14.3% of the respondents were on the opinion that, PAC is not a suitable tool for enhancing public accountability and transparency claiming that lack of skills that can cover all aspects ranging from information technology, financial management and public administration; also PACs operate within a limited budget, which hinders on their oversight work, increases workload and backlogs and the power of PAC in Zanzibar is limited to making recommendations to the House. PAC doesn’t have teeth to bite those who steal tax payer’s money. Lack of power also results in other resolutions being not implemented.

Preparation of PAC report into native language (Kiswahili) and availability of PAC report to the public, the findings from the study indicated that all the respondents have reported that the PAC reports are prepared into the native tongue (Kiswahili) and published in house of representative (HOR) website. These to some extent, increase transparency to the legislators and public who approve public funds and assess the performance from utilization of such funds do use Kiswahili in their processing.

Submission of Auditor General Report to PAC or President, CAG’s reports provide information, advice and assurances to Parliament and the public about all aspects of financial operations of the programs of government.
Thus regular and timely discussions of audit reports and findings would ensure transparency and accountability in the budget and programme activities. The finding of the study disclosed that 100% of the respondents agree that timely examination of audit report by legislation enhance the effectiveness of government audit to ensure proper utilization of public resource.

5.2.3 PAC and CAG relationship

There is high relationship between PAC functions and the Auditor-General’s independent support. Auditor-General acts as an independent auditor to the government in order to protect the interest of the public. But think of a situation where an auditor who performs independent duties is made dependent to the auditee, then, it is quite clear that the auditor is restricted to a limit in expressing his opinion. It is a known fact that PAC relies on the annual reports of the Auditor-General whose duties are restricted below his capacity, and then this will actually affect an absolute annual report for PAC to work on. If this would be the case, then PAC’s work would be perfunctory just to fulfill an obligation, which can never make a tremendous impact on public accountability in Zanzibar. Hence, from time to time Zanzibar loses a great deal of public funds and operational assets. Thus, the supporting function of the auditor general to the PAC needs not to be over emphasized. The office of the auditor general is the primary resource available to PAC, who depends on the nature and extent of expertise in the audit institution, of which PAC has access to substantial logistical and technical support.

5.2.4 Assessing the oversight recommendation and directives

This objective was assessed on the various items pertaining the follow up, implementation of recommendation and responsiveness of audit queries to ensure the government entities use public resources in order to improve accountability and transparency which include responsiveness of audit recommendation and control of public resources.

Follow up of audit report by legislation is the one of the functions of the Public Account Committee to ensure that there is accountability and transparency in the
utilization of public resources. Implementation and follow up of these recommendations render the audit work effective and meaningful. Responsiveness means responding to or acting on audit recommendations against the observations or audit queries raised in the audit process. This not only establishes accountability in government operations, but also aids in the management performance. An interview with senior official from CAG reveals that there is high responsiveness on audit recommendation which increase in day to day which improve the accountability in government operation as well as management performance. Furthermore, the study has found out that all the respondents were on the opinion that the adoption of PAC in Zanzibar together has increased the control of public resources, since the PAC investigates issues other than those raised by the Auditor, PAC has unrestricted access to information relating to all personnel, books of account, records, assets and liabilities of the ministries and to any other sources of relevant information that may be required from the ministries for the purpose of its duties and responsibilities, follow up of their recommendation and directive and Issue of PAC reports to the public which mention all answerable against misuse of public resources.

5.2.5 Challengers of PAC application

Apart from all the benefits that PAC has achieved in extending the level of accountability and transparency, the study has uncovered that there are overwhelming challenges facing the successful application of PAC towards realizing enhanced accountability and transparency. Among the critical challenges mentioned by the participants include lack of adequate training to both accountants and auditors. Furthermore, PAC faces some challenges in exercising their duties which include lack of essential skills and capacity that can cover all aspects ranging from information technology, financial management and public administration; also PACs operate within a limited budget which hinders on their oversight work, increases workload and backlogs and the power of PAC in Zanzibar is limited to making recommendations to the House. PAC doesn’t have teeth to bite those who steal tax
payer’s money. Lack of power also results in other resolutions not being implemented.

5.3 Conclusion
The main objective of study is concerning the assessing the effectiveness of PAC in enhancing accountability and transparency in public sector organizations in Zanzibar. Based on the above findings and discussion of the study, the researcher comes up with the following conclusion.

The contribution of PAC in managing public resources reasonably and effectively depend upon the report of government auditor which include work performed by CAG, submission of financial statements to the CAG and work performed by PAC which influence the effectiveness of PAC in ensuring accountability and transparency of clients, the Constitution of Zanzibar provide mandate to government auditors and PAC to conduct the audit of all public funds.

The study concluded that there is partially effectiveness of PAC in enhancing accountability and transparency in public sector in Zanzibar due to fact that coverage of audit mandate is mainly on the expenditures rather than revenue auditing and the most type of audit approach is vouching audit also they do not cover on Human Resource Audit which is important to know how much the Government spent on the wage bill and make recommendation on them as well as ghost workers on other hand the laws and procedures concerning the revenue collection are not aware for the government auditors as well as source of revenues of Government Institutions. Beside the coverage of audit, there is low capacity of government auditor in exercise the new technology of audit like computerized and risk based audit. Apart from those there is a weakness of misallocation of audit staffs and most of the government auditors are not abide with the code of ethics due to fact that their remuneration of government auditors (External Auditors) is lower as compared with Accountants and Internal Auditors and finally the Head of the Office fails to comply with the requirement of the Public Finance Act number 12 of 2005 on submission of the Audit Report.
Functions of Public Account Committee through follow up of audit report by legislation, regular and timely discussion of audit report and responsiveness of clients through audit recommendation enhance the effectiveness of government audit in ensuring the accountability of the clients. However there is moderate follow-up of audit report, timely discussion of audit report, and response of clients through audit recommendations. The study concluded that there is less value of government audit in ensuring accountability of clients in Zanzibar, due to fact that Public Account Committee faces some challenges on exercise their duties which include lack of skills that can cover all aspects ranging from information technology, financial management and public administration; also PACs operate within a limited budget, which hinders on their oversight work, increases workload and backlogs and the power of PAC in Zanzibar is limited to making recommendations to the House. PAC doesn’t have teeth to bite those who steal tax payer’s money. Lack of power also results in other resolutions not being implemented.

5.4 Recommendation of the study
Based on the findings of the study, some recommendations are hereby put forward. These recommendations if implemented are expected to improve the existing situation of enhancing effectiveness of PAC in Zanzibar to ensure the ministries and institutions are accountable in the utilization of public resource. These recommendations are categorized into three areas, namely policy recommendations, managerial recommendations as well as theoretical recommendation.

5.4.1 Policy Recommendations
The study noted that over the years Office of Controller and Auditor General Zanzibar failed to review the legislation of Establishment of the Office of Controller and Auditor General Act number 11 of 2003 that governs the management and control of public funds as well as public audit. The study comments that the Office repealing this Act and namely Public Audit Act will be able to address some of the challenges currently faced, such as unattractive remuneration, budgetary constraints and lack of sanction powers.

The study reveals that the Constitution of Zanzibar of 1984 stipulates the procedures on the submission of audit report under Section 112 (5) of the Constitution, so this section disregards the time frame on submission of audit report which facilitates the accountability mechanism on the budget cycle. The study comments that there is need to revise such provision to ensure that the accountability mechanism on the budget cycle is achieved.

5.4.2 Managerial Recommendation

i. The study comments that there should be a continuously capacitate PACs members and support staff on effective oversight. This can be done through training, professional skills development programmes, exchange programmes, and study opportunities. Such interventions will assist PACs to effectively and efficiently conduct oversight, ensures maximum accountability, interpret financial statements, draft resolutions, and be able to track the implementation of resolutions taken. The quality of oversight work as conducted by the PACs needs to be improved through training in order to ensures that fraudulent and corruption related activities are detected early and prevented.

ii. PACs needs to be allocated with enough funds which can enable the Committee to effectively executive its functions; and there still a need for the PAC to drive a public awareness programme in order to sensitize the public about the PACs role, mandate and activities. The public need to be informed about activities that take place at the PACs. The awareness programme can be rolled-out through the media and through republic hearing meeting. Pre-public
hearing meeting can assist in sensitizing the public on the activities of the PACs. During PACs public hearing, the general public must be invited so that they can observe whether there is integrity over financial matters.

iii. A cordial working relationship between the PAC and the auditor general should be maintained. The PAC should be engaged in a constant exchange with the auditor general to ensure full information is provided when it is needed, and in an accessible and useful format.

iv. The study comments that there should be continuous capacitate of the government auditors through training, attachment with other SAI on how to conduct revenue audit and performance audit so as to improve the performance of CAG office in enhancing the government entities utilize the public resource reasonably and manage to achieve the intended result.

v. Auditor General Report should be uploaded in its website for public knowledge and awareness, and all important issue should be discussed on media and newspapers. This mechanism will make CAG and PAC more transparent and accountable.

vi. PAC needs to develop its technical staffs with organized system of researchers, IT experts, strong administration and detectives, etc. Having detective it’s good to create Monitoring and Implementation Committee that looks more powerful and threatening to criminals.

5.4.3 Theoretical Recommendations

Apart from the managerial and policy recommendations, the study also implies the following theoretical recommendations. Due to the fact that many countries are now establish Public Account Committee (PAC) in their public financial management and many more have benefited much from the adoption of PAC, it is recommended that there is need for the institutions concerned to review the experience of different countries in implementation of PAC. This will provide insight and lessons learnt from success, improvement and solving problems relating to PAC issues. Furthermore, the study recommends that those countries which have not yet implement PAC in their
public financial management or have not entered into the full scale implementation of PAC, should be committed to adopt PAC and benefit from the effectiveness, control and transparency of the PAC in managing public resources.

5.5 Recommendation for Further Study

As far as the findings of this study are concerned, the following areas are recommended for further study:-

(i) Replication of the study with a larger scope by considering survey methodology.

(ii) Conducting comparative study between countries to assess the implementation of PAC with regard to their effectiveness in enhancing public accountability and transparency.

(iii) Effectiveness and efficiency of Public Account Committee in enhancing accountability in Public Sector.
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Dear Sir/Madam,

This study is based at the Mzumbe University. Its major objective is to investigate on the “effectiveness of Public Accounts Committee (PAC), on enhancing accountability and transparency in public sector organizations (PSOs) in Zanzibar”. This study is done by taking Zanzibar as a case study. Based on that, it focuses at the House of Representatives through Public Accounts Committee members as well as at the Office of the Controller and Auditor General in Zanzibar and Ministry of good governance together with two independent government institutions (Zanzibar Social Security Fund (ZSSF) and Zanzibar Electricity Corporation (ZECO)). Therefore, you are kindly requested to participate in this study by filling in this short questionnaire.

In case the final account of this work may contain confidential information and its publication could be harmful to the organization or individual, confidentiality is assured by the University. Such report will be seen only by the Supervisor and Examiner for examination purposes.

SECTION ‘A’ BACKGROUND INFORMATION

Please put a tick (✓) to what you consider as right answer and explain where required.

1. Sex of respondents
   (i) Female  (ii) Male

2. Age of respondents
   (i) 18 – 29
   (ii) 30 – 45
   (iii) 46 – 60
   (iv) 60 - Above

3. Name of the Ministry ……………………………………………
4. Name of the department ................................................
5. Professional qualification ..............................................
6. For how long have you involved in auditing activities?
   ..........................................................................................

7. Education level
   (i) Certificate level ( )
   (ii) Ordinary Diploma ( )
   (iii) Advance Diploma ( )
   (iv) Bachelor Degree ( )
   (v) Postgraduate Diploma ( )
   (vi) Master Degree and Above ( )
   (vii) Others (please specify……………………………………) ( )

SECTION B PROMOTION OF ACCOUNTABILITY AND TRANSPARENCY
Please put a tick (√) to what you consider as right answer and explain where required.
8. a) Does PAC perform regular Audit or special audit in your Ministry/department or institution?
   (i) YES ( )
   (ii) NO ( )
b) If YES, state how many times has PAC follow up the audit queries raised by CAG in your ministry
   (i) Always ( )
   (ii) Often ( )
   (iii) Sometimes ( )
   (iv) Never ( )
C) If NO please state the reasons
   ............................................................................................................................
   .............................................................................................................................
9. a) Are the financial statements of the ministries and Department (MDAs) submitted to auditors are reliable and submitted on time as required by law?

(i) YES ( )
(ii) NO ( )

b) If the answer above is no, what do you think are the reasons?

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10. Have you ever audited the financial statements prepared by the ministries/ department or institution?

(i) YES
(ii) NO

b) If NO what are the reasons for not auditing financial statements

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11. Do you think that there may be any circumstances which might prevent auditors from auditing financial statements?

(i) YES
(ii) NO

b) If yes, please mention any circumstance that might prevent auditors (external and internal auditors) from auditing financial statements.
SECTION C; EXTENT OF ACCOUNTABILITY AND TRANSPARENCY

Please put a tick (✓) to what you consider as right answer and explain where required.

12. a) Is there any disciplinary action taken against Auditor General for late submission of their report to Presidents or PAC? For external auditor
   (i) YES (    )
   (ii) NO (    )
   b) If the answer above is YES, could you please mention the type of disciplinary actions taken against Auditor General?
      (i)........................................................................................................
      (ii)........................................................................................................
      (iii)........................................................................................................
      (iv)........................................................................................................

13. a) Are the reports of the PAC prepared or translated into the native language (Kiswahili)?
    (i) YES (    )
    (ii) NO (    )
    b) If the answer above is NO, what do you think are the reasons?
       (i)........................................................................................................
       (ii)........................................................................................................
       (iii)........................................................................................................
       (iv)........................................................................................................

14. Are the PAC reports available to the public or audited firm?
   (i) YES
   (ii) NO
   b) Please, explain your answer
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       ........................................................................................................
       ........................................................................................................
15. Does the PAC is a suitable tool for enhancing accountability and transparency in the public sector

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SECTION D: RELATIONSHIP BETWEEN PAC AND CAG
Please put a tick (√) to what you consider as right answer and explain where required.
15. To what extent PAC maintained cardinal relationship with Auditor General to ensure public accountability and transparency in Zanzibar?
   (i) High extent (   )
   (ii) Moderate extent (   )
   (iii) Low extent (   )

SECTION E: RECOMMENDATION AND DIRECTIVES
Please put a tick (√) to what you consider as right answer and explain where required.
17. How Does the PAC recommendations and directives increase the control of public resources and performance of the audited organization?

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SECTION F: CHALLENGERS

18. Please enumerate any problem that you face in conducting audit on the financial statements?

(i) ……………………………………………………………………………………………
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(ii) ……………………………………………………………………………………………
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(iii) ……………………………………………………………………………………………
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(iv) ……………………………………………………………………………………………
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(v) ……………………………………………………………………………………………
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19. In your opinion, what should be done in order to ensure effectiveness of PAC in enhancing Public Sector Accountability and transparency?

(i) ……………………………………………………………………………………………
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(ii) ……………………………………………………………………………………………
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(iii) ……………………………………………………………………………………………
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(iv) ……………………………………………………………………………………………
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Thank you for your cooperation
Appendix II

QUESTIONNAIRE FOR ACCOUNTANT

Dear Sir/Madam,

This study is based at the Mzumbe University. Its major objective is to investigate on the “effectiveness of Public Accounts Committee (PAC), on enhancing accountability and transparency in public sector organizations (PSOs)”. This study is done by taking Zanzibar as a case study. Based on that, it focuses at the House of Representatives through Public Accounts Committee members as well as at the Office of the Controller and Auditor General in Zanzibar and Ministry of good governance together with two independent government institutions (Zanzibar Social Security Fund (ZSSF) and Zanzibar Electricity Corporation (ZECO)). Therefore, you are kindly requested to participate in this study by filling in this short questionnaire. In case the final account of this work may contain confidential information and its publication could be harmful to the organization or individual, confidentiality is assured by the University. Such report will be seen only by the Supervisor and Examiner for examination purposes.

SECTION ‘A’ BACKGROUND INFORMATION

Please put a tick (√) to what you consider as right answer and explain where required.

1. Sex of respondents
   (i) Female (   )
   (ii) Male (   )

2. Age of respondent
   (i) 18 – 30 (   )
   (ii) 31 – 45 (   )
   (iii) 46 – 60 (   )
   (iv) 60 – Above (   )

3. Name of the Ministry

.................................................................
4. Name of the department

........................................................................................................

5. Professional qualification

........................................................................................................

6. For how long have you involved in accounting activities?

........................................................................................................

7. Education level

(i) Certificate level (   )
(ii) Ordinary Diploma (   )
(iii) Advance Diploma (   )
(iv) Bachelor Degree (   )
(v) Postgraduate Diploma (   )
(vi) Master Degree and Above (   )
(vii) Others (please specify………………………………) (   )

B. PROMOTION OF ACCOUNTABILITY & TRANSPARENCY

Please put a tick (✓) to what you consider as right answer and explain where required.

8. a) Does PAC follow up the audit queries raised by CAG fiscal reports in your organization?
   (i) YES (   )
   (ii) NO (   )

b) If YES, state how many times has PAC follow up the audit queries raised by CAG in your ministry

   (i) Always (   )
   (ii) Often (   )
   (iii) Sometimes (   )
   (iv) Never (   )
9. How often do the financial statements of your office submitted to the Auditor General on time?
   (i) Always (  )
   (ii) Sometimes (  )
   (iii) Never (  )

10. Does the opinion provided by CAG are reliable to financial statements and improve the performance of organization?
   (i) Always (  )
   (ii) Often (  )
   (iii) Sometimes (  )
   (iv) Never (  )

11. a) Are the CAG reports available to the ministry, institute or department on time before PAC visiting?
   (i) YES (  )
   (ii) NO (  )
   b) if NO Please state the reasons
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   ...........................................................................................................................
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   ...........................................................................................................................
C. THE EXTENT OF ACCOUNTABILITY & TRANSPARENCY

Please put a tick (✓) to what you consider as right answer and explain where required.

12. Are the PAC reports prepared or translated into the native language (Kiswahili)?
   (i) YES
   (ii) NO
   b) If NO please state the reasons
      ………………………………………………………………………………………………………
      ………………………………………………………………………………………………………
      ………………………………………………………………………………………………………
      ………………………………………………………………………………………………………
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      ………………………………………………………………………………………………………

13. a) Are the PAC reports available to the public or audited firm on time?
   (i) YES (   )
   (ii) NO (   )
   b) Please, briefly explain your answer
      ………………………………………………………………………………………………………
      ………………………………………………………………………………………………………
      ………………………………………………………………………………………………………
      ………………………………………………………………………………………………………
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14. Does the PAC is a suitable tool for enhancing accountability and transparency in the public sector
     ………………………………………………………………………………………………………
     ………………………………………………………………………………………………………
     ………………………………………………………………………………………………………
     ………………………………………………………………………………………………………
     ………………………………………………………………………………………………………
SECTION E: RECOMMENDATION AND DIRECTIVES

Please put a tick (√) to what you consider as right answer and explain where required.

15. How PAC recommendations and directives increase the control of public resources?

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……………………………………………………………………………………
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……………………………………………………………………………………

SECTION F: CHALLENGERS

16. What challengers do you face during PAC visiting and auditing?

Please mention at least 4 reasons
(i) ……………………………………………………………………………………..
(ii) ……………………………………………………………………………………..
(iii) ……………………………………………………………………………………..
(iv) ……………………………………………………………………………………..

17. In your opinion, what should be done in order to ensure effectiveness of PAC in enhancing Public Sector Accountability and transparency?

(i) ……………………………………………………………………………………..
(ii) ……………………………………………………………………………………..
(iii) ……………………………………………………………………………………..
(iv) ……………………………………………………………………………………..
(v) ……………………………………………………………………………………..

Thank you for your cooperation
Appendix III

INTERVIEW PROTOCOL FOR GOVERNMENT OFFICIALS

Dear Sir/Madam,

This study is based at the Mzumbe University. Its major objective is to investigate on the “effectiveness of Public Accounts Committee (PAC), on enhancing accountability and transparency in public sector organizations (PSOs) in Zanzibar”. This study is done by taking Zanzibar as a case study. Based on that, it focuses at the House of Representatives through Public Accounts Committee members as well as at the Office of the Controller and Auditor General in Zanzibar and Ministry of good governance together with two independent government institutions (Zanzibar Social Security Fund (ZSSF) and Zanzibar Electricity Corporation (ZECO)). Therefore, you are kindly requested to participate in this study by filling in this short questionnaire. In case the final account of this work may contain confidential information and its publication could be harmful to the organization or individual, confidentiality is assured by the University. Such report will be seen only by the Supervisor and Examiner for examination purposes.

SECTION A: Background Information

1. Name (optional) .................................................................
2. Gender (Male or Female)....................................................... 
3. Educational level (optional)....................................................
4. Professional Qualification (optional)....................................
5. Job Title/Occupation.........................................................

SECTION B: Questions

1. Is there any improvement on the performance and work done by PAC in controlling public resources? Please explain how

2. What challenges do you face during PAC visiting and auditing in your ministry or institution?

3. Do you think PAC is a suitable tool for enhancing accountability and transparency in the public sector? Please explain
4. Does the Government auditors provide reliable opinion in conducting audit on financial statements by minimize the chance of misuse and mismanagement of public resources to enhance effectiveness of PAC?

5. In your opinion, what should be done in order to ensure effectiveness of PAC in enhancing Public Sector Accountability and transparency?
Appendix IV

INTERVIEW PROTOCOL FOR SECRETARY OF PAC

Dear Sir/Madam,

This study is based at the Mzumbe University. Its major objective is to investigate on the “effectiveness of Public Accounts Committee (PAC), on enhancing accountability and transparency in public sectors”. This study is done by taking Zanzibar as a case study. Based on that, it focuses at the House of Representatives through Public Accounts Committee members as well as at the Office of the Controller and Auditor General in Zanzibar and Ministry of good governance together with two independent government institutions (Zanzibar Social Security Fund (ZSSF) and Zanzibar Electricity Corporation (ZECO)). Therefore, you are kindly requested to participate in this study by filling in this short questionnaire. In case the final account of this work may contain confidential information and its publication could be harmful to the organization or individual, confidentiality is assured by the University. Such report will be seen only by the Supervisor and Examiner for examination purposes.

SECTION A: Background Information

1. Name (optional) .................................................................
2. Gender (Male or Female)....................................................
3. Educational level (optional)...................................................
4. Professional Qualification (optional)......................................
5. Job Title/Occupation...........................................................
6. For how long have you been working with PAC?
   ..............................................................................................
   ..............................................................................................
SECTION B: QUESTION
1. a) Is there an improvement of PAC knowledge and experience in financial managements which increase the performance of their works?
   b) Please explain how?
2) What approaches does PAC put in place to ensure implementation and responsiveness of audit recommendations and directives?
3. Please explain how PAC maintain its relationship between CAG and stakeholders
4. What are the problems facePAC in performing its power and its function?
5. What do you think the future of PAC in Zanzibar?