



EXCELLENCE IN PUBLIC SECTOR AUDITING

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# REPORT OF THE AUDITOR GENERAL OF THE REPUBLIC OF FIJI

**Volume 3     Audit Report on Government Ministries  
and Departments - 2013**

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Volume 3      Audit      Report      on      Government  
Ministries and Departments – 2013

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# OFFICE OF THE AUDITOR GENERAL

*Excellence in Public Sector Auditing*



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File: 102

30 September 2014

The Hon. Dr. Jiko Luveni  
Speaker of the Parliament of the Republic of Fiji  
Parliament  
Fiji

Dear Dr. Luveni

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## AUDIT REPORT ON GOVERNMENT MINISTRIES AND DEPARTMENTS 2013

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In accordance with section 152 (13) of the Constitution, I am pleased to transmit to you my report on the audit of the Whole of Government Financial Statements and the Annual Appropriation Statement of the Republic of Fiji for the year ended 31 December 2013.

A copy of the report has been submitted to the Minister for Finance who as required under section 152 (14) of the Constitution will lay the report before Parliament within 30 days of receipt, or if Parliament is not sitting, on the first day after the end of that period.

Tevita Bolanavanua  
**AUDITOR-GENERAL**



## FOREWORD

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This report covers the results of my audit of the Whole of Government (WOG) Financial Statements and the Annual Appropriation Statement for 2013 and its 38 ministries and departments in the 2013 Appropriation Decree.

The purposes of this report are to:

- report on the audit of the WOG Financial Statements as at 31 December 2013, covered under volume 1 of the report;
- report on the audit of financial statements of ministries and departments as at 31 December 2013, covered under volume 2-4 of the report;
- report on the results of and matters arising from the 2013 audits of ministries and departments, also covered under volume 2-4; and
- raise others matters that warrant consideration by Parliament.

The WOG Financial Statements for 2013 have been presented in accordance with section 46 of the Financial Management Act and given the nature of Government's quasi cash environment; the financial statements have been prepared on a modified accrual basis of accounting.

A qualified audit opinion was issued on the WOG Financial Statement for 2013. Issues qualified are as follows:

- inadequate systems of internal control over cash at bank which had an impact on cash at bank totaling \$25.5 million.
- accounts receivables balance of \$18.7 million as at 31 December 2013 was not supported with reconciliations; and
- no record was provided to validate \$2.4 million relating to accountable advances for the Department of Agriculture as part of total prepayment and accrued income of \$4.3 million as at 31 December 2013.

The attention of the Ministry of Finance was also drawn to:

- term loan receivable of \$58.4 million includes a negative balance of \$12.7 million and NATCO loan balance of \$1 million is yet to be regularized to equity following a Cabinet Decision in November 2009.
- trust fund account totaling \$79.5 million includes various trust accounts with negative balances totaling \$13.7 million contrary to the nature of the trust;
- inventory totaling \$3.7 million includes Trading and Manufacturing Account (TMA) closing stock of finish goods of \$1,058,578 that could not be validated as no independent stock take was carried out; and
- various ministries and departments did not reconcile their respective expenditure with the Financial Management & Information System (FMIS) records.

All 35 ministries and departments appropriated in the 2013 Appropriation Decree submitted their draft agency financial statements for audit on time as required under section 70 (3). Out of the agency financial statements audited, 18 were issued unqualified audit opinions while 17 were qualified.

Most issues qualified were the same as those highlighted in 2012 but at a lesser extent as some ministries and departments have shown much improvement. There however remains a lot of work to improve the requirements of all stakeholders.

The result of matters arising from my audits of ministries and departments are covered under volumes 2-4 of the report. The report for each ministry and department has 2 parts. Part 1 discusses the audit of the financial statements and Part 2 discusses other matters arising from the audit.



Tevita Bolanavanua  
**AUDITOR-GENERAL**

Suva, Republic of Fiji  
30 September 2014.



## EXECUTIVE SUMMARY

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The WOG Financial Statements and the Annual Appropriation Statement of the Government of the Republic of Fiji for the year ended 31 December 2013 has been audited in accordance with section 152(1) and 152(2) of the 2013 Constitution, Sections 46 & 47 of the Financial Management Act (2004) and Section 6 of the Audit Act.

The audit resulted in the issue of a qualified audit report. The issues qualified are as follows:

- Inadequate systems of internal control for cash at bank included (i) the absence of bank reconciliations for various overseas and domestic bank accounts; (ii) various general ledger cash balances for overseas and domestic balance do not have evidence of cash held; (iii) unrecorded cash relating to domestic bank balances; (iv) overdrawn domestic cash general ledger balances without satisfactory explanations provided during the audit; and (v) those unexplained variances between the drawings account general ledger and the respective board of survey reports. These errors and omission provided a net impact for cash at bank totalling \$25.5 million;
- Accounts receivable balances totaling \$18.7 million as at 31 December 2013 were not supported with reconciliations to be prepared by responsible Ministries/Departments.
- No record was provided to validate \$2.4 million relating to accountable advances for Department of Agriculture as part of total prepayment and accrued income as at 31 December 2013 totaling \$4.3 million as shown in the Statement of Assets and Liabilities.

Management attention was also drawn to the following matters:

- Term Loan Receivable of \$58.4 million includes a negative balance of \$12.7million relating to Public Service Commission (PSC) Scholarship Funds were not fully supported. The NATCO loan balance of \$1million has yet to be regularized to equity following the Cabinet Decision in November 2009. As such, the loan receivable in Note 7 is overstated by the same amount.
- Trust Fund account totalling \$79.5 million includes various trust accounts with negative balances totalling \$13.7 million contrary to the nature of the trust.
- Inventory totalling \$3.7 million includes TMA Closing Stock of Finished Goods of \$1,058,578 could not be validated because of Department of Agriculture did not carry out an independent stock take.
- Various Ministries/Departments did not reconcile their respective expenditure as recorded in the expenditure ledger with the Financial Management & Information System as required under section 15 of Finance Instruction 2010.

The following is a summary of the audit observations:

## **2013 Whole of Government Financial Statements**

### ***Cash at Bank***

The Cash at Bank balance increased significantly from \$96.6 million in 2012 to \$206.7 million in 2013. This increase was due to a significant increase in domestic bank balance and trust fund account cash at bank balance by 137% and 20% respectively. There was a decrease in the overseas bank balance and TMA cash at bank balance by 5% and 14% respectively.

The net of errors and omissions in the cash at bank balance reflected in the Statement of Assets and Liabilities in the WOG financial statement totalled to \$25.5 million.

Unpresented cheques have decreased by \$32.2 million to \$75.5 in 2013 compared to \$107.7 million recorded in 2012. The significant unpresented cheques balances in prior years indicated that spending for these Ministries and Departments were concentrated towards the end of the year. Such spending often results in uneconomical purchases affecting the following year's cash flows.

### ***Accounts Receivables***

Accounts receivables decreased from \$21.2 million in 2012 to \$18.7 million in 2013. The significant decline by 12% or \$2.5 million noted in 2013 is attributed to the write off of dormant accounts in the general ledger amounting to \$3,386,760 as approved by the Minister of Finance.

As at 31 December 2013, a total of \$1,078,793 of accounts receivable showed credit balances which indicate that debtors have overpaid their accounts and there was no evidence of a review to ascertain the reasons for these credit balances.

Numerous Ministries and Departments did not prepare reconciliations nor did they maintain debtors register. There were some instances balances in that reconciliation could not be explained nor supported.

### ***Prepayments and Accrued Income***

Prepayments and accrued income decreased by \$9.4 million or 68.6% from \$13.7 million in 2012 to \$4.3 million in 2013. The significant decrease was noted for unclaimed monies, dishonoured cheques and surcharge balances attributed to a write-off of \$9.9m as approved by the Minister of Finance.

An amount of \$2.4 million or 56% of the total prepayments and accrued income amount in relation to advances for Ministry of Agriculture from prior years could not be substantiated.

### ***Inventory***

The value of inventory held by Government has decreased by \$3.5 million or 49% from \$7.2 million in 2012 to \$3.7 million in 2013. Inventory is measured at cost.

The Ministry of Agriculture's stock certificate report reflected closing stock of \$1.1 million which were carried out by officers who are directly involved in maintaining and accounting the stock.

### ***Term Loans Receivables***

The outstanding loans owed to Government have decreased by \$9.4 million or 14% from \$67.8 million in 2012 to \$58.4 million in 2013. The significant decline is attributed to the write off of dormant accounts in the general ledger amounting to \$5.8 million as approved by the Minister of Finance.

Incorrect accounting entries being passed by the Public Service Commission to record transactions relating to its various scholarship loan accounts resulted in the negative balances of the scholarship accounts amounting to \$12.7 million.

Recurring issues highlighted during the 2012 audits were not resolved by the Ministry in 2013.

### ***Investments***

Government's investments held in 26 companies in 2013 totalled \$495.9 million. This is an increase of \$69.8 million compared to \$426.1 million in 2012. Only 6 entities remitted dividends to Government totalling \$11.98 million in 2013 compared to a forecasted dividend income for year 2013 of \$38.3 million.

The overall average rate of return on investment of 2% was recorded in 2013 which has remained constant over the last 3 years.

Governments' record of shares held in three entities is understated by \$3.97 million.

There were investments totalling \$42.5 million for four entities, for which the share certificates could not be located.

### ***Accounts Payable***

Accounts payable despite being a liability had a debit balance of \$64,339, a decrease of \$42,329 or 40% from (\$106,668) as recorded during the financial year 2012.

Supporting documents to substantiate TMA trade & sundry creditors of \$570,525 and the withholding tax of \$152,417 were not produced for audit verification.

### ***Deferred Income and Accrued Expenses***

Deferred income and accrued expenses had a balance of \$0.3 million, an increase of \$1.6 million or 128% from a debit balance of \$1.3 million in 2012.

The increase resulted from the write off of \$1.8 million of expenses in relation to the Telstat operations carried out by Republic of Fiji Military Forces (RFMF) in 2006 on behalf of Telecom Fiji to set up satellites in rural areas and outer islands. Telecom Fiji was to reimburse the RFMF on the over spending.

### ***Term Loans Payable (Borrowing Fund)***

Public debt owed in 2013 totalled \$3,824.9 million and comprised of domestic borrowings of \$2,641.5 million or 69% of total debt; overseas borrowings of \$1,081.1 million or 28%; and treasury bills \$102.3 million or 3%.



New loans raised in 2013 totalled \$275.1 million of which \$172.8 million were funded through domestic bonds and \$102.3 million in treasury bills.

There were no new overseas loans raised but cash drawdowns from existing loan facilities during 2013 in the form of interest capitalisation and direct payment amounted to \$99.9 million.

### ***Trust Fund***

The trust fund account had a balance of \$79.5 million as at 31/12/13, an increase of \$5.8 million or 7.8% from 2012. The increase is a result of new trust account opened for Ministry of Strategic Planning, National Development and Statistics and an increase in Chinese grants for the Prime Minister's Office and immigration bond.

Trust accounts with debit general ledger balances amounted to \$13.7 million and indicates that these trust accounts has been overdrawn.

A total of \$4.1 million was written off for dormant and unreconciled trust accounts as approved by the Minister of Finance.

### ***Contingent Liabilities***

A total of 14 entities were covered under Government guarantee in 2013, compared to 15 entities in 2012.

The total contingent liabilities as at 31/12/13 amounted to \$2,191.2 million of which domestic loans accounted for \$2,183.6 million or 99.7 % of total contingent liabilities and overseas loans accounted for \$7.6 million or 0.3 %.

### ***Revenue***

The total forecasted revenue by government in 2013 amounted to \$2,507,382,200 comprising of \$1,994,353,600 in operating revenue; \$114,055,200 in investing revenue and \$398,973,400 in borrowing revenue. No forecast was provided for revenue generated from government trading and manufacturing operations.

The actual revenue collections made by government from its normal operations in 2013 totalled \$2,293,114,628 thus recording a shortfall of \$214,267,572 or 9% of the total estimated revenue collection.

A variance of \$399,544,329 was noted between total revenue estimates as per the national budget and total revenue estimates as per the FMIS. The total revenue estimates as per the national budget totalled \$2,507,382,207 whereas the total revenue estimates as per the FMIS amounts to \$2,107,847,871.

A variance of \$19 million exists between Ministry of Finance general ledger balances and the FRCA revenue collection report for the year 2013.

While government recognizes the expenses and liability following loan disbursement, the revenues from the loan proceeds are not recognized hence it does not satisfy the matching principle.

## ***Expenditure***

Government spending for the year ending 31st December 2013 as authorized under the National Budget totalled \$2,315,635,533 an increase of \$49,419,983 or 2% from \$2,266,215,549 spent in 2012.

Government's total expenditure for the last 10 years has been increasing at a steady rate even though there was a marked decrease in 2008, 2010 and 2012.

From 2004 to 2013 the incremental increase for operating expenditure over the 10 years period was \$399.1 million with an average increment of \$39.9 million. Operating expenditure compared to 2012 recorded an incremental increase of \$75.4 million or 5.2% during the year 2013.

TMA expenditure amounting to \$18,921,609 reflected in the financial statements is inclusive of \$1,045,778 which is the overall net loss incurred for the TMA operations of government. Therefore at 31/12/13 the total expenditure is misstated by \$1,045,778.

At Head (Ministry) level, the Ministry of Education, National Heritage, Culture and Arts and the Ministry of Health overspent their total budget appropriation in 2013.

Nineteen Ministries/Departments did not maintain an expenditure ledger to record payments made during the year for reconciliation purposes contrary to the requirements of the Finance Instructions 2010.

## **2013 Accounts of Ministries and Departments**

Major issues noted from the audit of some Ministries and Department include the followings:

### ***Office of the President***

The Office of the President incurred a total expenditure of \$2,408,051 in 2013. This includes a book entry for a budget carry-over of \$453,070 to be spent in 2014. Consequently the actual 2013 expenditure has been overstated by the same amount.

The Office Revolving Fund Account (RFA) had a credit balance of (\$306,252) as at 31/12/2013. The Office did not prepare any reconciliation for its revolving fund account as at 31/12/2013.

### ***Office of the Prime Minister***

An unreconciled variance of \$1,055,236 exists between the FMIS general ledger Trust cash at bank account and the bank reconciliation balance. A further variance of \$32,626 exists between the general ledger cash at bank account and the trust liability account balance. Other anomalies include the non-receipting of direct deposits and overstatement of interest earned. The nature of payments in the 2013 trust fund statement of receipts and payment were also not disclosed appropriately to ensure disclosure consistency and comparability to the 2012 figures.

Some accounting and administrative anomalies noted for the trust fund include poor reconciliations prepared, non-recording of bank charges, interest and non-submission of annual acquittal report to the donor. The bank reconciliation errors resulted in an unreconciled variance of \$9,964 between the bank reconciliation and the general ledger records. Another variance of \$11,797 was noted between the

cash at bank account and the Trust liability account in the general ledger. An independent reconciliation carried out revealed a variance of \$12,087 between the cash book reconciliation and the cash at bank balance

As at 31 December 2013, the Office operating trust fund accounts had overdrawn balances totalling \$194,646. Most of the overdrawn balances were brought forward from previous years.

A variance of \$6,392,023.79 exists in the drawings accounts balance between the Office reconciliation and the FMIS general ledger records. The audit further noted that the Office did not submit the signed board of survey report for the drawings account.

### ***Public Service Commission***

There were variances between the FMIS general ledger and the Commission's reconciliation relating to the drawings account.

Verification of the FMIS general ledger records revealed that account allocation 1-02300-00000-560000 – accounts receivable had a debit balance of \$10,689,966.97. However, no reconciliation was provided hence audit could not substantiate the correctness of the above balances.

A variance of (\$112,009.91) exists between the FMIS and the Commission's reconciliation relating to the operating trust fund account.

A variance of \$297,487.74 exists in the TMA cash balance between the FMIS and the Commission's reconciliation.

There were arrears of rent totalling \$83,561.87 in the TMA as at December 2013.

### ***Office of the Attorney General***

The department does not maintain an expenditure ledger. As a result, the department could not reconcile the expenditure in the FMIS general ledger maintained by the Ministry of Finance and its records.

A variance of \$41,075 exists between the drawings account balance of the department's reconciliation and the general ledger (FMIS) records.

### ***Ministry of i-Taukei Affairs***

The revenue recovered from bond monies totalling \$509,934 was not reflected in the Statement of Receipts and Expenditure.

The Statement of Losses failed to disclose other losses as the Ministry failed to prepare a board of survey report contrary to section 49 (2) of the Finance Instructions 2010.

Details were not provided for the dormant trust fund cash at bank balance of \$1,959,998 recorded in the general ledger system.

The Ministry did not reconcile the expenditure in the FMIS general ledger as no expenditure ledger was maintained.

Only \$7.2 million or 74% of the scholarships funds were utilized from the total of \$9.7 million allocated for the year. A total of \$4.56 million is owed by sponsored and bonded students who have absconded.

#### ***Ministry of Defence, National Security and Immigration***

Variances of \$181,505 and \$149,299 exist for the cash receipts and cash payments respectively between the Department of Immigration trust fund account cash book and the FMIS general ledger balances.

There is an un-reconciled difference amounting to \$1,794,695 between the FMIS general ledger cash at bank and bank statement balance.

The Ministry did not reconcile the expenditure in the FMIS general ledger as no expenditure ledger was maintained. The Ministry prepared its financial statements from the FMIS general ledger.

The damaged passport books for 2013 totaled 228 costing \$17,328. More than 50% of the damages resulted from machine errors such as printing problems, improper lamination, overheating and inking problems while some were human errors arising from judgmental errors, typing errors, incorrectly placing the passport books in the machine

The Ministry has poor control over the administration of the permit database where the system data for permit holders of foreigners does not have the issued and expiry dates of applications, the residential addresses in Fiji, and instances were noted where permit system data recorded the name of other countries as the local addresses of permit holders for foreigners in Fiji.

#### ***Ministry of Labour, Industrial Relations and Employment***

A variance of \$485,641 exists between the trust fund account liability and the trust fund bank account balance in the general ledger. In addition, the bank reconciliation balance differed from the general ledger bank balance by \$427,280.

The Ministry's arrears of revenue totalled \$46,183 as at 31/12/14 compared to \$38,592 in 2012.

The Ministry has several workmen's compensation cases pending over the years. An analysis carried out indicated that the largest number of cases was closed in 2010 whereas the following three years after that saw a reduction in the number of closed cases.

#### ***Ministry of Foreign Affairs and International Co-operation***

Board of surveys were not carried out for all Fiji Missions overseas contrary to section 49 (1) of the Finance Instructions 2010. As such, the completeness and accuracy of the statement of losses cannot be ascertained.

An un-reconciled difference of \$469,775 exists for expenditure recorded in the FMIS general ledger and the department expenditure ledger. The Ministry did not perform any reconciliation for expenditure and as a result, the audit was not able to ascertain the accuracy of the amounts stated as expenditure in the Statement of Receipts and Expenditure.

The total expenditure includes a book entry for a budget carry-over of \$1,150,747 to be spent in 2014. Consequently, the actual expenditure in 2013 has been overstated by the same amount.

Established staff allocations have exceeded its allocated budget appropriation by \$765,844.

The Ministry has poor control over payroll where there was overpayment of salary, excessive annual leave and diplomatic appointment contrary to diplomatic consular regulations.

### ***Judicial Department***

The Department had total arrears of revenue of \$11,968,031.00 as at 31/12/13 compared to \$11,341,730 in 2012.

The audit of Court records noted that there is a substantial number of pending cases under each category of Court. The highest number of pending cases was for Magistrates Court (136,634) followed by High Court (4,951) and then Family Court (2,863).

A Contractor Western Builders Limited was overpaid by \$89,786.26 on the contract for the construction of new Tribunal Court 2 & Registry at Government Buildings. There was no evidence of approved variations to the contract provided to audit.

### ***Parliament***

The Department overpaid sitting allowance to the Public Accounts Committee members.

### ***Office of the Director of Public Prosecutions***

The Office incurred a total expenditure of \$3,946,975 in 2013 against a revised budget of \$5,109,385 resulting in a saving of \$1,162,410 or 23%.

There is an un-reconciled difference amounting to \$102,465 between the FMIS general ledger expenditure and expenditure as per the cash book. The Office did not reconcile the expenditure in FMIS general ledger to the cash book or any other separate record.

### ***Ministry of Justice and Anti-Corruption***

There is an unreconciled difference of \$892,480 between the FMIS general ledger expenditure and expenditure as per cash book. The Department did not reconcile the expenditure in the general ledger (FMIS) to the cash book or any other separate record.

A variance of \$41,979 exists between the FMIS general ledger and the Department's reconciliation relating to the drawings account.

The Department's RFA as at 31/12/13 had a balance of \$52,337 out of which \$47,973 was carried forward from previous years.

Record keeping in the Titles office needs to be improved. The Office lacked a Disaster Recovery Plan and there was no certificate of fire proof by the National Fire Authority.

The Office current computer system (Titles, Deeds Registration System - TDRS) is very slow and cannot cater for the high day to day demand from customers. No offsite storage or system generated backup is available for the TDRS.

For the 820 moneylenders on record who have been issued licenses up to 2012, 423 (or 52%) have yet to renew their licenses. The department did not take any action or follow up on defaulting moneylenders.

The Registrar General did not have a Disaster Recovery Plan or a backup system for the BDM records. Records prior 1910 were also not available the issue of blank certificates to Post Fiji was not reconciled.

### ***Fiji Prisons and Correction Services***

The Ministry of Finance approved the carry-over of \$431,039.73 for completion of CCTV installation for the Fiji Corrections Service to be utilized in year 2014. The Ministry of Finance recorded expenditure under allocation of Fiji Corrections Service of \$431,039.73 2013 contrary to the carry-over policy.

A variance of \$21,442.62 exists in the sales figure between the FMIS general ledger and the Department's records.

A variance of \$63,394 exists in the bank balance between the Department records and the FMIS general ledger balance.

There is an un-reconciled difference of \$928,393 between the FMIS general ledger expenditure and expenditure as per the cash book. Fiji Corrections Service did not reconcile the expenditure in the FMIS general ledger to the cash book or any other separate record.

Prison officers were not surcharged for motor vehicle accidents caused by their own negligent. In addition, the transport section did not properly maintain documents relating to the accident, such as motor vehicle accident report, the Police report and the records that surcharge have been imposed. Instances has been noted where officers have been surcharged one or two years back but no deductions have been initiated to date.

### ***Department of Communications***

The department does not maintain an expenditure ledger. As a result, it could not reconcile the expenditure in the general ledger system maintained by the Ministry of Finance.

A variance of \$13,523,173 was noted between the department's cash at bank balance and the cash balance reported in the FMIS general ledger as at 31 December 2013.

The audit noted a variance of \$10,198 between the trust fund cash at bank recorded in general ledger (\$2,906,717) and the trust fund liability account balance (\$2,896,519).

No Tender and no contract agreement signed for the engagement of City Security Services. A total payment of \$93,628 was made to the company in 2013.

### ***Ministry of Information***

The Ministry did not maintain an expenditure ledger. As a result, the Ministry could not reconcile its expenditure with the FMIS general ledger maintained by the Ministry of Finance. The audit was also not able to ascertain the accuracy of the amounts stated in the Statement of Receipts and Expenditure.

### ***Ministry of Rural and Maritime Development and National Disaster Management***

A variance of \$3.7 million exists between the trust fund cash at bank recorded in the FMIS general ledger (\$6.2 million) and the trust fund liability account balance (\$2.5 million) contrary to section 58

(3) of Finance Instructions 2010. Therefore, the *Trust Fund Account Statement of Receipts and Expenditures* cannot be ascertained to be fairly stated.

A variance of \$3.1 million exists between the *Provincial Development* trust fund cash at bank recorded in the general ledger (\$5 million) and the *Provincial Development* bank statement balance (\$1.9 million) contrary to section 32(6) of Finance Instructions 2010. As such, the audit was not able to ascertain that all receipts and payments have been accurately accounted and disclosed in the main trust fund account.

In accordance with the government cash basis of accounting, total expenditure includes a book entry for a budget carry-over of \$16,983,073 million to be spent in 2014. Consequently the actual 2013 expenditure has been overstated by the same amount.

The Ministry did not reconcile its expenditure with the FMIS general ledger as no expenditure ledger was maintained. The Ministry prepared its financial statements from the FMIS general ledger.

The Ministry did not reconcile the *Prime Minister's National Disaster Relief and Rehabilitation (PMNDRR)* Trust Fund receipt and expenditure in the FMIS general ledger as no expenditure ledger was maintained. The Ministry prepared its Statements of Trust Fund Receipt and Expenditure from the FMIS general ledger.

Projects were not yet initiated for individual and communities that have given their one third deposits for various programmes which were recorded on the *Provincial Development* Trust Fund Account totalling \$359,139. This comprise of seventy (70) Rural Housing Assistance Scheme II totaling \$280,229, nine (9) Prime Ministers Relief and Rehabilitation Project totaling \$77,230 and five (5) self-help project for individuals and communities totaling \$1,680. The audit further noted that some contributions dated back to year 2003 hence a delay in project implementation of ten years.

The Commissioner Eastern Division was able to facilitate only thirty percent (30%) payment from the two million allocated to the Eastern Division to facilitate the implementation of the various project appropriated under the Public Sector Investment Program of the 2013 budget.

Poor record keeping for the Division regarding Public Sector Investment Program (PSIP) and other capital project undertaken were noted as project files were not maintained. As such the status of the project cannot be ascertained.

The inspection of the stores held at Top-Yard, Walu Bay reveal that unaccounted project building materials and other items were stacked outside the yard which have been there for some years and are deteriorating due to wear and tear. The items and materials declared unserviceable were still good and useable condition. The Tropical Cyclone Tomas Rehabilitation materials that were received in 2011 were still stacked and stored at the top yard store and were not delivered to those affected by the cyclone in the Northern Division.

The Ministry has poor control over the administration and implementation of the Tropical Cyclone Evans Housing Rehabilitation operation in the Western Division where Purchase Orders (PO) were not issued however blanket approvals were issued to the suppliers to deliver materials. The blanket approvals issued to the supplier did not contain any ceiling amount for the cost of building materials to be supplied. A total of \$227,028 was paid to Kasabia Ltd base on the invoice received for the thirty one (31) house material delivered and \$543,251 was paid to R.C. Manubhai for the forty four (44) house material delivered and \$46,272 for the eleven (11) house material delivered. The materials

purchased as recorded in the supplier's invoice were not fully delivered to recipients. The recipients of the assistance could not commence with the rehabilitation works due to part supply of materials from the supplier despite payment already made.

### ***Fiji Military Forces***

The Force did not maintain an expenditure ledger for 2013. As a result, the Force could not reconcile its expenditure with the FMIS general ledger maintained by the Ministry of Finance.

A sum of \$3,900,342 from the 2013 Force budget allocation was approved by the Ministry of Finance as carry-over funds to be utilized in 2014. The amount was disclosed in the FMIS general ledger and the Agency Financial Statement as actual expenditure incurred for 2013 resulting in total the expenditure being overstated by \$3,900,342.

As at 31 December 2013, a total of \$2.6 million is held in a bank account with the Bank of South Pacific (BSP) under the RFMF Engineers Project Fund Account.<sup>1</sup> These are funds received from Ministries/Departments for capital works to be undertaken by the RFMF engineers. The fund was not included in the Agency Financial Statements of the Force and proper records were not maintained.

An un-reconciled variance of \$31,557 exists between the December reconciliation statement prepared by the Force (\$2,139,824.87) and the general ledger balance (\$2,171,381.79). Reconciliation was not carried out on a monthly basis. Instead, a three months reconciliation was prepared for the months of February, March and April and 2 months reconciliation were prepared for September to October and another for the months of November to December.

The advance account had a credit balance of \$403,951 which had been carried forward from previous years. No action had been taken by the accounting officers to clear this credit balance.

As at 31 December 2013, the Force Operating Trust Fund Accounts had overdrawn balances totalling \$6,004,162 compared to \$5,784,111 in 2012.

The Force did not include the labour cost and the cost of its plant and vehicles in its TMA for the year ended 31 December 2013. A sum of \$42,488 was disclosed as Direct Labour in the TMA for Plant Pool. However, this does not relate to Labour but includes expenditure such as freight cartage for plants to outer islands, passage for machine operators, accommodation, meals and fuel cost.

Some RFMF Engineers projects lacked a MOU between the RMF Engineers unit and the Prime Minister's Office regarding the Capital projects that was to be undertaken.

Despite budgetary provisions for the Sukanaivalu Barracks upgrade, no work was carried out as at 31 December 2013 on married quarters (26 and 54) and the mess hall. Other anomalies noted include divergence of funds for other purposes, prepayments for building materials and lack of manpower to carry out the project. Administration and accounting procedures were also not followed.

A sum of \$1,841,166 was charged for the above programme in 2013, out of which \$1,058,895 was rolled over to be utilized in 2014. Only \$212,256 was utilized from the rolled over sum of \$1,058,895 leaving a balance of \$846,639 as at 31/12/13.

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<sup>1</sup> BSP Bank Account Number 6652519



### ***Fiji Police Force***

A variance of \$872,812 exists between the Force's Drawings bank account reconciliation and the FMIS general ledger balance. The Drawings bank account reconciliation was not performed properly to account for the cheques issued, cheques presented and the un-presented cheques as at 31/12/13. As such the completeness and accuracy of payments made and recorded in the Statement of Receipts and Expenditure could not be determined.

The Board of Survey was not carried out contrary to section 49 (1) and (2) of the Finance Instructions 2010. As such the completeness and accuracy of the Statement of Losses cannot be ascertained.

The Force did not reconcile the expenditure in the FMIS general ledger as no expenditure ledger was maintained. The Ministry prepared its financial statements from the FMIS general ledger.

A total of \$423,966 was written off for account balances of the Force deemed irrecoverable and unverifiable. These include drawings, inter departmental clearing accounts, accounts receivables and trust fund accounts. Yet despite the designated authorization provided by the Minister of Finance, there was no supporting documents produced to audit to consider the completeness of adjustments and the validity of the accounts in the financial statements

A total of \$2,720,509 in un-presented cheques were over six month old which were considered to be stale cheques however the force did not clear this stale cheques at the end of the year.

The Force has poor control over payroll where the audit could not ascertain salaries and wages totaling \$3.45 million for Special Constables (SC) as certified salary and wages reconciliations were not maintained and provided for audit verification upon audit request. In addition salaries totaling \$10.1 million for established staff, \$1.4 million for special constables and \$266,525 wages were not reconciled on time. The audit established that some salaries and wages were reconciled after one year. The Force engaged excessive new recruits (PL08) and some contract workers contrary to the Public Service Commission approved staff establishment.

The Force has poor control over recruitment as application forms, supporting police clearance forms medical clearance forms and other supporting documents such as birth certificates and examination transcripts were not produce to audit.

The Fiji Police Force had unidentified contribution of \$15,151 with FNPF as at 31/12/2013.

The Force did not provided payment vouchers and supporting documents for expenditures totaling \$1,014,052.

The Force did not put in place a contract for the procurements of footwear worth \$374,225 as per required by the Government Tender Board.

### ***Ministry of Finance***

The general ledger balances totalling \$8,149,574 in relation to TMA equity were not provided for audit and is a recurring audit issues in prior audit years.

A variance of \$18,422,688 was noted in the drawings account with the Ministry and the general ledger (FMIS) balance.

A variance of \$665,380 was noted in the trust fund account between the general ledger balance and bank statement balance as at 31/12/13.

The Ministry's operating trust fund account had a variance between FMIS records and the Ministry's record due to various postings to FMIS allocations which were not included by the Ministry's reconciliations.

The Ministry did not have any acquittal guideline for the payment of the salaries to Cabinet Ministers. The acquittal reports provided by the Ministry were not fully supported with supporting documents to be in agreement with Head 50 funds released by the Ministry of Finance.

Ministries/departments do not submit competitive quotes to the Ministry of Finance in their submission for request of Head 50 funds for the payment of airfares for the Ministers during 2013.

The ministry had incurred over-expenditure amounting to \$2,393,242 during the year relating to Pensions, Gratuities & Compassionate Allowance from Head 51.

Payments made from Head 51 totaling \$6,102,817 without any check or verification by the paying offices which include Judicial Department, Prime Minister's Office and Fiji Military Forces. These checks and verification would provide an assurance to Pension Office that payments have been made to bona fide recipients.

The first and second quarter reports for 2013 showed overpayment to pensioners for amount totaling \$52,299. Moreover, internal audit report highlighted overpaid pensioners during the year 2011 and 2012 which have not been recovered by the pension's office at the time of the audit.

There was no internal audit review carried out for the Debt Unit in 2013.

The Ministry of Finance did not utilize the amount set aside for repayment for various loan accounts totaling \$3,255,000 and \$1,169,506 for the year ended 2012 and 2013 respectively.

#### ***Government Printing and Stationery Department (GPSD)***

The Department outsourced its printing services without any evidence of the approval of the Minister as required under section 32 of the Procurement Regulation 2010.

#### ***Fiji Procurement Office (FPO)***

TMA creditors for FPO showed debit balance of \$597,668 contrary to the nature of the balance that the account should have.

Numerous agencies failed to submit their Annual Procurement Plan to Procurement Office as required by section 26.1 of the Procurement Regulations 2010.

Contract documents from the 2012 and 2013 approved tenders relating to Ministry of Education, Fiji Police Force, Fiji Navy, and Republic of Fiji Military Forces are not available at the Procurement Office as required under the Finance Circular No. 3/2013.

Numerous instances where the tender process from the advertisement of the tender to the board approval has gone over period of three months which may compromise the fairness and impartiality of the procurement process.

### ***Information Technology and Computing Services (ITC)***

Numerous documents or information requested from ITC Steering Committee for audit were not made available.

The Public Private Partnership Agreement between the Government of Fiji and Yalamanchili International PTE Ltd on 28/09/2012. The audit could not establish whether IT Strategy has been put in place as there was no response received from our enquiry.

The Annual Procurement Policy is yet to be in place by the ITC Steering Committee

### ***Ministry of Strategic Planning, National Development and Statistics***

#### **National Planning Office**

The Ministry incurred expenditure totalling \$10,147,496 during 2013 against a revised budget of \$11,452,456 resulting in a savings of \$1,304,960 or 11.4%.

The reconciliation statement for drawings accounts for Strategic Planning and National Development Office was not provided for audit.

The Integrated Human Resources Development Program (IHRDP) Trust Account is understated by \$40,491 as a result of incorrect accounting of the community contributions received in 2012 that is still being reflected in the Consolidated Fund Account and is yet to be refunded into the IHRDP Trust account.

The Strategic Planning and National Development Office did not reconcile the expenditure recorded in the FMIS as no expenditure ledger was maintained and prepared its financial statement from the FMIS general ledger records. As a result, the accuracy of expenditure totalling \$4,012,618 as part of the Ministry's total expenditure reflected in the Statement of Receipts and Expenditure could not be ascertained.

An Economic Planning officer (EDP 91254) who was on attachment with the Commissioner Northern Office was overpaid on the post of Acting Senior Economic Planning officer due to an input recorded in the FS01 form sent to the Ministry of Finance for Pay 04/13.

#### **Bureau of Statistics**

The Bureau of Statistics paid out \$54,743 being the wages and overtime pay owed to project officers for 2013 from the 2014 budgetary allocation under SEG 7 – Special Expenditure due to the Bureau's inability to meet the deadline of 31/12/13 set by the Ministry of Finance for processing of all 2013 payments.

An officer (EDP 90791) who caused damage to the government vehicle was surcharged \$5,629. The Bureau has not activated the salary deduction as the Bureau is awaiting an advice from the Surcharge Unit of the Ministry of Finance on the amount to be deducted. The Officer has only seven years of service left to reach the compulsory retirement age of 55.

### ***Ministry of Works and Transport***

The ministry recorded \$637,110 as expenditure for 2013 in the FMIS general ledger contrary to the carry-over policy of the Ministry of Finance.

Five of the eleven TMAs under the Ministry are inoperative. TMAs that were still active had continuously been operated at a loss. In addition, accounting records were inadequate to provide sufficient appropriate evidence to substantiate the balances reported in the financial statements.

The effectiveness of the reconciliation process and the reliability of information provided through the reconciliation of accounts were doubtful as there were un-reconciled variances noted between the reconciliations statements for various accounts prepared by the Ministry and the balances reflected in the FMIS general ledger. These also resulted in the qualification of the Ministry's Agency Financial Statement.

Revenue records for TMAs under the Divisional Engineer Central Eastern have been misplaced and other accounting records were not properly maintained and provided for audit, increasing the risk of mismanagement.

Poor inventory management was noted at the Divisional Engineer Western.

Determining the actual costs of projects from the expenditure records and verifying the costs was difficult due to the absence of audit trail and that unrelated costs were charged to any project accounts that had savings.

Adjustments to the general ledger without proper approval have been a recurring issue thus increasing the risk of manipulation of accounting records.

Procurement and payment procedures were being circumvented, increasing the risk of fraud and mismanagement of public funds.

The salary reconciliation process performed was ineffective as it failed to detect numerous incorrect payments of wages and salaries.

### ***Ministry of Agriculture***

The Ministry did not maintain adequate accounting records to provide sufficient and appropriate evidence to substantiate balances reflected in the financial statements for Trading and Manufacturing Accounts (TMA).

The Ministry's stock certificates reflected total closing stock of \$1,058,577. However, reliance on this balance was limited as the stock takes were carried out by officers directly involved in maintaining and accounting for the stock without an independent supervision.

Reconciliations of accounts were not carried out properly and correctly resulting in significant variances between the reconciliation statements and the FMIS general ledger. In addition, balances in the reconciliation statements and the general ledger were not properly supported with relevant documents.

Overall financial performance of the TMAs from previous years has been poor.

Ineffective controls on the management of property, plant and equipment.

\$688,334 or 85% of arrears of revenue have been outstanding for more than 5 years. The arrears are mainly related to the outstanding repayments from farmers for assistance provided to them under different agricultural programs in previous years.

Unavailability of consolidated data/information on assistance provided to farmers/individual/groups under the various agricultural programs over the years and their current status had provided a limitation to the scope of the audit. For the past five years, around \$19.1 million have been utilized for the Demand Driven Approach (DDA) Agricultural programs. In addition, it was difficult to determine

whether the general objectives of the DDA programs were being achieved due to the absence of consolidated data/information on the monitoring and evaluation of individual projects against their objectives.

Common irregularities were identified across 80 farms visited in the Central Division with total assistance valued at over \$1.2 million.

Machines purchased and constructed at the Koronivia Research Station have not been utilized for a number of years.

Procurement and payment procedures were being circumvented, increasing the risk of fraud and mismanagement of public funds.

The salary reconciliation process performed was ineffective as it failed to detect numerous incorrect payments of wages and salaries.

### ***Ministry of Lands and Mineral Resources***

The reliability of information provided through the reconciliation of accounts was doubtful as there were un-reconciled variances noted between the various reconciliation statements prepared by the Ministry and the balances reflected in the FMIS general ledger.

Adjustments to the FMIS general ledger without approval and without supporting documentation were prevalent which increases the risk of manipulation of accounting records.

Recovery of arrears of revenue for Crown land lease has been slow as the balances over the past five years have been increasing. The arrears of revenue as at 31/12/13 totalled \$25.2 million, an increase of \$7.2 million or 40% since 2010.

The salary reconciliation process performed was ineffective as it failed to detect numerous incorrect payments of wages and salaries.

Adjustments to the general ledger without proper approval have been a recurring issue thus increasing the risk of manipulation of accounting records.

Procurement and payment procedures were being circumvented, increasing the risk of fraud and mismanagement of public funds.

### ***Ministry of Fisheries and Forests***

Trading Manufacturing Accounts have continuously operated at a loss. Accounting records were inadequate to provide sufficient appropriate evidence to substantiate the balances reported in the financial statements.

The reliability of information provided through the reconciliation of accounts was doubtful as there were un-reconciled variances noted between the various reconciliation statements prepared by the Ministry and the balances reflected in the FMIS general ledger.

The Ministry of Finance approved the carry-over of \$180,704 for funds related to various projects to be utilized in 2014. However, this was recorded as expenditure for 2013 contrary to the carry-over policy of the Ministry of Finance.

Contracts were endorsed by officers whose authorized procurement limits were below the contract sum.

The Department of Forests did not maintain a structured information database to consolidate and capture all information on the types licenses issued and details of licensee for all Divisions, to produce useful information that will aid decision-making. In addition, there is potential risk for revenue leakage.

Officers occupying government quarters had substantial rental arrears as at 31 December 2013.

### ***Ministry of Sugar***

Ineffective controls on the management and accounting of fixed assets (property, plant & equipment).

The reliability of information provided through the reconciliation of accounts was doubtful as there were significant un-reconciled variances noted between the various reconciliation statements prepared by the Ministry and the balances reflected in the FMIS general ledger.

Acquittal reports for government grants and subsidies paid to the Sugar Research Institute of Fiji and the South Pacific Fertilizer Limited were not provided to the Ministry.

### ***Government Shipping Services***

Transactions in the FMIS general ledger totaling \$1,187,178 could not be substantiated to any accounting records maintained by the Department.

There is a lack of records to substantiate the use of fuel and oil. The Department incurred a total expenditure of \$1.2 million on fuel and oil for both vehicles and vessels in 2013.

Procurement and payment procedures were being circumvented, increasing the risk of fraud and mismanagement of public funds.

### ***Ministry of Health***

#### **Headquarters**

A variance of \$293,784 existed between the Ministry's gross pay on which FNPF was paid and the audit calculations of gross pay subject to FNPF.

Amounts disclosed in the Appropriation Statement could not be substantiated as the virement files and the virement register was not maintained up to date.

The Ministry did not prepare drawings account reconciliation for the months of November and December 2012, thus audit could not substantiate the opening balance of \$5,524,332 used to prepare drawings account reconciliation for January 2013.

A variance of \$1,131,989 existed between the presented cheques list and the presented cheque amount in the drawing account reconciliation.

A variance of \$4,306,641 existed between the Ministry's drawings account reconciliation and the FMIS general ledger.

The Ministry's un-presented cheques in the drawings account increased by \$4,157,998 or 75% as at 31/12/13 compared to 2012.

A variance of \$5,303,884 existed between the VAT paid to FRCA for the year 2013 and the general ledger.

A variance of \$1,301,426 existed between the total revenue collected by the Ministry as per the bank statement and the FMIS general ledger.

The Ministry did not maintain an expenditure ledger to reconcile its records with the FMIS general ledger.

A variance of \$465,725 existed between the Ministry's main trust account reconciliation for December and the FMIS general ledger.

The main trust account bank reconciliation as at 31/12/13 comprised of \$235,924 from previous years which could not be substantiated as no reconciliation was carried out in the previous years.

A variance of \$131,794 existed between the Ministry's main trust account receipts cash book and the FMIS general ledger.

A variance of \$150,689 existed between the Ministry's main trust account payments cash book and the FMIS general ledger.

The opening balance of \$152,725 in the main trust fund account could not be verified as the main trust fund account for 2012 was not prepared.

The main trust fund was overdrawn by \$77,075.59 as at 31/12/13.

A board of survey for the whole Ministry was not conducted.

A payment of \$434,917 made by the BPS to the Ministry of Finance on 29/1/13 was not reflected in the equity account in the TMA balance sheet.

The TMA balance sheet as at 31/12/13 was not balanced and had a variance of \$384,998. The Ministry of Finance used TMA Surplus Capital Retained to CFA of \$384,998 to balance the TMA balance sheet. The balance of \$384,998 disclosed as TMA Surplus Capital Retained to CFA in the balance sheet could not be substantiated.

The Ministry reported a VAT receivable of \$142,425 in the TMA balance sheet as at 31/12/13. However the VAT calculation performed by audit noted a VAT payable of \$2,592.

The BPS does not hold any inventory stock and does not require a warehouse. However the BPS was paying \$1,500 per month or \$18,000 per annum to FPBS for 44.93 square meters of space for the warehouse.

In several occasions the Ministry charged VAT on zero rated revenue allocations and in other occasions it did not charge VAT on revenue allocations that are not zero rated resulting in loss of government revenue.

Several officers of the Ministry continued to receive salaries and allowances after the effective dates of their resignations, terminations and ceasing of acting allowances. The Ministry did not maintain an up to date OPR registers for the Clinical and the Technical Officers. In addition OPR register was not maintained for the headquarters staffs. • The Ministry was not able to provide the total salaries overpaid during 2013. Out of a total of \$610,345 salaries overpaid for the years 2010 – 2012 the Ministry recovered only \$27,018.91 or 4.4%.

The Ministry did not deduct the insurance excess of \$3,000 from a drivers final pay totalling \$7,188.31 on termination.

The Ministry did not exclude the contingency sum from the total contract price, thus all the contracts were overpriced by the amount of contingency sum. The Ministry paid the contractors the contingency sum without any variations in the project costs.

Retention sums deducted from the contractors claims were not deposited in the Trust Fund account with the Ministry. The retention sums remained in the capital project allocation and were fully utilised.

The Ministry made several progress payments for projects undertaken without progress reports or inspection reports from the Architect/Supervising Officer.

The Ministry was not able to provide minutes of one meeting held on the project site for renovation and refurbishment of St. Giles Hospital.

The Ministry's Clerk of Works were not based at the project site to provide direct supervision on the projects, instead the Clerk of Works were based at the Headquarters. The Ministry did not appoint Clerk of Works to oversee the construction of the Kamikamica Park Hub Centre in Lautoka. The completion of the Kamikamica Park Hub Centre in Lautoka was delayed by 6 months and the contractor was not held liable for the delays as there was no provision in the contract agreement. In addition the Ministry overpaid the contractor by \$2,002.50 in progress payments.

The Ministry made advance payment of \$185,566 to Ministry of Works, Transport and Public Utilities prior to the commencement of the project. The MOU between the Ministry and Ministry of Works, transport and Public Utilities did not state the commencement and completion dates for the project. The project was not completed within 8 weeks of the effective date of Memorandum of Understanding, 19/09/13.

The Ministry paid for further treatment of patients in India since the surgeries conducted by local doctors failed due to their negligence. The Ministry paid for overseas medical treatment costs which were higher than the amount initially quoted by the overseas Hospital. The Ministry did not perform independent verification of the final claim sent by the overseas hospital to justify the variation in costs for patients sent for overseas medical treatment.

The Ministry did not have a Standard Operating Procedures for the charter of aircraft for medical evacuation of patients from maritime islands to CWM Hospital. The Ministry failed to obtain Government Tender Board approval and a service agreement despite paying more than \$50,000 to Northern Air Services, Island Hoppers and Fiji Navy annually.

The Ministry made payments to the charter service providers on photocopied and faxed invoices. The Ministry paid a fuel surcharge to Island Hoppers. However, there was no formal agreement or approval regarding the payment. The Ministry paid 2012 invoices for charter of aircraft in 2013. The invoices were certified by the receptionists, Ms. Alisi Ravosai and Eliza Qereqeretabua at CWM Hospital even though they did not have the authority to do so.

The Ministry paid \$41,400 to Zuriel's Security Services for sponsoring the Uprising 7's even though the payment did not in any way relate to promoting awareness for Non-Communicable Diseases.

Several local purchase orders were raised by the Ministry after the goods and services and invoices were received. The Ministry paid 2012 expenses totalling \$130,597.71 in 2013.

### **Fiji Pharmaceuticals and Biomedical Services**

Stock balances of several drugs and consumables were either overstated or understated in the EPICOR system as opposed to the actual balance in stock as at 31/12/13.



Drugs and consumables worth \$369,328 expired as at 31/12/13. Drugs and consumables purchased by the Ministry were to expire in 1 to 9 months from the date of manufacture.

Items ordered in 2012 and 2013 totalling \$8,911,839 from overseas suppliers were not received as of the date of audit. Several drugs and consumables were out of stock as of the date of audit.

Drugs and consumables totalling \$7,006,293.59 were held in excess of the predetermined maximum stock level. Several drugs and consumables were below the predetermined minimum stock level requirement.

Laundry equipment was purchased at a cost \$2.7million in 2009 however 1 of the equipment was not utilized for 32 months. The ironer of the laundry equipment was damaged in January 2012 due to flooding. This was known after installation was carried out in May 2012. The total cost incurred in installation of the laundry equipment was not provided by the Ministry.

Purchase order PO85101 000864 for the supply of various reagents and consumables for the whole year 2013 worth \$1,051,264 from Medical South Pacific Limited was not monitored by Ministry.

### **Colonial War Memorial Hospital**

Dry goods not stored properly in the storeroom. Waste water pipes at the CWM kitchen were leaking due to poor plumbing works resulting in blocked drains that emit bad odor. Several windows at CWM Hospital's Kitchen had missing louver blades and toilet facilities not properly cleaned. The storeroom had several items that had been written off in 2012. In addition, other items were lying on the floor as there was inadequate space to store the items.

Items written off at CWM Hospital were not disposed by the Manager Administration and Finance. The IT room at CWM Hospital did not have any security control for entry and exist.

### **Nadi Hospital**

Several items that have been boarded were not properly disposed by the Nadi Hospital management. The Nadi Pharmacy was still holding on to expired drugs. There was no proper storage space for the portable x-ray machine after use. The hospital's consumables were stored in the old hospital building which was deteriorated and inhabitable. The hospital stored diesel and kerosene with electrical and other items in the generator room.

### **Lautoka Hospital**

There was no contract agreement between the Ministry and Public Works Department to carry out the associated works for the installation of two new elevators at the Lautoka Hospital. There was no commencement and completion timeline and scope of works identified for installation of the two new elevators and communicated to the Ministry of Works Mechanical section. There was no agreement for the disposal of the old elevators and its accessories. The dismantling work had not been done as at the date of audit despite advance payment of \$40,860. • There was a delay of four months between the government tender board approval to OTIS Elevators on 15/08/12, and the first payment of \$369,085 on 10/12/12.

There was a 6 months delay in the completion of the Kamikamica Park Health Centre which was to be completed on 03/01/13 as per the contract agreement. The Kamikamica Health Centre does not have essential equipment. The staffs at the Kamikamica Park Health Centre do not know how to use the fire extinguisher in case of emergency. The Kamikamica Health Centre gets flooded when it rains due to its low lying floor.

There was no running sheet maintained for 16 of the 17 vehicles allocated to Lautoka Hospital.

### ***Ministry of Social Welfare, Women and Poverty Alleviation***

The Ministry used only \$1,770,702 from the Social Pension Allowances and \$1,208,923 from Care and Protection Allowances thus had a savings of \$1,469,298 or 45.4% in Social Pension Allowances and \$4,781,077 or 79.8% in Care and Protection Allowances.

The Ministry used funds from PBS allocation to pay for the Social Pension Allowances and Care and Protection Allowances. The Ministry was not able to provide the total amount paid for the Social Pension Allowances and Care and Protection Allowances from the PBS allocation.

The Ministry did not maintain appropriate and sufficient details in several PBS recipients case files. The Ministry did not provide certain PBS recipient files for review as the Ministry could not locate the files.

The Ministry did not have any monitoring process in place to effectively monitor the status of recipients under the Social Pension Scheme. The Ministry failed to maintain proper and separate files for the individual recipient of Social Pension Scheme.

The Ministry disbursed funds towards various women's clubs to carry out income generating projects however the Ministry did not require these project owners to submit progress reports. In addition no project inspections were carried out by the Ministry to review how the projects were progressing and assess whether funds were properly utilized.

Several officers of the Ministry who were given advances for official travel in 2013 did not retire their advance within 7 days upon returning from official tours. The days advance not cleared ranged from 186 days to 4 days. However, the Ministry did not commence salary deductions.

The Ministry's budget indicated that aid in kind to be received from various international agencies totalled \$1,204,335. However, the Ministry was not aware of the aid in kind and did not receive such aid in kind during 2013. In addition the Ministry did not follow up with Ministry of Finance on the aid in kind.

The Ministry on several instances allocated same reference numbers to more than one Family Assistance Allowance recipients. Additionally on several instances the recipients of Family Assistance allowance had only their first name included in the list of payments submitted to the banks. There was no evidence to indicate that the Family Assistance Allowance payment list was checked by a Senior Officer before it was loaded for payment. The Ministry submitted to the bank the payment listing of Family Assistance Allowance for several recipients who had dual bank accounts. In addition, the Ministry was paying Family Assistance Allowance to both bank accounts.

The Poverty Benefit System (PBS) system used by the Ministry is not interlinked with all other PC's that has PBS database installed and in all the divisions. All computers or laptops operate on their own as a result the Social Welfare Officer (SWO) has to review the applications on individual computers or laptops. The Poverty Benefit Scheme System could not print the decisions made by the Senior Welfare Officer once the assessment was completed.

The Poverty Benefit Scheme system did not have adequate capacity to load more than one picture. Hence pictures taken by Welfare Officers during their field visit as evidence of the state of welfare of the recipients were not stored in the system. Adequate records were not maintained in the Poverty Benefit Scheme recipient's case files in the Western Division.

### ***Ministry of Education***

The board of survey for a number of schools, stations and sections were not carried out for the Ministry.

An unreconciled variance of \$6,834,145 existed between the Ministry's Drawings Account reconciliation and FMIS general ledger balance as at 31 December 2013. The un-presented cheques as at 31 December 2013 increased to \$8,143,657 compared to \$4,367,708 in 2012. This was due to large amount of purchases made towards the end of the year.

A variance of \$811,209 existed in the Revolving Fund Account between the Ministry's reconciliation balance and FMIS general ledger balance as at 31 December 2013.

There were weak controls over the administration of journal vouchers. On several occasions, the journal vouchers were not approved by the Principal Accountant and were used to adjust expenditure account balances.

The Ministry did not maintain an expenditure ledger which could be used to ascertain that all receipts and payments had been accurately accounted for in the Financial Management Information System (FMIS) maintained by the Ministry of Finance.

The Ministry overpaid its staff in salaries totalling \$91,051.03 as at 31/12/13.

The Ministry paid Hot Spring Investment Ltd \$182,000 or 93% of the contract sum for upgrading and renovation works carried out at Ratu Kadavulevu School. During the site inspection carried out by audit, it was noted that significant portion of the upgrading and renovation works were not carried out by the contractor. Contingency sum was not set aside by the Ministry from the total contract price. As a result the contract sum was overpriced by the amount of the contingency sum.

The respective District Education Officers did not provide the progress and acquittal reports for \$200,000 used for repairs and maintenance work on 3 schools within the declared World Heritage Zones. The contractual agreement for capital construction did not include the payment of performance bond clause and the agreements did not state the expected date of commencement and completion of the projects.

Bus fare coupons and ticket butts for the year 2013 were destroyed without proper approvals. This has been the practice since the inception of the bus fare scheme in 2010. The Ministry was not able to provide a breakdown of the total number of bus fare coupons processed and the total payments made by the divisions to the transport providers despite several requests.

The Ministry does not have a standard grant reporting framework for schools to indicate how the grant funds were utilized.

The Ministry paid \$20,950 to Davui Printery for printing of TVET Achievement Level Booklets. The purchase orders were split to ensure the amount is within the authorized limits of the Director TVET. There were inadequate segregation of duties for purchase of goods and services in the TVET section resulting in double payments to vendors, unsubstantiated repair works, fraudulent dealings with Korea Auto Traders and fictitious quotations used for purchase of stationaries.

Quotations from 2012 were used to procure goods and services in 2013. Laptops and desktops computers were purchased from unauthorized suppliers. Tenders were not called for contracts exceeding \$50,000.

### ***Department of Water and Sewerage***

The Department purchased equipment worth \$230,359 to carry out quality testing of water. However, the Department is yet to set up the Laboratory to carry out the tests. The consultant is yet to commence work to formulate the regulatory legislation for water and sewerage services.

### ***Department of Energy***

An unreconciled variance of \$981,333 existed between the main trust fund account general ledger and the bank statement as at 31/12/13. The bank reconciliation for the main trust fund account was not prepared for 2013.

The Department reengaged retired officers without the approval of the Public Service Commission.

Prior approval for variations to the approved tender specification for the supply, installation and commissioning of 1200 Solar Photovoltaic Home Systems was not obtained from the Government Tender Board. The Department paid \$1,468,149.43 or 40% of the tender value to Powerlite Generators (Fiji) Limited before the components of Solar Photovoltaic Home Systems were delivered.

Payments for Mauna House Wiring Projects were made without inspection reports from the project supervisor and the contract document for Mauna House Wiring Projects did not outline the date of commencement and completion of the entire projects.

The Department purchased 15 complete sets of 50m Wind Monitoring System out of which only 1 has been installed as the Department is yet to identify the sites for installing the remaining 14 System.

The Department allowed variations totaling \$365,739 for the construction of access road for the Somosomo Hydropower Station. There was no contingency sum set aside to cater for the variation.

The Department on 05/08/13 paid \$1,196,113 to Fiji Electricity Authority for the Nayala Grid Extension. However as at 20/05/14, FEA was yet to commence with the work. In addition the contract agreement signed between the Department and FEA did not include important clauses such as performance bond, retention sum, delay damages, project commencement and completion dates.

The Government Tender Board (GTB) approved the installation of PV Solar Home Systems for 649 households situated in Vanua Levu and 351 households situated in Maritime Areas. During the installation phase the Department cancelled all 649 applications for the household situated in Vanua Levu without the approval of GTB.

The Department did not carry out proper due diligence exercise before setting up the Biofuel Testing Laboratory.

### ***Ministry of Youth and Sports***

VAT returns filed by the Ministry and total expenses revealed a variance of \$467,394.66.

The Ministry did not maintain an expenditure ledger that could be used to reconcile its expenditure with that recorded in the Financial Management Information System general ledger.

The Ministry paid consulting fees totalling \$30,163 to Mr. James Smith to provide strategic direction and advice on the implementation of the Sports policy. However, no report or evidence of task completed by the consultant was produced for audit verification.

The Ministry developed only 1 rural sports field out of the 8 planned for the year 2013. In addition the contract agreement with contractor to develop the sports field did not outline penalty for late completion of projects and retention clause.

The Ministry failed to provide the scope of works and breakdown of the total cost incurred in terms of labour costs, material and plant hire for the upgrading works at Naleba and Naqere Training Centre.

The upgrading works at the National Youth Band was not supervised by an experienced builder as defects were noted during the site inspection carried out by audit.

### ***Ministry of Local Government, Urban Development and Environment***

An unreconciled variance of \$358,893 existed between the Environment's main Trust Fund Account general ledger and bank statement balance as at 3/12/13.

The Ministry did not maintain an expenditure ledger that could be used to reconcile its expenditure with that recorded in the Financial Management Information System general ledger.

The Ministry re-engaged a retired technical officer and paid incorrect salary which resulted in an overpayment of \$3,232.

There was poor management of funds allocated for the 9th Pacific Islands Conference on Nature Conservation and Protected Areas.

The Ministry did not properly manage the design and construction of Naboro Landfill Phase 2 project as an Engineer was not appointed to monitor and supervise the project and contractor did not use appropriate materials as required by the special conditions of the contract. The revenues collected as gate fees from the operations of Naboro Landfill were not deposited into the nominated bank account by the contractor. In addition, separate records were not kept and reconciliation prepared to ascertain the accuracy of the daily gate fees collected by the contractor.

The Ministry failed to obtain approval from Ministry of Finance to incur expenditure for organising Fiji National Faith Based Organisation Environment Stewardship Summit for which funds were not allocated in the budget. Grant agreement between the Ministry and Suva City Council for \$450,000 to construct the Market Shelter for weekend vendors was not made and Suva City Council failed to provide acquittals with details of grant money expended and the balance available.

Several instances were noted where funds allocated for implementing Environment Management Act were used for procuring goods and services not related to Environment Management Act.

Several journal vouchers were raised during the year without supporting documents and approval from Senior Accountant.

### ***Department of Housing***

Review of the Omark Squatter Upgrading Subdivision project revealed that the Department failed to renew the consultancy contract with Ian Macallan & Co (Fiji) Limited.

The People's Community Network (PCN) received \$642,447.17 for Lagilagi Housing Project. The PCN failed to provide the audited financial statements for the funds received.

The contractor failed to complete the construction of 7 low cost houses at Wailekutu Settlement despite the contractor been paid \$75,600 or 63% of the contract sum.

National Joint Committee paid capital grants totaling \$116,826.44 to two City/Town Committees in 2012. However, grant agreements were not entered into outlining essential particulars, including the purpose of capital grant, duration of the projects and monitoring processes.

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## VOLUME 3

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## Section 20 Ministry of Education

### Role and Responsibilities

The Ministry is responsible for the delivery of Education and Training Services to schools, pre - schools, and training centres and it is also responsible for the preservation of the different cultures in Fiji. These include the provision of curriculum frameworks, policy – guidelines, qualified teaching personnel, and programmes support to controlling authorities and education. The Ministry also has responsibilities for ensuring that standards in education are met and maintained through the regulation and recognition of education. Through advisory services, support is rendered to school management for the effective running of schools as well as financial assistance for construction and maintenance of school facilities. The Ministry is also tasked with improving rural education standards and the education opportunities of disabled students and out of school youths. The Ministry has undertaken three (3) new initiatives and these include the establishment of the Fiji Teachers Registration Board, the formulation of the language policy and the establishment of seed capital for Poverty Relief Fund, which also co – funded by private public partnership scheme.

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## PART A: FINANCIAL STATEMENT

### 20.1 Audit Opinion

The audit of the 2013 accounts of the Ministry of Education resulted in the issue of an unqualified audit report.

Management attention however was drawn to the following matters:

- The correctness of the Statement of Losses submitted by the Ministry could not be verified as a Board of Survey was not completed.
- The Ministry did not reconcile the expenditure in the FMIS general ledger as no expenditure ledger was maintained and therefore the accuracy of the amounts stated in the Statement of Receipts and Expenditure could not be ascertained.

### 20.2 Statement of Receipts and Expenditure

The Ministry of Education collected revenue totalling \$797,311 and incurred a total expenditure of \$277,484,045 in 2013. Refer Table 20.1 for details.

**Table 20.1: Statement of Receipts and Expenditures for 2013**

Description	2013 (\$)	2012 (\$)
<b>RECEIPTS</b>		
<b>State Revenue</b>		
Fees – Examination	4,925	27,887
Fees – Government Day School	23,682	22,901
Fees – Government Boarding Schools	350,587	434,268
Registration – Teacher Registration Board	160,030	577,646
Registration – Higher Education Commission	12,300	28,645
Rent for Official Quarters	70,689	850
Commission	1,731	2,451
OPR in Previous Years	31,743	55,831
<b>Total State Revenue</b>	<b>655,687</b>	<b>1,150,479</b>
<b>Agency Revenue</b>		
Miscellaneous Revenue	138,379	281,551
Sales of School Farm Produce	3,245	8,198
<b>Total Agency Revenue</b>	<b>141,624</b>	<b>289,749</b>
<b>TOTAL REVENUE</b>	<b>797,311</b>	<b>1,440,228</b>
<b>EXPENDITURE</b>		
<b>Operating Expenditure</b>		
Established Staff	214,024,425	210,730,757
Unestablished Staff	2,508,682	2,157,366
Travel & Communication	1,253,770	1,174,940
Maintenance & Operations	1,844,415	1,223,504
Purchase of Goods & Services	6,927,296	5,723,724
Operating Grants & Transfers	43,615,805	44,538,571
Special Expenditures	1,757,687	1,927,034
<b>Total Operating Expenditure</b>	<b>271,932,080</b>	<b>267,475,896</b>
<b>Capital Expenditure</b>		
Capital Construction	2,050,290	583,826
Capital Purchases	123,173	0

Description	2013 (\$)	2012 (\$)
Capital Grants & Transfers	1,659,910	587,884
<b>Total Capital Expenditure</b>	<b>3,833,373</b>	<b>1,171,710</b>
Value Added Tax	1,718,592	1,614,281
<b>TOTAL EXPENDITURE</b>	<b>277,484,045</b>	<b>270,261,887</b>

Total revenue declined by \$642,917 or 45% in 2013 compared to 2012 due to the followings:

- decrease in request for recount and rechecking of examination fees;
- decrease in boarding roll for Government Boarding School;
- decrease in teachers paying registration fees as most teachers have paid registration fees for 3 years;
- decrease in Tertiary Institutions registrations under the new fees;
- decrease in recoveries to be made for overpayment of salaries as officers have left service; and
- decrease in sale of farm produce.

Total expenditure increased by \$7,222,158 or 3% in 2013 compared to 2012 as a result of the following:

- payment of overtime for Government Wage Earners for the various units/sections working overtime to meet the Ministry's output;
- the increase in cost of goods and services from food ration suppliers resulted in the increase in food and ration expenses for Government Secondary Boarding schools;
- increase in Ministry's education initiatives;
- increase in capital works to Government schools and institutions; and
- increase grants provided for the infant schools construction in 2013.

### 20.3 Appropriation Statement

The Ministry of Education incurred a total expenditure of \$277,484,045 in 2013 against the revised budget of \$267,124,997 resulting in an over spending of \$10,359,048 or 4%.

**Table 20.2: Appropriation Statement for 2013**

SEG	Description	Budget Estimate (\$)	Changes (\$)	Revised Estimate (\$)	Actual Expenditure (\$)	Lapsed Appropriation (\$)
1	Established Staff	208,538,864	(7,074,462)	201,464,402	214,024,425	(12,560,023)
2	Unestablished Staff	2,050,106	-----	2,050,106	2,508,682	(458,576)
3	Travel & Communication	880,725	448,526	1,329,251	1,253,770	75,481
4	Maintenance & Operations	1,243,284	702,361	1,945,645	1,844,415	101,230
5	Purchase of Goods & Services	6,677,060	306,311	6,983,371	6,927,296	56,075
6	Operating Grants & Transfers	39,044,400	4,663,964	43,708,364	43,615,805	92,559
7	Special Expenditure	2,513,400	855,974	3,369,374	1,757,687	1,611,687
	<b>Total Operating Costs</b>	<b>260,947,839</b>	<b>(97,326)</b>	<b>260,850,513</b>	<b>271,932,080</b>	<b>(11,081,567)</b>
	<b>Capital Expenditure</b>					
8	Capital Construction	2,740,869	(432,630)	2,308,239	2,050,290	257,949
9	Capital Purchases	800,000	(655,691)	144,309	123,173	21,136
10	Capital Grants and Transfers	2,009,820	(16,237)	1,993,583	1,659,910	333,673
	<b>Total Capital Expenditure</b>	<b>5,550,689</b>	<b>(1,104,558)</b>	<b>4,446,131</b>	<b>3,833,373</b>	<b>612,758</b>

SEG	Description	Budget Estimate (\$)	Changes (\$)	Revised Estimate (\$)	Actual Expenditure (\$)	Lapsed Appropriation (\$)
13	Value Added Tax	1,991,600	(163,247)	1,828,353	1,718,592	109,761
	<b>TOTAL EXPENDITURE</b>	<b>268,490,128</b>	<b>(1,365,131)</b>	<b>267,124,997</b>	<b>277,484,045</b>	<b>(10,359,048)</b>

## 20.4 Statement of Losses

A total of \$62,835 was lost by the Ministry in 2013 through embezzlement by the Ministry's staff.

## PART B: AUDIT FINDINGS

### 20.5 Statement of Losses

An Annual Losses statement shall be prepared by the Senior Accounts Officer, Operations for inclusion in the Agency's Annual Financial Statement as and when required.<sup>1</sup> The Losses statement shall provide information on losses written off during the financial year and the status of recoveries of losses.<sup>2</sup>

All Permanent Secretaries shall appoint a Board of Survey annually to determine whether government plant, equipment and inventories under his or her control are:

- In working condition or serviceable;
- Unserviceable or obsolete; and
- Surplus to the requirements of that agency.<sup>3</sup>

The audit noted that the Ministry did not complete the board of survey for 2013 for some of the schools, stations and sections. Refer Table 20.3 for details.

**Table 20.3: Board of Survey Not Conducted for Schools, Stations and Sections**

<b>BOS not yet Completed</b>
<b>Schools</b>
Ratu Kadavulevu School
Queen Victoria School
AdiCakobau School
Laucala Bay Secondary School
Nasinu Secondary School
Natabua High School
Vunisea Secondary School
Suva Grammar School
Delainamasi Primary School
Natabua Primary School
<b>Sections</b>
Schools Broadcast Unit
Secondary Section
Fiji Teacher Registration Board
Curriculum Development Unit
TVET Section

<sup>1</sup>Ministry of Education, National Heritage, Culture and Arts Finance Manual 2013, Section 14.1.7

<sup>2</sup>Ministry of Education, National Heritage, Culture and Arts Finance Manual 2013, Section 14.1.8

<sup>3</sup> Procurement Regulations 2010, Section 24.1

<b>BOS not yet Completed</b>
Culture
<b>Stations</b>
Ba Education Office
Ra Education Office
Northern Education Office
Cakaudrove Education Office
Divisional Education Office - Central
Divisional Education Office – Eastern

As a result the audit could not ascertain whether the losses reported in the Statement of Losses is correctly stated.

### **Recommendation**

**The Principal Accounts Officer should ensure annual Board of Survey is conducted before agency financial statements audit to ensure losses are properly disclosed.**

### **Management Comment**

*The Ministry is trying its very best to improve on the submission of Board of Survey reports to ensure that the losses are recorded, however the underlying hindrance to this process is the composition of the BOS team whereby the Chairperson shall be an Officer from another Ministry and it has proven difficult to comply to this thus prolonging the completion of BOS on a timely basis. This issue has been raised with FPO however no concrete solution has been found. The Ministry wishes to inform Audit that each year schools, sections and stations are informed accordingly for the need to prepare BOS returns as it affects our Financial Statements. Thus in an effort to improve on this PSE has put out a directive that those section heads not complying will face salary cessation until the Report is complete and submitted The list has been sent to the sections to complete the Board of Survey Reports.*

## **20.6 Substantial Variance in Drawings Account**

All bank accounts shall be reconciled monthly. The bank reconciliation shall list the outstanding cheques and other reconciling items and be signed and dated by the responsible officer<sup>4</sup>.

The Permanent Secretary must appoint a Board of Survey to conduct a physical stock take of all cash on hand and other stocks held in safes at least once a year. <sup>5</sup> Any discrepancies must be accounted for and brought to the attention of the Permanent Secretary through the Board of Survey Report.<sup>6</sup>

The audit noted an unreconciled variance of \$6,834,145.33 between the Ministry's Drawings Account reconciliation and FMIS general ledger balance as at 31 December 2013. Refer Table 20.4 for details.

**Table 20.4: Variance in Drawings Account**

<b>Account Description</b>	<b>Balance as per Drawings Account Reconciliation (\$)</b>	<b>Balance as per FMIS (\$)</b>	<b>Variance (\$)</b>
Drawings Account	8,143,656.57	1,309,511.24	6,834,145.33

<sup>4</sup> Finance Instruction 2010, Section 32 (6)

<sup>5</sup> Finance Instruction 2010, Section 31 (5)

<sup>6</sup> Finance Instruction 2010, Section 31 (6)

According to the Principal Accounts Officer (PAO), the variance was due to the Debits and Credits which were not accounted for in the general ledger (FMIS). However, the Principal Accounts Officer failed to provide supporting documents to substantiate the Debits and Credits not accounted for in the general ledger (FMIS).

The above finding indicates that the Accounting Head failed to carry out monthly reconciliations and the variances between the Ministry's records and the FMIS general ledgers were not rectified and adjusted accordingly.

As a result the audit was not able to ascertain whether all payments were properly recorded in the general ledger.

### **Recommendations**

**The Principal Accounts Officer should ensure that:**

- **proper reconciliation is carried out on a monthly basis; and**
- **investigate the variance noted and take appropriate action to rectify the variance.**

### **Management Comment**

*The Principal Accounts Officer confirms that monthly drawings reconciliation for 2013 were carried for which copies were presented to the team that carried out the audit for their verifications. The variances were mispostings and omissions done by Treasury in regards to Credit Sweeps on our Bank Statements for the months of April, June, July and November in to the General Ledger for which only treasury could rectify. It also included stale cheques and payments that did not hit the general Ledger up till the last day in 2013. The same issues were raised again with Treasury in December to rectify but were not corrected. Since the Ministry of Finance had closed the 2013 Accounts in February, the supporting documents together with the final journal to rectify the variances were submitted with the AFS in order that after the audit the team would request Finance to accept the journal but that did not happen. It will now be rectified in 2014.*

## **20.7 Increase in Unpresented Cheque Listing**

The Drawings Account will be operated for all payments except for those payable from petty cash bank accounts, TMA bank account and Trust Bank account.<sup>7</sup>

Ministries and Department are required to plan their expenditure well in order to avoid the accumulation of unpresented cheques at year end. A continuous follow up action by the Accounting Head must be taken to encourage clients to present their cheques to the banks before 31/12/12.<sup>8</sup>

The audit noted that the Ministry's unpresented cheques at year end have been increasing over the past few years. The unpresented cheques at the end of 2013 increased to \$8,143,656.57 from \$4,367,708 in 2012. Refer to Table 20.5 for the comparison of unpresented cheques between the years 2011 – 2013.

**Table 20.5: Unpresented Cheques**

Drawings Account	2013 (\$)	2012 (\$)	2011 (\$)	Increase in Unpresented Cheques from 2012 - 2013 (\$)	Change in the Unpresented Cheques (%)
Unpresented Cheques	8,143,656.57	4,367,708	1,347,618	3,775,948.57	86

<sup>7</sup> Ministry of Education, National Heritage, Culture and Arts Finance Manual 2013, Section 7.4.3

<sup>8</sup> Finance Circular 13/2012 dated 19/10/12, Section 5.1.3

This indicates that large amount of purchases are made towards the end of the year. This may result in uneconomical purchases, overstocking of goods and at times not following proper procurement procedures.

### **Recommendations**

**The Principal Accounts Officer should:**

- **plan its purchases properly to avoid making large volume of purchases towards year end and accumulating the unrepresented cheques; and**
- **review and clear the unrepresented cheques on monthly basis.**

### **Management Comment**

*The closing date for raising of Purchase Orders was 7/12/13 and only essential purchases were made thereafter for which only PSE was given the authority to approve. Hence there was no large volume of purchases made in December but increased unrepresented Cheques value of \$8,143,656.57 were made up units, sections and schools pushing in payments for all purchases of previous months in December whilst trying to clear all outstanding accounts even though suppliers were advised to ensure lodgements of their Cheques as soon as they received them, payment of exam supervisors and markers, Grants, etc. Cheques also not presented to the bank on time were payments to USP and FNPF which amounted to \$5.5m. However, now that we have Electronic Fund Transfer applicable to all banks this will definitely reduce our unrepresented Cheques to a huge extent. Last year EFT was possible only with ANZ customers.*

## **20.8 Revolving Fund Account (RFA)**

Within 3 days of receiving the monthly general ledger reports from the Ministry of Finance, the Accounts Officer shall reconcile the ledger balances to the general ledger reports and prepare a ledger reconciliation statement.<sup>9</sup>

The audit noted a variance of \$811,209.17 in the Revolving Fund Account balance between the Ministry's reconciliations and the FMIS general ledger balances. Refer Table 20.6 for details.

**Table 20.6: Variance in Revolving Fund Account Balances**

Description	AP Prepaid Expenses 1 21101 21999 570101	Advances 1 21101 21999 570301	Total
Balances as per FMIS	(443,185.53)	975,661.94	
Ministry's Reconciliation	(1,265,337.20)	986,604.44	
<b>Variance</b>	<b>822,151.67</b>	<b>(10,942.50)</b>	<b>811,209.17</b>

The variances may have resulted from incorrect journal entries passed to these accounts or through mispostings.

The finding indicates that the Accounting Head did not reconcile the Ministry's RFA records to the General Ledger balances.

### **Recommendation**

**The Principal Accounts Officer must investigate and rectify the credit balances noted.**

<sup>9</sup> Ministry of Education, National Heritage, Culture and Arts Finance Manual 2013, Section 16.3.3  
Ministry of Education

### **Management Comment**

*The variance stated in the Draft Audit Report was after the supplementary journals being posted as the period for 2013 was activated by Ministry of Finance to upload adjustment made to drawings account.*

*However, the Ministry is in the process of amending its RFA reconciliation to match with the FMIS figures will submit a copy to Ministry of Finance. Also the credit balance will be verified and adjusted accordingly.*

## **20.9 Weak Controls over Journal Vouchers**

Only the PAO, SAO, AO Payments, AO Finance/Ledgers, AO Salaries shall approve journal adjustments.<sup>10</sup> Journal vouchers must be numbered in sequential order. Supporting documents shall be attached to the voucher.<sup>11</sup>

The AO Finance/ Ledgers must check that:

- a) all relevant details are included on the voucher;
- b) balances are adequately supported;
- c) the correct accounts have been debited or credited.<sup>12</sup>

The audit noted journal vouchers were approved by Senior Accountant and Acting Accountant for substantial amounts on several occasions. These journals were not approved by the Principal Accountant and were used to adjust expenditure account balances. Refer Table 20.7 below for examples.

**Table 20.7: Examples of Journal Vouchers Not Approved**

Date	Journal Voucher Number	Amount (\$)	Approved By	Position
24/12/13	67	1,347,801.27	Raijeli Leca	Acting Accounts Officer
17/12/13	18	66,380.18	Raijeli Leca	Acting Accounts Officer
16/12/13	17	20,603.43	Raijeli Leca	Acting Accounts Officer
15/01/14	179/12/2013	2,671,233.90	Raijeli Leca	Acting Accounts Officer
16/01/14	191/12/2013	5,053,431.78	Raijeli Leca	Acting Accounts Officer
17/01/14	195/12/2013	201,633.00	Raijeli Leca	Acting Accounts Officer
08/01/14	125/12/2013	118,814.40	Raijeli Leca	Acting Accounts Officer
02/01/14	92/12/2013	734,103.91	Raijeli Leca	Acting Accounts Officer
31/12/14	241/12/2013	224,026.06	Raijeli Leca	Acting Accounts Officer
17/12/13	18	66,380.18	Raijeli Leca	Acting Accounts Officer
27/01/14	10/1/2014	2,086,224.00	Raijeli Leca	Acting Accounts Officer
24/12/13	69	3,007,701.17	Raveenesh Bharat	Senior Accounts Officer
14/01/14	143/12/2013	2,582,093.36	Raveenesh Bharat	Senior Accounts Officer
14/01/14	136/12/2013	435,454.49	Raveenesh Bharat	Senior Accounts Officer
06/01/14	104/12/2013	1,743,726.08	Raveenesh Bharat	Senior Accounts Officer
30/12/13	84/12/2013	108,181.06	Raveenesh Bharat	Senior Accounts Officer
27/01/14	224/12/2013	644,000.00	Raveenesh Bharat	Senior Accounts Officer
31/01/14	232/12/2013	2,209,886.04	Raveenesh Bharat	Senior Accounts Officer
06/12/13	11/12/2013	2,526,715.89	Raveenesh Bharat	Senior Accounts Officer
19/12/13	30/12/2013	644,000.00	Raveenesh Bharat	Senior Accounts Officer

<sup>10</sup>Ministry of Education, National Heritage, Culture and Arts Finance Manual 2013, Section 16.1.2

<sup>11</sup>Ministry of Education, National Heritage, Culture and Arts Finance Manual 2013, Section 16.1.3

<sup>12</sup>Ministry of Education Finance Manual 2013, Section 16.1.4

The Ministry's Finance Manual does not state the limit for Officers to approve and carryout adjustments into the general ledger. Hence there is a high risk of fraudulent or incorrect journal entries passed and processed into the FMIS ledger.

### **Recommendations**

**The Permanent Secretary should:**

- **consider reviewing the Ministry's Finance Manual and provide approval limit for the journals; and**
- **Investigate and take appropriate action against Principal Accountant for not controlling and monitoring the processing of journals.**

### **Management Comment**

*The Ministry wishes to maintain the status quo on the approvals of Journal Vouchers. The journal vouchers are raised to rectify mis-postings and misallocations generally and are raised after reconciliations have been carried out. The journal vouchers quoted are for a series of mispostings and not just one misposting hence are indicating an accumulated figure. These are raised by the person carrying out the reconciliations-Assistant Accounts Officer and approved by the immediate supervisor-Accounts Officer and if the reconciliation is carried out by the Accounts Officer then the Senior Accounts Officer approves the journal vouchers which is in order. This Ministry is a large one and providing an approval limit for journals which are a reaction to an approved action already taken will only slow down our processes hence in view of this the Ministry sees no reason for the PAO to control and monitor the processing of journals as the journal voucher is only raised to right a wrong.*

### **Further OAG Comments**

**The audit maintains that providing approval limits to respective officer is a good internal control mechanism which can eliminate the possibility of Officers concealing fraud, accounting errors and over expenditures**

## **20.10 Expenditure Ledger not maintained**

All payments, including VAT, must be immediately recorded in the financial management information system and an expenditure ledger<sup>13</sup>. The Accountant is responsible for maintaining ledgers and reconciling balances in such ledgers to ensure the accuracy of financial information and the timeliness of management reports<sup>14</sup>.

The special purpose financial statements of the Ministry of Education, National Heritage, Culture and Arts for the year ended 31 December 2013 was prepared from the Financial Management Information System (FMIS) maintained by the Ministry of Finance.

The audit noted that the Ministry did not maintain an expenditure ledger which could be used to ascertain that all receipts and payments had been accurately accounted for in the FMIS maintained by Ministry of Finance.

As a result the audit was not able to ascertain the accuracy of the amounts stated in the statement of Receipts and Expenditure.

The Ministry did not comply with Finance Instruction and its Finance Manual thus did not maintain an expenditure ledger.

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<sup>13</sup> Finance Instructions 2010, Section 15

<sup>14</sup> Ministry of Education, National Heritage, Culture and Arts Finance Manual, Section 15



## **Recommendations**

### **The Ministry should:**

- ensure that an expenditure ledger is maintained; and
- reconcile its expenditure ledger with FMIS on a monthly basis.

## **Management Comment**

*Audit is noted and we acknowledge that a Commitment Ledger needs to be maintained for VAT postings and payments. Furthermore the Ministry's sections, units and district offices maintains a Commitment Ledger and use the FMIS General Ledger Reports as the Expenditure Ledger from where reconciliations are carried out on a monthly basis and journal vouchers raised for any mispostings. We see no reason to maintain an Expenditure Ledger which reflects the actual expenditure when there is access to the FMIS General Ledger serving the same purpose; this is duplication of work except one is maintained manually whilst the other is a system generated even though stated in the Finance Manual as all queries pertaining to Budgetary Provision, expenditures and balances available will always be obtained from the FMIS and not from our Commitment and Expenditure Ledgers.*

## **20.11 Overpayment of Salary**

An Officer, who has resigned, deemed to have resigned or terminated shall forfeit all the rights and privileges of his office from the date decided by the Commission.<sup>15</sup> An officer who resigns without giving 30 consecutive days' notice may be required to pay 30 days salary in lieu of notice.<sup>16</sup>

The audit noted that several officers continued to receive salaries after the effective dates of their resignations, terminations, acting, leave without pay and retirement due to delay in ceasing the payment of salaries.

In addition several cases were also noted for overpayments of acting allowances and payment of maternity leave on sixth confinements. As a result, these officers were overpaid their salaries which was not recovered by the Ministry. The amount overpaid is summarised in Table 20.9.

**Table 20.9: Summary of Overpayment for 2013**

Type of Overpayment	Total Overpayment (\$)
Resignation	31,230.86
Termination	1,753.85
Not Reporting to Duty	8,508.91
Study Leave without pay	4,663.20
Salary	16,025.81
Maternity Leave	2,358.66
Acting & Executive	7,844.31
Location Allowance	18,025.81
Forfeitures	639.62
<b>Total</b>	<b>91,051.03</b>

In addition, the audit noted that due to delay in ceasing of salaries for study leave without pay, the following overpayment of salary was made. Refer Table 20.10 for details.

<sup>15</sup>General Order 222 (d)

<sup>16</sup>General Order 222 (a)

**Table 20.10: Overpayment of Salaries for Leave without Pay**

EDP Number	Teacher's Name	Amount Overpaid (\$)
81652	Ropate Fotofili	2,576.58
68487	Radha Muttama Mani	322.64
60487	Narendra Verma	369.00
65785	Ekari Waqanibau	539.85
<b>Total</b>		<b>3,808.07</b>

This is an ongoing issue for the Ministry however no effective measures are taken to avoid salary overpayment. It is highly likely that the Ministry may not be able to recover substantial amount of salary overpaid.

### **Recommendations**

**The Permanent Secretary should:**

- take appropriate action to ensure the salaries are ceased on time to avoid overpayment;
- make every effort to recover salaries overpaid and implement strategies to ensure no overpayments are made in future;
- consider communicating salaries changes electronically such as through emails to avoid delays in ceasing salaries; and
- surcharge officers responsible for delays in submitting salary change advices to headquarters on time.

### **Management Comment**

*The Ministry wishes to inform Audit that all overpayments are being recovered progressively for those officers who are still employed by the Ministry. However, for officers who have resigned and or retired, the Ministry is trying to contact these officers' to clear their dues. Currently the overpayment for 2013 stands at \$ 91,051.03. Furthermore, efforts are being made to minimize the re-curing audit query through internal control measures by sending notifications through phone, fax, e- mail and also FESA / FEMIS Software. The Ministry will issue a stern warning to all those responsible for these overpayments as a deterrent to avoid overpayments. The Ministry will also explore the option of surcharging or taking disciplinary action against those that are found to be directly involved in creating overpayments.*

## **CAPITAL CONSTRUCTION**

The Ministry of Education was allocated a budget of \$3,200,000 for Capital Construction for the year 2013. The funds were specifically allocated for Maintenance and Upgrading of Schools and Institutional Quarters, Infrastructure and Building Operation.

### **20.12 Maintenance and upgrading of Ratu Kadavulevu School (RKS) Hall and Ablution Block**

The proper management of expenditure is fundamental to ensuring value-for-money in delivering services to the community. As well, having cost-effective internal controls within the purchasing and payments system plays an important part in ensuring that waste of funds, over-expenditures and corruption do not occur.<sup>17</sup>

<sup>17</sup>Ministry of Education Finance Manual 2013, Part 2  
Ministry of Education

The Government Tender Board (GTB) in its meeting No.24/2012 held on 31/10/12 approved to award the contract for upgrading and renovation works at Ratu Kadavulevu School to Hot Spring Investment Ltd amounting to \$195,000 VIP. The contract between the Ministry and Hot Spring Investment Ltd was signed on 23/01/13.

The construction shall be over the contract period of 13 weeks from the commencement date which shall be the date the construction work begins.<sup>18</sup>

The construction work commenced on 07/03/13 and was expected to be completed by 06/06/13. As at the date of audit<sup>19</sup> the Ministry paid \$182,000 or 93.3% of the contract sum. The payments were made based on the progress reports submitted by the Asset Monitoring Unit (AMU) of the Ministry. Refer Table 20.12 for details.

**Table 20.12: Details of Progress Report for Ratu Kadavulevu School**

Date	Amount Paid (\$)	Cheque Number	Date of Progress Report	Details of Progress Report Submitted by AMU
07/03/13	130,000	0990172	Not Applicable	<ul style="list-style-type: none"> <li>Total cost of material paid</li> </ul>
17/05/13	13,000	0996309	08/05/13	<ul style="list-style-type: none"> <li>80% of the work has been completed on the school hall and some minor works urgently needed to be done by the contractor.</li> <li>All construction is progressing well.</li> </ul>
17/06/13	13,000	0999107	05/06/13	<ul style="list-style-type: none"> <li>The Carpentry work is progressing</li> <li>Painting of undercoat and finishing is progressing inside and outside of the main school hall.</li> <li>The work is progressing on the repair of box guttering of the school hall.</li> <li>The upgrading on the inside is 95% complete and the work on the outside has not started.</li> </ul>
17/07/13	13,000	01001767	12/07/13	<ul style="list-style-type: none"> <li>Progressing well.</li> </ul>
16/08/13	13,000	01004732	14/08/13	<ul style="list-style-type: none"> <li>Roofing work has completed. However few minor works still left on the Eaves.</li> <li>Window frames have been repaired and painted with undercoat.</li> <li>Door frames and door leaves have been repaired and undercoated. There are 13 single rebated doors missing in the entire hall</li> <li>Walls have been repaired and painted; however there are few minor works left.</li> <li>Works on the floor is progressing.</li> <li>Overall the work is 95% complete</li> </ul>

Despite the AMU's good progress report the audit review of the RKS Upgrading and Renovation file noted that the Director AMU on 02/10/13 issued a warning letter to Hot Spring Investment Ltd for unsatisfactory performance as the project was not completed within the agreed timeframe. The Director AMU also raised his concern on the frequent absenteeism of the contractor from the site which contributed to the pending work.

In addition, the audit noted that the contractor did not turn up to the job site since the warning letter was served on 02/10/13. The audit also noted during the site inspection on 15/01/14 the following anomalies:

<sup>18</sup> Clause 1.0 of the Agreement signed between the Ministry and Hot Spring Pool Investment

<sup>19</sup> 07/01/14

- The contractor was required to remove and replace with new 300 × 300 mm vinyl tiles the entire floor of the hall. However, approximately more than 50% of the tiling works were incomplete. This included the back stage and the half of the main hall. Refer to Figure 20.1 and 20.2 for illustration.



**Figure 20.1: Incomplete tiling work in the main hall floor**



**Figure 20.2: Incomplete tiling work hall behind back stage floor**

- The contractor was to fix 22 half gazed rebated double doors in the main hall. However only 6 of the doors were installed and another 16 doors were not installed. Refer to Figure 20.3 and 20.4 for illustration.



**Figure 20.3: Backstage door not done.**



**Figure 20.4: Main Entrance door not done**

- The contractor was also supposed to renovate ablution block. However the tiling and painting works were yet to be completed at the ablution block. Refer to Figure 20.5 and 20.6 below for illustration.



**Figure 20.5: Ablution block floor not tiled**



**Figure 20.6: Ablution block wall not painted**

- The contractor was to carry out electrical works in the main hall. The electrical works were incomplete.
- The contractor was to make hurricane shutters for rooms 1, 2 and 3 behind the stage. However no shutters were made for any of the rooms.

According to the last progress report submitted by the AMU, the upgrading and renovation works were 95% complete, however the above audit findings showed that the percentage of completion for the upgrading and renovation works were far less than 95%.

The above finding indicates that the progress reports submitted by the AMU were incorrect and the percentage of completion was highly overstated compared to the actual work done by the contractor.

This resulted in a significant amount (93.3%) of the total contract sum paid to contractor despite the work completed was far much below the estimated percentage of work completed. There is a high risk that the officers from AMU maybe colluding with the contractor.

### **Recommendations**

**The Permanent Secretary should:**

- **discuss with the contractor to complete the remaining works;**
- **investigate the Officer in Charge of providing and approving the progress report and take appropriate action for incorrect assessments and reports submitted;**
- **consider taking legal action against the contractor to complete the remaining works; and**
- **consider getting another contractor to complete the remaining works.**

### **Management Comment**

*The Contractor was summoned for a series of meetings with the Ministry (AMU) to determine the way forward in order to complete the project. The above was verified by our Building Supervisor during the final monitoring visit. The Ministry is considering engaging another Contractor to complete the works and Seek legal opinion from SGO.*

#### ***School Hall***

- *Due to lengthy period in processing and finalizing the tender which was approved in 2012 and implemented in 2013, the building has also deteriorated due to weather plus price increase of some of the materials from the Hardware supplier resulted in high cost incurred in the project.*
- *The Contractor was summoned for a series of meeting with the Ministry's (AMU) to determine the way forward in order to complete the project.*
- *The above was verified by our Building Supervisor during the final monitoring visit.*

#### ***Ablution Block***

- *No need for tiling since it was not mentioned in the scope of work;*
- *The above was verified by our Building Supervisor during the final monitoring visit.*

## **20.13 Contingency Sum Included in the Contract Price**

The contingency sum is the amount that can be used to meet additional project expenses due to variations in the project work during implementation phase. However all variations submitted by the Contractor are to be approved by the GTB. The variations can be allowed only up to the contingency sum only.

The Ministry constructed two infant schools during 2013 for a total value of \$973,553.00 (VIP). Both projects were completed in 2013.

The projects were approved by the GTB which in its letter to the Ministry of Education stated that the contract price was inclusive of contingency sum. Hence the total contract price should exclude the contingency sum.

However, the audit noted that the Ministry did not exclude the contingency sum from the total contract price. As a result the contingency sum was not set aside by the Ministry and both contracts were overpriced by the amount of contingency sum. Refer Table 20.13 for details.

**Table 20.13: Amount of Contingency Sum included in Contract Price**

Name of School	Contractor	Contract Sum Paid (\$)	Rate of Contingency	Contingency Sum (\$)
Nakawakawa Infant School	Sharnik Construction	436,810	10%	43,681
Navotua Infant School	Cope Construction Ltd	536,743	15%	80,511

Furthermore, the audit noted that the contract agreement signed between the Ministry and the respective contractors did not include any clause outlining the contingency sum.

The finding shows that the Ministry did not comply with the terms and conditions of the GTB for approved contracts. As a result no contingency sum was set aside and contractors were paid the full contingency sums without any variations.

### **Recommendations**

**The Permanent Secretary should:**

- **make an effort to recover the overpaid amount from the contractors;**
- **ensure that contingency sum is excluded from the contract price; and**
- **take appropriate action against officers for not allowing for contingency sum in the contract agreement.**

### **Management Comment**

*The SG's office vetted contract agreement which was signed between the Ministry of Education and the Contractor did not include any clause outlining the contingency sum. Government Tender Board meeting No. 24/2012 held on 31/10/2012, clause (ii) reads "Approved to award the contract for construction of a New Infant School at Navotua in Yasawa Island to Cope Construction Ltd at a total cost of \$ 536,742.95 VIP, inclusive of 15% Contingency sum recommended. This clause does not specifically say to withhold the contingency cost to meet any variation cost. Furthermore, the contingency cost was part of the payment schedule in the MOA which was approved by SG's Office. MOE was not advised or informed of the separation of the contingency sum from the work cost. Final approval was given by Budget Division through the RIE meaning that MOE request was in order. However, the Ministry will ensure that all Capital works must have a Contingency sum to meet variations.*

## **20.14 Capital Works at National Heritage Sites**

The recipient of the Grant Assistance shall prepare an acquittal report. The acquittal report shall provide the following information:

- Details of grant money expended and unexpended;
- Grant objectives and targets achieved; and

iii. Financial statement (audited if practicable) for grants of \$20,000 or more<sup>20</sup>.

The District Education Officers shall prepare an inspection report on each project and submit it to the Director Asset Management Unit<sup>21</sup>

The Ministry of Education provided grants to 3 schools with heritage facility, particularly in declared World Heritage Zones. The grant was deposited in the individual schools' bank accounts. The Senior Education Officers from respective districts were one of the signatories for the Grant Funds and the approving officers for all purchases made by the schools for school improvement works. Refer Table 20.14 for details of fund paid to the schools

**Table 20.14: Details of Grant Recipients**

Name of School	Work Done	Total Cost of Renovations (\$)	80% Grant Paid (\$)
St. John Cawaci	Renovation to school church	89,685.20	71,748.16
Delana Methodist Primary School	Renovation of Teachers Quarters	61,845.12	49,476.10
Marist Covenant	Repair of Main Building	48,469.68	38,775.74

The audit noted the following anomalies in the administration of the above grants.

- The District Education Officer did not have any progress reports on the repairs and maintenance work carried out at the 3 schools.

Progress reports provide information on the status of works undertaken and whether funds are properly utilized.

- The District Education Officer did not obtain the acquittal reports from the grant recipients. Hence the Ministry did not know how the grants funds were used by the recipients.

This indicates the lack of proper monitoring and supervision by the Ministry. There is a high risk that grants funds may not be properly utilised for the purpose it was given for.

### **Recommendations**

**The Ministry should ensure that:**

- District Education Officers carryout regular visits and obtain quarterly progress reports of the projects funded by grants;**
- schools receiving the grants submit acquittals for the usage of the grant funds;**
- new grant is not given unless acquittals have been provided by the schools for previous grants; and**
- the grant agreement should include a clause requiring schools to submit acquittals with supporting documents for the payments made from the grant funds.**

### **Management Comment**

*Reports were given regularly on a monthly basis to ascertain the progress of the work done to the three schools. However, there was a stop order issued by Levuka Town Council to stop work at Marist Convent School, while Delana Methodist Teacher's Quarters and St John's College were completed. The works at Marist Convent*

<sup>20</sup> Ministry of Education Finance Manual 2013, Section 3.5.1

<sup>21</sup> Ministry of Education Finance Manual 2013, Section 3.5.7

*School has now been awarded to Ministry of Works for the continuation of renovation works instead of Private companies. The Ministry will follow up with the schools to submit the acquittals and ensure that the grant agreement covers the submission of acquittals.*

## 20.15 Poor Contractual Agreement

All Government contracts must be prepared by the organization and should be vetted by the Solicitor General.<sup>22</sup> The contract must clearly outline all the necessary terms and conditions of the engagement.

The Ministry carried out several capital projects during the year 2013 and entered into contract agreement with several contractors for the capital projects.

Review of the contract agreement revealed that payment of performance bond clause was not included in the contract agreement. As a result, the contractors were not obliged to pay a performance bond.

In absence of performance bond the Ministry will not be able to hold any funds back from the contractor if it fails to fulfill its obligation under the contract.

In addition the contract agreement stated the duration of the projects and not the expected Date of Commencement and the Date of Completion of the project. The Ministry cannot take any action against the contractor if the commencement of the project is delayed. Refer Table 20.15 for details of contract agreement without performance bond and project commencement and completion dates.

**Table 20.15: Contract Agreements without Performance Bond Clause, Commencement Dates And Completion Dates**

Project Name	Contractor's Name	Total Project Cost (VIP) (\$)
RKS Hall Upgrade	Hot Spring Pool Investment Ltd	195,000.00
Suva Grammar School Upgrade and Renovations	Cope Constructions Ltd	83,601.00
Nasinu Secondary School Renovations and Upgrading	Pacific Construction Ltd	285,527.69
Construction of Navotua Infant School	Cope Constructions Ltd	536,742.95
Construction of Nakawakawa Infant School	Sharnik Construction	436,810.00

The findings indicate that government's interests are not fully protected in these contracts which may result in loss of public funds.

### **Recommendation**

**The Permanent Secretary should ensure that contract agreements for capital works include clause for performance bond and commencement and completion dates.**

### **Management Comment**

- *The contract agreement for the Heritage site schools were based on the Ministry of Education Building Grant Policy which was endorsed and finally approved by Ministry of Finance in the disbursement of funds.*
- *The contract agreement for the Heritage site schools were vetted by Ministry of Education legal officer.*
- *The Performance Bond applies to the Tender Works and always recommended by General Tender Board based on the Determination of Performance Bond Policy.*

<sup>22</sup> PSC Circular No 23/2001  
Ministry of Education



- *The Performance Bond came into force later after the approval and the implementation of the mentioned project.*
- *Currently, all our contract agreements are vetted by the Solicitor General's Office as per recommended by the Fiji Procurement Office of the Ministry of Education.*

## **BUS FARE ASSISTANCE SCHEME**

The Bus Fare Assistance Scheme was an initiative to ensure and facilitate education for the children of the poorest of the poor families.<sup>23</sup>

On 19/10/2009, government embarked in assisting school students with the provision of free bus fare to and from school. A total of \$11,000,000 was allocated for the Bus Fare Scheme which was revised to \$16,164,721 in 2013.

### **20.16 Bus Fare Coupons**

The Accounting Head is responsible for the safekeeping and proper maintenance of all accounting records or documents.<sup>24</sup>

Accounting records may be destroyed after a period of six years provided that these records are not required for audit purposes or have already been audited.<sup>25</sup>

The Accounting Head shall prepare a list of all records or documents to be destroyed and forward it to the Ministry of Finance for approval. The Accounting Head shall also indicate whether these records have been audited and the year of audit.<sup>26</sup>

The Ministry of Finance shall consult with the Auditor General before approving the destruction of records.<sup>27</sup>

The audit noted the following anomalies.

- The Ministry destroyed the bus fare coupons and ticket butts for the year 2013 without proper approvals. This has been the practice since the inception of the bus fare scheme in 2010.

The Ministry claims it does not have enough space to store the vouchers and there is risk of fraudulent use of used bus fare coupons.

The Ministry obtained approval to destroy bus fare coupons from the Director National Archives, Mr. Opeta Alefaio who is not the person authorized to grant approval for destruction of records under the Finance Manual 2013. However, no approvals were obtained from the Ministry of Finance and the Auditor General before destroying the records.

- There was no independent person present during the destruction of the bus fare tickets apart from the employees of Ministry. In addition the Certificate of Destruction was yet to be signed by the Ministry.

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<sup>23</sup>Cabinet Memorandum

<sup>24</sup> Finance Manual 2011, Section 18.1.3

<sup>25</sup> Finance Manual 2011, Section 18.1.4

<sup>26</sup> Finance Manual 2011, Section 18.1.5

<sup>27</sup> Finance Manual 2011, Section 18.1.6

This issue was also highlighted by audit in the years 2011 and 2012. However the Ministry continued to destroy bus fare tickets without proper approval.

Hence the Ministry did not have bus fare tickets for audit reviews.

### **Recommendations**

- **The Ministry of Finance should take appropriate action for destruction of records without proper approvals.**
- **The Ministry of Education should follow proper procedures for destruction of accounting records.**

### **Management Comment**

*After the Audit in 2012 by the Internal Audit team from Ministry of Finance, the Ministry was informed to destroy the coupons after obtaining approval from National Archives due to the following:*

- 1. High risk of coupons being stolen.*
- 2. Lack of Filing space.*

*Approval was obtained from National Archives instead of Ministry of Finance.*

*The Ministry will cease this practice and seek Ministry of Finance approval before we start destroying 2014 coupons and provide a copy of “Certificate of Destruction” after completion as per Finance Instructions 2010.*

## **20.17 No Reconciliation and Lack of Internal Control**

Each agency must have in place a cost effective system of internal controls which –

- (a) safeguards money and property against loss;
- (b) avoids or detects accounting errors; and
- (c) avoids unfavorable audit reports.

The Accounting Head of an agency is responsible to the Permanent Secretary for the effective design and operation of internal controls across the agency.<sup>28</sup>

The Ministry was allocated total of \$11,000,000 for bus fare scheme in its 2013 budget. The Ministry setup a Bus Fare Taskforce Unit for the distribution of tickets and counting of tickets received from transport providers for payment. The Unit only carries out this task for the Headquarters. The District Education Offices are required to carry out the same task for the divisions.

The Ministry was not able to provide a breakdown of the total number of coupons processed and the total payments made by the divisions to the transport providers despite several requests.

In addition no reconciliations were carried out by the Ministry for the number of coupons issued and processed by the divisions.

The audit further noted that the Ministry did not implement adequate controls to verify the number of coupons processed and reconcile with the payments made to individual transport providers in the bus fare coupon scheme. Lack of adequate controls may result in misappropriation of public funds.

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<sup>28</sup> Financial Instruction 2010, Part 10, Section 59  
Ministry of Education

In absence of these records and inadequate controls the audit could not ascertain whether the \$11,000,000 allocated for the bus fare was properly used.

### **Recommendations**

**The Principal Accounts Officer should:**

- **maintain proper record of bus fare coupons issued to each school during the year and total coupons reimbursed; and**
- **reconcile the coupon issued with coupons reimbursed.**

### **Management Comment**

*The Ministry has finally managed to set up a Transport Assistance Unit internally wef 01/01/ 2014 who are now responsible for the ordering , receiving , recording and dispatch of coupons to the Districts , Divisions and Schools. It is also responsible and accountable for all Transport Assistance payments from the 9 districts. Transport Assistance Unit will comply with the Financial Regulations whilst delivering the services and also maintain proper record keeping for reconciliation purposes.*

## **20.18 Absence of a Standard Grant Reporting Framework**

Grants that are administered by agencies should only be used for the purpose for which Parliamentary or Cabinet approval has been given.<sup>29</sup> The school shall submit the audited financial report endorsed in the Annual General Meeting to the Ministry of Education by the end of February of the following year.<sup>30</sup>

The review of the schools financial statements revealed that several schools prepared the financial statements and acquittals showing total income and total expenses for the year. None of the schools showed the grant income and the expenses incurred from the grants income separately in the financial statements.

The audit also noted that Schedule 1 of Grant Agreement for Special Schools outlines that the Special Education Grant shall be used for the following purposes:

- Contribute towards the operational cost of the school such as cost of transport, fuel, spare parts and maintenance of school buses, city rate, telephone bill, water rate and electricity bill.
- Contribution towards salary of Licensed Teachers or Teacher Aid
- Payment of allowance of volunteers e.g. Speech Therapist, Occupational Therapist and Physio Therapist.
- Purchase of Special Education reference materials for Teacher Training and resource materials like Special Education Journals and teaching aids.
- Purchase of Special Equipment for children with special needs
- Repairs and maintenance of all special equipment.

However, the financial statements and acquittals submitted by the special schools did not specifically outline whether the special education grants were used in accordance with Schedule 1 of Grant Agreement for Special Schools. Refer Table 20.16 for special schools receiving grants.

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<sup>29</sup> Ministry of Education Finance Manual 2013, Part 3 – Administration of Grants

<sup>30</sup> Policy In Distribution of Tuition Fees And Supplementary Grant (Per Capita Grants) Using The Differential Resourcing Model Paragraph 7.2.4

**Table 20.16: Grants disbursed to Special Schools**

Name	Total Grant (\$)
Nadi Special School	27,559.76
Early Intervention School	16,783.04
Suva Special School	28,517.53
Nasavusavu Special School	19,750.95
Ba Special School	18,676.70
Gospel High School	25,000

The finding indicates that the Ministry of Education did not monitor record keeping and proper disclosure of how government grants are used by the schools in their financial statements.

The current reporting format adopted by schools makes it difficult for the Ministry to determine how the grant funds were used. Hence, the Ministry may not be able determine whether schools comply with the requirements of the grant policy. Therefore financial statements submitted by the schools may not be useful to the Ministry.

This anomaly was also reported in last year's Draft Audit Memorandum however no corrective action was taken by the Ministry.

### **Recommendation**

**The Ministry should provide a standard reporting template for all the grants disbursed to schools as a guide to ensure that grant funds are used for the correct purpose.**

### **Management Comment**

*The Ministry will seriously look into this issue and will comply with the grant criteria. It will also draw up a standard template for reporting by the recipients for the grants received and ensure that the grant is used for the purpose it's given.*

## **20.19 Failure to Submit Audited Accounts – Cultural Agencies**

The recipient of the Grant Assistance shall prepare an acquittal report. The acquittal report shall provide the following information:

- iv. Details of grant money expended and unexpended;
- v. Grant objectives and targets achieved; and
- vi. Financial statement (audited if practicable) for grants of \$20,000 or more<sup>31</sup>.

Three cultural agencies are supported by Government through the Ministry of Education. These are Fiji Museum, National Trust of Fiji and Fiji Arts Council.

The Ministry provides operating grant to the cultural agencies which are in excess of \$20,000. The audit noted that the cultural agencies have not submitted the audited financial statements to the Ministry of Education for the year ended 2004 to 2013.

The audit also noted that the Ministry continued to provide annual operating grants despite the cultural agencies not submitting the audited financial statements. Refer Table 20.17 for details of grant paid as at 31 December 2013.

<sup>31</sup> Ministry of Education Finance Manual 2013, Section 3.5.1  
Ministry of Education

**Table 20.17: Grants disbursed to Cultural Agencies**

Agency	Last Audited Accounts	Grants Provided Despite Accounts Unaudited					
		Figures not Provided	2010	2011	2012	2013	Total
Fiji Arts Council	2003	2004-2009	311,432.30	229,506.14	380,304.30	176,729.00	<b>1,097,971.74</b>
Fiji Museum	2007	2008-2009	363,097.50	304,438.00	227,420.00	300,000.00	<b>1,194,955.50</b>

These cultural agencies only submitted acquittals which included list of expenses. The acquittal submitted did not have any supporting documents to substantiate how the grant money was used.

In the absence of audited financial statements or proper acquittals report, the Ministry cannot substantiate whether grants were used for the purpose it was given for. There is a high risk that grants maybe be misused.

### **Recommendations**

**The Permanent Secretary should ensure that:**

- all grant recipients comply with the terms and conditions of the grant agreement;
- ensure that all grant recipients receiving more than \$20,000 grant submit audited annual accounts to the Ministry; and
- take appropriate action against grant recipients who have not submitted the audited annual accounts.

### **Management Comment**

*The Ministry would like to inform Audit that the Cultural Centres / Agencies have been paid in the usual manner for a couple of years now. The grants paid to the Cultural Agencies are based on the Memorandum of Understanding / Agreement which states that the organization has to provide the Acquittals of expenses before the next grant is released on a quarterly basis. However, the Ministry will now ensure that any grant paid in excess of \$ 20,000 will require the organization to submit the Audited Financial Report at the end of the year. This will be one of the criteria for the release of the 2<sup>nd</sup> Quarter grant each year. Also the Ministry will amend the Memorandum of Agreement for the Cultural Agencies from 2015.*

## **TECHNICAL VOCATIONAL EDUCATION AND TRAINING (TVET)**

Vocational Education and Training Programme caters for school leavers who have completed secondary school education up to form four and have reached the age range of 15 to 20 years. The programme provides either a one year or two year intensive skill training aimed at providing the following opportunities:

- i. Training for self-employment;
- ii. Training for paid employment;
- iii. Training which will lead to further education; and
- iv. Training for life skills useful to those designed to go back to the village or rural setting

Students enrolled in this programme are sponsored in terms of tuition fees and materials for learning purposes.

## 20.20 Splitting of Local Purchase Orders

The following officers are delegated authority to procure goods, services and works up to the following limits specified:<sup>32</sup>

Permanent Secretaries	\$50,000 and all indents up to \$50,000
Deputy Secretaries	\$40,000
Directors, PAO	\$20,000
Divisional Educational Officers	\$15,000
SAO (O)/ Principal Education Officers	\$10,000
Accounts Officers	\$5,000

The officer authorising a purchase order must ensure that a purchase is not artificially split to bring it within the limits<sup>33</sup>. Any officer who authorises expenditures exceeding his/her procurement limits, including by splitting purchase orders, shall be liable for surcharge to repay the unauthorised amount<sup>34</sup>.

The Ministry paid \$20,950.12 to Davui Printery on 17/4/13 for printing of TVET Achievement Level Booklets via Cheque Number 993747. The audit noted that the purchase order was split to bring the amount within the authorised limit of the Director TVET. Refer Table 20.19 for details:

**Table 20.19: Splitting of Purchase Order**

Purchase Order Date	Purchase Order Number	Invoice Date	Invoice Number	Delivery Docket Date	Amount
25/01/13	PO9101H001526	18/02/13	0213	19/02/13	1,600.01
25/01/13	PO9101H001525	18/02/13	0214	19/02/13	5,000.03
25/01/13	PO9101H001524	18/02/13	0215	19/02/13	5,100.03
25/01/13	PO9101H001523	18/02/13	0216	19/02/13	5,250.04
25/01/13	PO9101H001522	18/02/13	0217	19/02/13	4,000.02
<b>Total</b>					<b>20,950.13</b>

The purchase orders were split to keep the amounts within authorised limit of the Director TVET and to avoid approval from higher authority. There is a risk of unauthorised purchases.

### Recommendations

#### **The Director Administration and Finance:**

- should investigate and take appropriate action against Officers responsible for breach of finance policies;
- must ensure that purchase order are not split in future to avoid approval from higher authorities; and
- must ensure that proper procurement procedures are for procurement of goods, services and works.

### Management Comment

*The Ministry will investigate the breach of financial regulations by the Executive Officer and take disciplinary action after investigations are completed. It will also ensure that all officers involved with purchasing comply*

<sup>32</sup> Ministry of Education Finance Manual 2013, Section 2.2.1

<sup>33</sup> Ministry of Education Finance Manual 2013, Section 2.2.2

<sup>34</sup> Ministry of Education Finance Manual 2013, Section 2.2.3

*with the financial regulations and FPO regulations whilst carrying out their work. All Directors are responsible and accountable for their sections procurement.*

## **20.21 No Segregation of Duties**

All Directors/Section Heads/School Heads must now take charge of all purchase from their respective sections and allocations and must ensure that the purchases are approved by them. They are also responsible for on-line approvals of all purchase orders raised from their sections. They must be accountable of all purchase orders raised from their sections. They must be accountable for all purchases and ensure that the receipt of the goods is delegated to another person other than clerks/bursars/executive officers and assistant accounts officers as an internal control measure.<sup>35</sup>

The audit noted inadequate segregation of duties for purchases of goods and services in TVET section. Most of task for purchase of goods and services were performed by the Executive Officer TVET, Ms. Elizabeth Logavatu. These includes request for purchase of goods, confirmation of availability of funds, obtaining quotations, receiving and dispatching of cheques, receiving invoices, receiving delivery dockets and certifying the payment voucher as correct.

The audit also noted that TVET section had adequate staff however the Director TVET failed to delegate accounting function to maintain adequate internal control. In addition most of the purchases were made from Office Mart. Refer to Appendix 1 for examples of the tasks carried out by Ms. Elizabeth Logavatu.

The lack of segregation of duties increases the risk of misappropriation of funds and fraud.

### **Recommendations**

- **The Director TEVT should investigate the matter and implement adequate segregation of duties in TEVT section.**
- **The Deputy Secretary Administration and Finance must develop a staff rotation policy for Officers involved in various sections of the Ministry.**

### **Management Comment**

*This case will be investigated and the officer responsible will be disciplined. However, the section has now strengthened their internal controls by distributing the work previously done by the Executive officer alone .All purchases and payments are checked by the Director and other officers have been delegated by the Director to check, receive and sign for goods received. Furthermore, the Ministry will look into the possibility of staff rotation for all Procurement Officers.*

## **20.22 Double Payment to East Coast Transport**

The proper management of expenditure is fundamental to ensure value for money in service delivery to the community. Having cost effective controls within the purchasing and payments system plays an important part in ensuring that waste of public funds and over- expenditure do not occur.

The audit noted that on 07/06/13, the Ministry paid East Coast Transport for the repair works carried out on CDU vehicle registration number FF937. The payment was certified and processed by the Executive Officer CDU, Ms Milika Nadredre.

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<sup>35</sup> Ministry of Education Finance Manual 2013, Section 2.5.2a  
Ministry of Education

However, the review of the vendor paid items in the FMIS system revealed that the East Coast Transport was already paid for the same repair works on 22/03/13. The audit also noted that the payment voucher and the supporting documents for the payments made on 22/3/13 were certified and processed by the Executive Officer TVET, Ms. Elizabeth Logavatu who is not in charge of CDU.

The audit further noted that East Coast Transport raised two invoices numbered 0213 and 0222 on the same day for the same repair works. Refer Table 20.21 for details of payment made.

**Table 20.21: Details of Double Payment**

Date	Cheque Number	Particulars	Invoice Date	Invoice No.	Amount (\$)	Payment Certified By
22/03/13	990929	Being payment for repair to FF937 which includes: Torque rod bushing,- Wheel alignment of 4 wheels , Fuel Filter,- Oil Filter, Air Filter,- Engine Oil and Greasing	22/02/13	0213	879.00	Executive Officer TVET
07/06/13	998003	Being payment for repair to FF937 which includes: Torque rod bushing,- Wheel alignment of 4 wheels , Fuel Filter,- Oil Filter, Air Filter,- Engine Oil and Greasing	22/02/13	0222	879.00	Executive Officer CDU

Hence the Ministry paid twice to East Coast Transport. There is a high risk that the Ministry's Officers maybe colluding with East Coast Transport.

### **Recommendations**

**The Deputy Secretary Administration and Finance should:**

- instigate an internal investigation into the involvement of Ms Elizabeth in the above transaction and take appropriate action against the officer if found to be colluding with the vendor; and
- ensure to recover the double payment made to East Coast Transport
- the Senior Accounts Officer (Payments) must more vigilant in ensuring that Executive Officer for each section certifies their own payments before the transactions are into the FMIS system.

### **Management Comment**

*The Ministry will recover the double payments made to the Company amounting to \$ 879.00.*

*The officer will be investigated and disciplined by the Ministry. Furthermore, all payment vouchers are now being certified by their own sections before it is processed for payment.*

## **20.23 Unsubstantiated Repair Works – Vehicle Registration Number FF937**

The proper management of expenditure is fundamental to ensure value for money in service delivery to the community. Having cost effective controls within the purchasing and payments system plays an important part in ensuring that waste of public funds and over- expenditure do not occur.



The Ministry paid a total of \$4,320.62 to East Cost Transport on 13/06/13 for repairs of vehicle registration number FF937. Details of the repair works are shown in the Table 20.22 below.

**Table 20.22: Repair Works for Vehicle FF937**

Description of Repair Work	Cost (\$)
Clutch Cover	682.00
Rebuild Clutch Flywheel	1,885.00
Clutch Plate	489.60
Release Bearing	245.00
Pilot Shaft Bearing	79.00
Gear Oil	35.00
Disc Pad Front	85.00
Wheel Alignment And Balancing All 4 Wheels	135.00
Air Condition Gas	85.00
Vacuum Gas (Remove And Replace Gearbox)	35.00
Workshop, Materials And Mechanical Labor	475.00
<b>Total</b>	<b>4,230.60</b>

The driver for TVET, Mr. Pailato Navowai took the vehicle and parked it at Nausori Police Station on 31/05/13 (Friday) after dropping the Ministry's staffs who were working overtime.

The driver was driving the vehicle on 01/06/13 (Saturday) without approval when the vehicle broke down. The audit noted that the Driver, Mr. Pailato Navowai directly arranged with the East Coast Transport to have the vehicle towed to the garage for repairs without informing appropriate officers of the Ministry. In addition neither any quotations were obtained nor were any purchase order raised before engaging with East Coast Transport.

The finding shows poor control over use of official vehicles and disregard to procurement of goods and services procedures. There is a high risk of unauthorised use of vehicles and purchases of goods and services.

### **Recommendations**

**The Deputy Secretary Administration and Finance should:**

- **investigate as to why the driver took the vehicle directly to the vendor without informing the Transport Officer or any other Senior Officer from the Ministry;**
- **to take appropriate action against the driver for driving the vehicle without approval; and**
- **ensure that competitive quotes are obtained and the purchase order raised before a repair is done.**

### **Management Comment**

*The Ministry will carry out an investigation on the driver and take appropriate action. Also any repairs or maintenance to official vehicles will now require the approval of their section heads. All repairs are to be in compliance with the Financial Regulations. The Ministry will cease to seek any repair works from Korea Auto Traders in future and 3 competitive quotations will be obtained and purchase order raised before any repair works are carried out.*

## **20.24 Fraudulent Dealing with Korea Auto Traders – Vehicle Registration Number GM 899**

The proper management of expenditure is fundamental to ensuring value-for-money in delivering services to the community. As well, having cost-effective internal controls within the purchasing and payments system plays an important part in ensuring that waste of funds, over-expenditures and corruption do not occur.<sup>36</sup>

The Ministry obtained the services from Korea Auto Traders for repairs and servicing of the following vehicle. The audit review of the payments made to Korea Auto Traders noted the following anomalies:

The Ministry paid \$4,404.99 to Korea Auto Traders on 11/09/13 to replace the engine of TVET vehicle registration number GM899.

However the audit noted that engine for the same vehicle was replaced in 2012 by the same company, Korea Auto Traders. The Ministry paid \$4,950 on 21/8/12 for to replace the engine.

The audit further noted that the Ministry's Transport Officer was not involved in repair and maintenance of vehicle. The entire process of getting the vehicles repaired was handled by the Executive Officers, Mrs. Elizabeth Logavatu in 2012 and 2013.

The finding indicates that proper work was not done by Korea Auto Traders in 2012. In addition the Ministry did not verify whether the engine was actually replaced on both occasions.

### **Recommendations**

**The Deputy Secretary Administration and Finance should:**

- **carry out an internal investigation as to why the engine of the vehicle registration number GM 899 had to be replaced twice within one year;**
- **ensure that all repair and maintenance are carried out on request from Transport Officer and approval from a Senior Officer; and**
- **consider engaging authorized vehicle dealers to carry out repair and maintenance work.**

### **Management Comment**

*The Ministry will carry out its own investigation and the officer responsible will be disciplined. In future, the Ministry will cease any dealings with Korea Auto Traders and seek assistance from other reputable companies. However, the budgetary provision is a constraint as the authorized dealers' charges are quite high which hinders the repairs and maintenance to other vehicles.*

## **20.25 Fraudulent Dealing with Korea Auto Traders – Vehicle Registration Number GN 168**

The proper management of expenditure is fundamental to ensuring value-for-money in delivering services to the community. As well, having cost-effective internal controls within the purchasing and payments system plays an important part in ensuring that waste of funds, over-expenditures and corruption do not occur.<sup>37</sup>

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<sup>36</sup>Ministry of Education Finance Manual 2013, Part 2

<sup>37</sup>Ministry of Education Finance Manual 2013, Part 2

The Ministry paid a total of \$1,495.00 to Korea Auto Traders on 16/08/13 for the repair of vehicle registration number GN 168. The review of the invoice revealed that the repair works were carried out by Korea Auto Traders on 07/03/13.

However the review of vehicle running sheet revealed that on 07/03/13 the vehicle was in use. In addition the audit noted that the vehicle log book did not show any record of repairs to the vehicle on 07/03/13.

The finding indicates that the vehicle repair and maintenance were not properly supervised. In addition there is a high risk of misappropriation of funds through collusion.

### **Recommendations**

**The Deputy Secretary Administration and Finance should:**

- **carry out an internal investigation as to how the vehicle registration number GN 168 was providing normal services on the same day it was taken in for repairs at Korea Auto Traders;**
- **ensure that all repair and maintenance are carried out on request from Transport Officer and approval from a Senior Officer; and**
- **consider engaging authorized vehicle dealers to carry out repair and maintenance work.**

### **Management Comment**

*The Ministry will investigate further and instigate disciplinary action on the officer concerned. Any repairs or maintenance of pool vehicles will now be facilitated by the Transport Officer and authorized by a senior officer. The Ministry also wishes to inform Audit that due to limited funds, it is inappropriate to send all the vehicles to their authorized dealers for repairs, hence option is to seek repairs outside at a lower cost to meet the needs of all vehicles.*

## **20.26 Fictitious Quotations Used to For Purchase of Stationaries**

The quotation process is intended to ensure that the agencies receive value for money based on fair competition and ethical dealing.<sup>38</sup> A minimum of three competitive quotations must be obtained for the procurement of goods, services or works valued more than \$1,000 and less than \$50,000.<sup>39</sup>

The Ministry purchased office stationaries from Office Mart. The Executive Officer, TVET Ms. Elizabeth Logavatu submitted 3 quotes from Office Mart, Sky Tech Office Solutions and Office Express Supplies. Refer Table 20.23 for details of the quotes.

**Table 20.23: Quotes for Purchase of Stationaries**

<b>Company Name</b>	<b>Price Quoted (\$)</b>
Office Mart	3,729.00
Office Express	4,514.00
Sky Tech Office Solutions	4,260.00

The audit noted that the quotations from Office Express Supplies were a fictitious quotes prepared by Ms. Elizabeth Logavatu at a higher cost to favour Office Mart.

<sup>38</sup> Fiji Procurement Regulation – Guide to procurement process for purchases below \$50,000 – Section 4.0.

<sup>39</sup> Procurement Regulations 2010 – Section 29 (1)

The confirmation obtained from Office Express Supplies proved that the quotation was fictitious.

Refer Table 20.24 for details of purchases from Office Mart Ltd.

**Table 20.24: Details of Payment Supported by Fake Quotation**

Cheque Number	Voucher Number	Payee	Particulars	Amount (\$)	Comments
982642	249816	Office Mart	Purchase of stationaries	3,729.00	Fake quotes from Office Express Supplies were attached to facilitate the payments
982513	249713	Office Mart	Purchase of stationaries	5,275.04	

The above finding shows poor supervision and non-compliance to Guide to Procurement Process for Purchases up to \$50,000. There is a very high risk of fraud and misappropriation of funds.

### **Recommendations**

**The Permanent Secretary should ensure that:**

- All purchases are properly monitored and supervised; and
- Investigate this matter further and take appropriate action against the Officer.

### **Management Comment**

*All purchases will now be closely scrutinized and an internal investigation will be carried out before disciplinary action is taken against the officer. Directors are responsible for their section/ units procurements. The Ministry would like to inform Audit that it will ensure all procurements are made in a transparent manner in compliance to Financial & Procurement Regulations.*

## **20.27 Quotation from 2012 used to Procure Good and Services in 2013**

The quotation process is intended to ensure that the agencies receive value for money based on fair competition and ethical dealing.<sup>40</sup>

A minimum of three competitive quotations must be obtained for the procurement of goods, services or works valued more than \$1,000 and less than \$50,000.<sup>41</sup>

The Ministry engaged Datec (Fiji) Limited to supply N-Computing<sup>42</sup> in 2013 for \$46,700. The audit noted that the Ministry obtained quote from Datec only. The Ministry did not obtain fresh quotes from two other suppliers, namely, Office Product and Clariti South Pacific. Instead the Ministry relied on quotes obtained in 2012 from these two companies for supply of N-Computing in 2013.

The above finding shows disregard of the standing rules and regulation pertaining to procurement of goods and services.

If the Ministry fails to implement the internal controls as stipulated in the Guide to Procurement Process for Purchases up to \$50,000, there is a very high risk of misappropriation of funds.

<sup>40</sup> Fiji Procurement Regulation – Guide to procurement process for purchases below \$50,000 – Section 4.0.

<sup>41</sup> Procurement Regulations 2010 – Section 29 (1)

<sup>42</sup> N Computing is technology that allows multiple users to share 1 computer simultaneously,

**Recommendations****The Permanent Secretary should:**

- ensure that proper procurement procedures for purchases through quotations as issued by the Ministry of Finance and Fiji Procurement Office are used; and
- take appropriate disciplinary action against officers not complying with proper procurement procedures.

**Management Comment**

*The Ministry will refrain from this practice and staff will be held accountable for any non – compliance of procedures and regulations as all Directors are now responsible and accountable for their sections procurements.*

**20.28 Purchase of Items from Unauthorized Suppliers**

Permanent Secretaries must ensure that all standing offer contracts executed by the Fiji Procurement Office on behalf of Government pursuant to sub regulations (1) and (2) are complied with at all times.<sup>43</sup>

The Fiji Procurement Office awarded the Tender No. CTN 26/2012 on 18/09/12 to Graphic Equipment Limited trading as Office Products for supply of Laptop & Desktop Computers until 7/9/13.<sup>44</sup> In addition the Fiji Procurement Office awarded Tender No CTN 27/2012 on 30/07/12 to various companies for supply of stationaries until 25/07/14.<sup>45</sup>

The audit noted that the Ministry purchased laptops and desktop computers from suppliers other than the approved supplier, Office Products. The Ministry did not comply with the tender no. CTN 26/2012. Refer Table 20.25 for examples.

**Table 20.25: Laptops and Desktop Computers Purchased From Other Vendors**

Date	Cheque Number	Vendor	Quantity Purchased	Amount (\$)
23/05/13	1001456	Professional Stationery	2 Laptop	6,720.03
05/06/13	1002574	Dynamic Solutions	2 Desktop Computer	5,000.00
11/06/13	998547	Bondwell	3 Laptops	4,436.65

The audit also noted that the Ministry purchased stationaries from non-contracted suppliers. Refer Table 20.26 for examples

**Table 20.26: Stationaries Purchased From Other Vendors**

Date	Cheque Number	Voucher Number	Vendor	Quantity Purchased	Amount (\$)	Approved Vendor
26/3/13	1002306	274262	Professional Stationery	100 Arch Lever Files	485.00	Janty Kanvan
7/2/13	986686	254879	Office Mart	10 packet markers	150.00	Suva Bookshop
				100 CDR	195.00	Janty Kanvan

<sup>43</sup> Procurement Regulations 2010, Section 35

<sup>44</sup>Ministry of Finance Circular- Tender No. CTN 26/2012

<sup>45</sup>Ministry of Finance Circular- Tender No. CTN 26/2012

Date	Cheque Number	Voucher Number	Vendor	Quantity Purchased	Amount (\$)	Approved Vendor
				5 box thumb tacks	37.50	Suva Bookshop
				10 Dusters	39.50	Extreme Stationery
				10 packet pental pens	135.00	Suva Bookshop
				2 packet stapler pins	5.30	Extreme Stationery
				15 stapler	381.00	Suva Bookshop / Janty / Extreme Stationery
20/2/13	1002306	274266	Professional Stationery	100 Arch Lever Files	595.00	Janty Kanvan
15/3/13	1002335	274073	Mass Stationery	50 Arch Lever Files	262.50	Janty Kanvan
19/2/13	992697	216876	Office Mart	9 packet ball pen	264.60	Janty Kanvan
04/12/12	982642	249815	Office Mart	10 packet ball pen	350.00	Janty Kanvan

The Ministry did not comply with Tender Boards approval for purchases of goods and services. Procurement of goods and services from suppliers other than those approved by the Government Tender Board is an unauthorized purchase.

### **Recommendations**

#### **The Ministry should:**

- ensure that goods and services are purchased from approved suppliers; and
- take appropriate action against Officers responsible for purchases from unauthorized suppliers.

### **Management Comment**

*The Ministry in its Finance Manual 2013 Part 2.5 (2a) has clearly stated that all the Directors are responsible and accountable of their units' procurements and in compliance with the regulations. The Ministry will work closely with all sections making procurements to ensure that they follow the Procurement process to purchase from Contracted Suppliers who have been awarded Government Tenders. It will also take necessary action against those found not to be complying with the standard regulations.*

## **20.29 Tender not Called for Contracts Exceeding \$50,000**

A tender must be called for the procurement of goods, services or works valued at \$50,001 and more.<sup>46</sup>

The Ministry of Education provided grants to 4 schools with heritage facility, particularly in declared World Heritage Zones. The grant was deposited in the individual schools' bank accounts. The Senior Education Officers from respective districts were one of the signatories for the Grant Funds and the approving officer for all purchases made by the schools for school improvement works.

The audit noted that 2 of the schools awarded contracts to Skaffworks for the school improvement works without calling for tenders even though the total contract amount exceeded \$50,000 each. Refer Table 20.27 for details.

<sup>46</sup> Finance Circular 2012, Circular No : 9/2012  
Ministry of Education

**Table 20.27: No Tender Called by Schools**

Schools	Projects	Contractor	Cost (\$)
St. John Cawaci	Church Building	Scaffworks	89,685.20
Delana Methodist Primary School	Teacher's Quarters	Scaffworks	61,845.12

The finding shows that the Ministry did not follow the proper procurement process when awarding the contracts for school improvement works. Hence the contractor, Scaffworks may not be the best and most economical supplier.

### **Recommendations**

#### **The Ministry should:**

- ensure that proper procurement procedures are followed at all times; and
- take appropriate actions against the Senior Education Officers and the schools for not following proper procurement procedures.

### **Management Comment**

*The Ministry will ensure that all Capital works in excess of \$ 50,000 goes through the Tender process so that there is transparency and accountability in the use of public funds. The Ministry will also take appropriate action against those that do not comply with the Procurement Regulations.*

## APPENDICES

### Appendix 20.1: No separation of duties between accounting functions

Cheque Number	Voucher Number	Payee	Amount (\$)	Functions undertaken by Executive Officer- TVET
993209	261879	Office Mart	2,200.02	<ul style="list-style-type: none"> <li>Request for purchase of items</li> <li>Confirmation of availability of funds</li> <li>Obtaining quotations</li> <li>Receiving and dispatching of cheques</li> <li>Receiving invoices</li> <li>Receiving delivery dockets</li> <li>Certifying correct the payment voucher</li> </ul>
986686	254887	Office Mart	2,761.02	<ul style="list-style-type: none"> <li>Request for purchase of items</li> <li>Confirmation of availability of funds</li> <li>Obtaining quotations</li> <li>Receiving and dispatching of cheques</li> <li>Receiving invoices</li> <li>Receiving delivery dockets</li> <li>Certifying correct the payment voucher</li> </ul>
986686	254879	Office Mart	4,601.75	<ul style="list-style-type: none"> <li>Confirmation of availability of funds</li> <li>Obtaining quotations</li> <li>Receiving and dispatching of cheques</li> <li>Receiving invoices</li> <li>Receiving delivery dockets</li> <li>Certifying correct the payment voucher</li> </ul>
1002335	274073	Mass Stationery	2,780.02	<ul style="list-style-type: none"> <li>Request for purchase of items</li> <li>Confirmation of availability of funds</li> <li>Obtaining quotations</li> <li>Receiving and dispatching of cheques</li> <li>Receiving invoices</li> <li>Receiving delivery dockets</li> </ul>
982513	249711	Office Mart	5,088.00	<ul style="list-style-type: none"> <li>Obtaining quotations</li> <li>Receiving and dispatching of cheques</li> <li>Receiving invoices</li> <li>Certifying correct the payment voucher</li> </ul>
992697	261876	Office Mart	1,999.97	<ul style="list-style-type: none"> <li>Request for purchase of items</li> <li>Confirmation of availability of funds</li> <li>Obtaining quotations</li> <li>Receiving and dispatching of cheques</li> <li>Receiving delivery dockets and invoices</li> <li>Certifying correct the payment voucher</li> </ul>
982642	249816	Office Mart	3,729.00	<ul style="list-style-type: none"> <li>Obtaining quotations</li> <li>Receiving and dispatching of cheques</li> <li>Receiving invoices</li> <li>Certifying correct the payment voucher</li> </ul>
982642	249815	Office Mart	2,482.50	<ul style="list-style-type: none"> <li>Obtaining quotations</li> <li>Receiving and dispatching of cheques</li> <li>Receiving invoices</li> <li>Certifying correct the payment voucher</li> </ul>
982513	249713	Office Mart	5,275.04	<ul style="list-style-type: none"> <li>Obtaining quotations</li> <li>Receiving and dispatching of cheques</li> <li>Receiving invoices</li> <li>Certifying correct the payment voucher</li> </ul>



## Section 21 Ministry of Health

### Role and Responsibilities

The Ministry of Health shall provide health services with the commitment that it is the right of everyone in the Republic of Fiji, irrespective of race, sex, colour, creed, financial circumstances or poverty to have a national health system which provides a high quality health service to the maximum extent possible within the available resources.

The delivery of health services is divided into two clear distinct divisions;

- the Primary Health Care Services and;
- the Curative (Hospital) Health Care Services.

The main objective of the Primary and Preventive Health Services is to enhance the promotion of health and well-being, protection of life and prevention of diseases, injury and substance abuse. The main objective of the Curative (Hospital) Health Care Services is to ensure that the standardised basic diagnostic and treatment facilities for common disease problems are readily available near to where people live, are responsive to patients' needs are affordable and that they are closely integrated with community rehabilitative services to ensure continuity of patient care.

Health services are expected to change significantly over the next few years.

- Firstly, a decentralisation of the management of health services will take place under the Fiji Health Management Reform Project.
- Secondly, financing options and arrangements which may include National Insurance Scheme, the revision of hospital fees, privatisation and contractualisation.

For 2011, the Ministry continued to concentrate its efforts in human resources management and development; reorganising/ reforming of the health services; standards and quality; performance/ output based financial management system and resource allocation; Health Management Information System; health financing and cost sharing; public relations strategies and facilities development .

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## PART A: CONSOLIDATED FINANCIAL STATEMENT

### 21.1 Audit Opinion

The audit of the 2013 accounts of the Ministry of Health resulted in the issue of a qualified audit report. The bases for the qualifications are as follows:

1. Included in the TMA balance sheet is VAT receivable of \$142,425. The audit calculation noted a VAT payable of \$2,592 as such VAT receivable of \$142,425 was incorrectly stated in the TMA balance sheet.
2. The Ministry did not provide all the virements and redeployment records hence a variance of \$1,703,581 existed between the original budget of \$167,451,445 and the revised budget of \$169,155,046. As a result the audit was not able to ascertain the accuracy of the Appropriation Changes in the Appropriation Statement.
3. The Ministry's bank reconciliation for the main Trust Fund account for December did not reconcile to the FMIS general ledger. The main Trust Fund account had a closing balance of \$77,075.59 in FMIS general ledger while the bank reconciliation balance as at 31/12/13 was \$388,648.82 resulting in a variance of \$465,724.41. The audit was not able to ascertain whether all receipts and payments were correctly stated in the main Trust Fund Account.
4. The main Trust Fund Account for the year ended 31/12/12 was not prepared. However, an unaudited opening debit balance of \$152,725 from the FMIS general ledger was included in main Trust Fund account for the year ended 31/12/13. The audit was not able to ascertain whether the opening balance was correctly stated.

In addition the main Trust Fund Account cash book maintained by the Ministry had total receipts of \$847,695 and total payment of \$489,562.61 which did reconcile to the total receipts and payments stated in the FMIS general ledger of \$715,901.41 and \$640,251.90 respectively. I was not able to ascertain whether the amounts in the main Trust Fund Account were fairly stated.

Management attention was also drawn to the following matters:

- The Ministry did not reconcile the expenditure in the FMIS general ledger as no expenditure ledger was maintained. The Ministry prepared its financial statements from the FMIS general ledger. As a result the audit was not able to ascertain the accuracy of the amounts stated in the Statement of Receipts and Expenditure.
- The correctness of the Statement of Losses submitted by the Ministry could not be verified as a complete board of survey was not undertaken.

## 21.2 Statement of Receipts and Expenditure

The Ministry collected revenue amounting to \$5,806,748 and incurred a total expenditure of \$170,466,070 in 2013. Details are provided in Table 21.1 below.

**Table 21.1: Statement of Receipts and Expenditure for 2013**

Description	2013 (\$)	2012 (\$)
<b>RECEIPTS</b>		
<b>State Revenue</b>		
Operating Revenue	1,332,452	301,649
<b>Total State Revenue</b>	<b>1,332,452</b>	<b>301,649</b>
<b>Agency Revenue</b>		
Hospital Fees	1,945,088	2,098,305
Fumigation & Quarantine	1,389,079	1,402,187
License & Others	1,137,919	994,973
Fiji School of Nursing	1,739	99,823
Miscellaneous Revenue	471	1,174,185
<b>Total Agency Revenue</b>	<b>4,474,296</b>	<b>5,769,473</b>
<b>TOTAL REVENUE</b>	<b>5,806,748</b>	<b>6,071,122</b>
<b>EXPENDITURES</b>		
<b>Operating Expenditure</b>		
Established Staff	79,140,819	76,216,424
Unestablished Staff	12,978,866	12,576,750
Travel & Communication	3,726,317	3,843,930
Maintenance & Operations	12,059,593	10,798,208
Purchase of Goods & Services	31,805,889	29,413,026
Operating Grants & Transfers	737,965	671,008
Special Expenditures	8,723,637	7,246,655
<b>Total Operating Expenditure</b>	<b>149,173,086</b>	<b>140,766,001</b>
<b>Capital Expenditure</b>		
Capital Construction	6,873,071	4,089,327
Capital Purchases	7,665,371	5,222,347
Capital Grants & Transfers	0	0
<b>Total Capital Expenditure</b>	<b>14,538,442</b>	<b>9,311,674</b>
Value Added Tax	6,754,542	8,270,775
<b>TOTAL EXPENDITURE</b>	<b>170,466,070</b>	<b>158,348,450</b>

The Ministry's revenue declined by \$264,374 or 4.4 % in 2013 compared to 2012 due to no revenue collected from Fiji School of Nursing which now operates under the Fiji National University, decreases in miscellaneous revenue and recoveries of salary overpayments from staff.

The Operating Expenditure increased by \$8,407,085 or 6% in 2013 compared to 2012 due to the increases in established staff cost, maintenance and operation, purchase of goods and services and special expenditure.

The Capital Expenditure increased by \$5,226,768 or 56% in 2013 compared to 2012 due to:

- The increase in construction cost for extension of the East Wing of CWM Hospital.
- The increase in bio medical and accident and emergency equipments expenditure in 2013 compared to 2012.

## 21.3 Appropriation Statement

The Ministry of Health incurred expenditures totalling \$170,466,070 in 2013 against the budget of \$169,155,046 resulting in overexpenditure of \$1,311,024 or 1%. Details are provided in Table 21.2.

**Table 21.2: Appropriation Statement For 2013**

SEG	Item	Budget Estimate (\$)	Appropriation Changes (\$)	Revised Estimate (\$) <sup>a</sup>	Actual Expenditure (\$) <sup>b</sup>	Lapsed Appropriation (\$ (a-b))
1	Established Staff	71,606,987	---	71,606,987	79,140,819	(7,533,832)
2	Unestablished Staff	11,047,453	---	11,047,453	12,978,866	(1,931,413)
3	Travel & Communication	3,937,960	186,392	3,751,608	3,726,317	25,291
4	Maintenance & Operations	12,161,500	347,304	12,110,452	12,059,593	50,859
5	Purchase of Goods & Services	30,422,106	(1,171,661)	31,593,761	31,805,889	(212,128)
6	Operating Grants & Transfers	872,000	(95,654)	776,346	737,965	38,381
7	Special Expenditure	12,530,237	(464,819)	12,065,418	8,723,637	3,341,781
	<b>Total Operating Costs</b>	<b>142,578,243</b>	<b>(270,000)</b>	<b>142,952,025</b>	<b>149,173,086</b>	<b>(6,221,061)</b>
	<b>Capital Expenditure</b>					
8	Construction	6,359,602	(2,276,488)	8,636,088	6,873,071	1,763,017
9	Purchases	8,470,000	722,241	7,747,759	7,665,371	82,388
10	Grants & Transfers	-	-	-	-	-
	<b>Total Capital Expenditure</b>	<b>14,829,602</b>	<b>(1,554,247)</b>	<b>16,383,847</b>	<b>14,538,442</b>	<b>1,845,405</b>
13	Value Added Tax	10,043,600	224,426	9,819,174	6,754,542	3,064,632
	<b>TOTAL EXPENDITURE</b>	<b>167,451,445</b>	<b>(1,648,326)</b>	<b>169,155,046</b>	<b>170,466,070</b>	<b>(1,311,024)</b>

## 21.4 Statement of Losses

There was no loss of fixed asset recorded for the year 2013. However, items worth \$1,926,043.50 were written off, following the Ministry's Board of Survey conducted in 2013. Expired drug as at 31/12/13 was valued at \$382,368.75.

## PART B: AUDIT FINDINGS

### FINANCIAL STATEMENT

## 21.5 Variances in FNPF Figures

Every employer shall pay to the Fund in respect of each of his employees, in every month during which such employee by him and in the month following the termination of such employment, a contribution calculated upon the amount of wages payable to such employee by such employer for the preceding month at the appropriate rates.<sup>1</sup>

<sup>1</sup> Chapter 219 – Fiji National Provident Fund – Section 13 (1)  
Ministry of Health

The current rate of contribution is 16 cents on each dollar earned, with the employer and employee each contributing 8 cents.

A variance of \$293,783.41 was noted between the Ministry's gross pay on which FNPF was paid and the audit calculations of gross pay subject to FNPF. Refer Table 21.3 for details.

**Table 21.3: Un-Reconciled FNPF Variance**

Details	Amount (\$)
<b>(a) Total FNPF against salaries and wages for 2013:</b>	
FNPF as per financial statement	6,458,344.40
Less: December 2012 FNPF	(998,838.00)
	<b>5,459,506.42</b>
Add: December 2013 FNPF	1,099,557.58
<b>FNPF Contribution by Employer for 2013</b>	<b>6,559,064.00</b>
<b>Gross Pay Subject to FNPF (6,559,064 / 0.08)</b>	<b>81,988,300.00</b>
<b>(b) Salaries and Wages for 2013 subject to FNPF</b>	
Salaries, wages and allowances as per financial statement	<b>85,660,593.00</b>
Less: Salaries, wages and allowances for 2013 not subject to FNPF	-
FNPF (85,660,593.00*0.08)	<b>6,852,847.41</b>
<b>Un-reconciled Variance (a) – (b)</b>	<b>(293,783.41)</b>

The variance in gross pay may be attributed to some staffs and project officers either paid from SEGs other than SEG 1 and SEG 2 or FNPF deductions incorrectly posted to other allocations.

The audit further noted that no FNPF reconciliation was prepared by the Ministry.

### **Recommendation**

**The Ministry should ensure that proper FNPF reconciliation is carried out on a monthly basis to identify variances and take appropriate corrective actions.**

### **Management Comments**

*Audit recommendation is acknowledged. There used to be two clerks involved with FNPF processing and one was scheduled to carry out all the payment process and the second one used to carry out all the reconciliations. There is only one at the moment who is carrying out all the FNPF processing who is trying all his best to meet timelines. However, it was truly said that there are also officers paid from other Segs e.g. Seg 5 and Seg 7 and other donor funded allocations. The unreconciled variances can also be attributed to non-taxable salaries, wages and allowances.*

## **21.6 Appropriations Unsubstantiated**

The Appropriation Statement is a statement of net changes which occurred during the financial year for a Ministry. The appropriation captures the net sum of virements and appropriations made.

The audit could not substantiate the figures stated in the Appropriation Statement as the virement file and the virement register maintained was not updated. The Ministry failed to maintain proper records of the virements.

Hence the Ministry was not able to provide all the virements and redeployment records. A variance of \$1,703,601 existed between the original budget of \$167,451,445 and the revised budget of \$169,155,046.

In addition the audit noted that duplicate copies of the virements without the virement numbers were filed in the virement file.

Due to poor supervision and monitoring the virement records were not properly maintained and were not provided for audit.

As a result the audit was not able to ascertain the accuracy of the Appropriation Changes in the Appropriation Statement.

### **Recommendation**

**The Ministry should ensure that all virements are properly filed and the virement register is updated.**

### **Management Comments**

*Audit Recommendations is acknowledged. Due to numerous staff turnover within a year's time in overall Accounts Section which affected the accessibility of records. Accounting team to strengthen the records keeping of virements register.*

## **21.7 Drawings Account**

All bank accounts shall be reconciled monthly. The bank reconciliation shall list the outstanding cheques and other reconciling items and be signed and dated by the responsible officer<sup>2</sup>.

The Permanent Secretary must appoint a Board of Survey to conduct a physical stock takes of all cash on hand and other stocks held in safes at least once a year.<sup>3</sup>

The audit noted the following anomalies in the Drawings account.

- A standard drawings account reconciliation format is provided by the Ministry of Finance. However the Ministry did not prepare its Drawings Account reconciliation in the format provided by the Ministry of Finance.
- The Ministry did not carry out Board of Survey for the unpresented cheques as at 31/12/13.
- The Ministry have two bank accounts. One for the Drawings Account and the other for the TMA account. The bank statements for these two bank accounts were not maintained separately. The statements were all mixed up and filed together in one file.
- The Ministry did not prepare Drawings Account reconciliations for November and December 2012. Therefore the audit could not substantiate the opening balance of \$5,524,331.68 used to prepare Drawings Account reconciliation for January 2013; therefore the Drawings account reconciliations for 2013 may not be correct.

<sup>2</sup> Finance Instruction 2010 - Section 32 (6)

<sup>3</sup> Finance Instruction 2010 – Section 31(5)

- The amount of presented cheques for the Ministry's Drawings Account reconciliation for December had a variance of \$1,131,988.96 between the presented cheque list and presented cheque amount in the reconciliation. Refer Table 21.4 for details.

**Table 21.4: Variance in Presented Cheque**

Account Description	Balance as per Drawings Account Reconciliation December, 2013 (\$)	Balance as per Presented Cheque Listing for December, 2013 (\$)	Variance (\$)
Presented Cheques	8,900,817.09	7,768,828.13	1,131,988.96

- The closing balance of the Ministry's Drawings Account reconciliation and the FMIS general ledger balance had a variance of \$4,306,640.92. Refer Table 21.5 for details.

**Table 21.5: Variance in closing balance in Drawings Account**

Account Description	Balance as per Drawings Account Reconciliation (\$)	Balance as per FMIS (\$)	Variance (\$)
Drawings Account	9,681,230.06	5,374,589.14	4,306,640.92

The finding shows lack of supervision and monitoring by Senior Officers.

### **Recommendations**

**The Ministry should ensure that:**

- it complies with the Ministry of Finance format for Drawings Account reconciliation;
- Board of Survey of the unpresented cheques is carried out at the end of the year;
- Bank statements are maintained separately for respective Drawings Account numbers;
- records pertaining to Drawings Account are properly maintained; and
- Drawings Account is reconciled.

### **Management Comments**

*Audit Recommendations is acknowledged. Drawings reconciliation were complete until May 2013 when the new format came in requesting by MOF to restart from Jan 2013 on the new format being generated thus the delay while it took time for the reconciling clerks to adopt the new format thoroughly.*

*From this year we are working closely with FMIS preparing the reconciliation and checking with FMIS. Board of Survey was not carried out than because of high staff turnover in accounts, however a team is being recommended to carry out this task and is expected to be completed by end of next month and the same to be forwarded to Auditor General's Office and Ministry of Finance. This has been implemented after the audit recommendation. Assistant Accounts Officer to check on the same on weekly basis. The delay in the preparation of bank reconciliation was because there is a change to the new format in carrying out the reconciliation and we have to redo from January 2013. However, reconciliation for November and December 2012 has been completed.*



## 21.8 Increase in Unpresented Cheques Listing

The Drawings Account will be operated for all payments except for those payable from petty cash bank accounts, TMA bank account and Trust Bank account.<sup>4</sup> Ministries and Department are required to plan their expenditure well in order to avoid the accumulation of unpresented cheques at year end. A continuous follow up action by the Accounting head must be taken to encourage clients to present their cheques to the banks before 31/12/13<sup>5</sup>

The Drawings accounts balance (credit) for the Ministry represent the total value of cheques that were issued but not presented to the bank as at 31/12/13. The unpresented cheques have increased by a massive \$4,157,998.38 or 75% in 2013. Refer Table 21.6 for the comparison of unpresented cheques between year 2012 and 2013.

**Table 21.6: Un-presented Cheques**

Drawing Account	2013 (\$)	2012 (\$)	Increase in Unpresented cheques(\$)	% changes in Unpresented Changes
Unpresented Cheques	9,681,230.06	5,523,231.68	4,157,998.38	75

This indicates that processing of cheques is concentrated in the last quarter of the year which could result in uneconomical purchases, overstocking of goods and sometimes abuse of procurement procedures.

### Recommendations

#### **The Ministry should:**

- **plan their expenditure well in advance in order to avoid the accumulation of unpresented cheques at year end; and**
- **ensure that continuous follow up actions by the Accounting Heads are taken to encourage creditors to present their cheques to the banks before the end of the year.**

### Management Comments

*Audit Recommendations is acknowledged. All cheques are dispatched at the earliest and the cashiers have been sending email reminders as well as telephone reminders to the vendors to deposit the cheques.*

*We are trying to minimize our cheque printing from this year and have moved to Electronic Fund Transfer [EFT] of payments direct to the vendor bank accounts. Currently we are working on uploading all vendor details in the system and this process should be live from mid this year. This will surely decrease the unpresented cheque listing.*

<sup>4</sup> Ministry of Health Financial Manual 2011 Section (7.4.3)

<sup>5</sup> Finance Circular 14/2011 dated 31/10/11 Section (5.1.3)

## 21.9 VAT Reconciliation

Subject to the provisions of this Decree, the tax shall be charged in accordance with the provisions of this Decree at the rate of fifteen percent on the supply (but not including an exempt supply) in Fiji of goods and services on or after the 1st day of July 1992, by a registered person in the course or furtherance of a taxable activity carried on by that person, by reference to the value of that supply.<sup>6</sup>

Output VAT is payable to the Commissioner of Inland Revenue for the supply of all goods and services with the exception of zero rated and exempted supplies. Payments effected by government departments for goods and services are thus subjected to VAT.<sup>7</sup>

The audit noted a variance of \$5,303,883.71 between the VAT paid to FRCA for the year 2013 and the balance disclosed in the general ledger. Refer Table 21.7 for details.

**Table 21.7: Variance in VAT Paid Amount in FMIS**

Details	Amount (\$)
VAT payments (VAT payments to FRCA and VAT Input) as per General ledger (SEG 13)	6,754,542.24
VAT payments (VAT payments to FRCA and VAT Input) as per VAT Returns for 2013	1,450,658.53
<b>Un-reconciled variance</b>	<b>5,303,883.71</b>

No explanation was provided by the Ministry for the variances.

The non-reconciliation of VAT and poor monitoring by the Ministry has resulted in the differences highlighted above. The Ministry may be paying incorrect VAT to FRCA.

### Recommendations

**The Ministry should:**

- **ensure that VAT paid to FRCA is reconciled on a monthly basis;**
- **take necessary steps to identify the error and reconcile the records to avoid such variances in future; and**
- **ensure supervisory checks on the preparation of VAT Returns is improved to ensure that balances reflected in the VAT Returns reconcile with the General Ledger.**

### Management Comments

*Audit Recommendations is acknowledged. The error is a result of miscalculation while inserting vat input figures for calculation. Vat is reconciled monthly to prior to payments. Priority will be given to timeline for thorough check by both officer preparing the payment and supervisor to avoid reoccurrence. Comments noted and in future supervisor will scrutinize calculation prior to approval for payments are made.*

<sup>6</sup> Value Added Tax Decree 1991 revised to 4th March 2011 – Section 15 (1)

<sup>7</sup> Finance Circular No 9/95

## 21.10 Variances in Revenue Collected by the Ministry

Each accounting Head must ensure that:

- a) Revenue is recorded against the correct account as per the chart of accounts;
- b) The Ministry of Finance (FMIS) is consulted before collecting a totally new revenue type;
- c) The recording of revenue is reconciled monthly with the Ministry of Finance;
- d) The Ministry of Finance is advised of any errors or discrepancies within 10 working days after the end of each month; and
- e) VAT is correctly accounted for and remitted as required.<sup>8</sup>

Every revenue collector who receives public money, other money or trust money must record the details in a cashbook, or in the Financial Management Information System.<sup>9</sup>

The Ministry maintained 3 bank accounts to deposit revenues collected by Nursing Stations, Health Centres and Hospitals around Fiji. Refer Table 21.8 for details.

**Table 21.8: Bank Details**

Bank	Account Number
Australian New Zealand Bank	1292446
Westpac Banking Corporation	42055600
Bank of South Pacific	719354

The revenue is collected by the Revenue Collectors and recorded manually. The cash collected is then deposited into the respective bank accounts and revenue details posted into the FMIS general ledger.

The audit noted that the total revenue deposited in the 3 bank accounts varied with the cash at bank and revenue records as per the FMIS general ledger. The total revenue collected by the Ministry in 2013 was \$7,108,173.99 as per bank statement while the FMIS general ledger had a balance \$5,806,748.12. Hence a variance of \$1,301,425.87 was noted between the two records.

The finding indicates that the Ministry may not be properly recording the revenues collected in the FMIS general ledger.

As a result the revenues recorded in the financial statements may be understated.

### **Recommendations**

**The Ministry should ensure that:**

- the revenues are correctly posted; and
- all revenue reconciliations are carried out, checked by the accounting head and appropriate corrective actions taken.

### **Management Comments**

*Audit Recommendations is acknowledged.*

<sup>8</sup> Finance Instructions 2010 Section 21 (1)

<sup>9</sup> Financial Instructions 2010 Section 20 (7)

*All revenue clerks responsible have been informed accordingly on the change in allocations and adjustments for mis-postings will be made to reflect revenue in the correct allocations.  
The supervisors will ensure that reconciliations are properly carried out and certified correct by the accounting head.*

## **21.11 Expenditure Ledger Not Maintained**

All payments, including VAT, must be immediately recorded in the financial management information system and an expenditure ledger.<sup>10</sup> The Principal Accounts Officer is responsible for maintaining ledgers and reconciling balances in such ledgers to ensure the accuracy of financial information and the timeliness of management reports.<sup>11</sup>

The special purpose financial statement of the Ministry of Health for the year ended 31 December 2013 was prepared from the FMIS general ledger maintained by the Ministry of Finance.

The audit noted that the Ministry did not maintain an expenditure ledger which is a separate record that it could use as a basis to reconcile its accounts with that recorded in the FMIS general ledger.

As a result the audit was not able to ascertain the accuracy of the amounts stated in the Statement of Receipts and Expenditure.

### **Recommendations**

#### **The Ministry should:**

- **ensure an expenditure ledger is maintained; and**
- **reconcile its expenditure ledger with FMIS on a monthly basis.**

### **Management Comment**

*Audit Recommendations is acknowledged. Appropriate actions will take in due course in consultation with MOF. Revision of Finance Manual will be done by the end of 4<sup>th</sup> quarter, 2014.*

## **21.12 Main Trust Account**

The receipts and payments of trust money must be recorded in a separate cashbook or set of ledger accounts<sup>12</sup>. Each month the trust account must be balanced and reconciled with trust bank account. The names and balances of each account must be listed and the reconciliation shall be signed by the responsible officer.<sup>13</sup> All payments must be immediately recorded in the Financial Management Information System.<sup>14</sup>

The audit noted the following anomalies:

- The Ministry's bank reconciliation for the main Trust Fund account for December was not reconciled. The main Trust Fund account had a debit balance of \$77,075.59 in FMIS general

<sup>10</sup> Finance Instructions 2010 Section 15

<sup>11</sup> Ministry of Health Finance Manual 2011 Section 16

<sup>12</sup> Finance Instruction 2010 Section 58(2)

<sup>13</sup> Finance Instruction 2010 Section 58 (3)

<sup>14</sup> Financial Instruction 2010 Section 15

ledger while the bank reconciliation balance as at 31/12/13 was \$388,648.82 resulting in a variance of \$465,724.41.

- The main Trust Fund Account bank reconciliation as at 31/12/13 comprised of \$235,923.92 from previous years which could not be substantiated as no reconciliation was carried out in the previous years.
- The main Trust Fund Account cash book maintained by the Ministry had total receipts of \$847,695 and total payment of \$489,562.61. However, the total receipts and payments as per FMIS general ledger were \$715,901.41 and \$640,251.90 respectively. Refer Table 21.11 for details.

**Table 21.11: Variance in Receipts and Payment**

Account Description	Ministry's Cash Book (\$)	Balance as per FMIS (\$)	Variance (\$)
Receipts	847,695.00	715,901.41	131,793.59
Payments	489,562.61	640,251.90	150,689.29

The variance was due to receipts and payments not posted into the FMIS general ledger by the Ministry.

- The main Trust Fund Account for the year ending 31/12/12 was not prepared and opening debit balance of \$152,725 was included in main Trust Fund account for the year ending 31/12/13. The audit could not ascertain whether this amount was correctly stated.
- The main Trust Fund was overdrawn by \$77,075.59 as at 31/12/13.

The Ministry may not be able to detect misappropriation or theft of Trust Fund money if monthly reconciliations are not carried out.

As a result the audit was not able to ascertain whether the amounts in the main Trust Fund Account are fairly stated.

### **Recommendations**

#### **The Ministry should:**

- ensure that the operations of the Main Trust accounts are monitored regularly to avoid loss of funds; and
- take action to reconcile the variance between the FMIS and the cash book.

### **Management Comments**

*Audit Recommendations is acknowledged. For 2013 CWMH has submitted the reconciliations from January – December 2013. December reconciliations were submitted to MOF and Auditor Generals Office where its audits were conducted. Outline below is the process of receipting:-*

1. *When we receive funds we issue receipts and the sum received is banked on daily basis where practical.*
2. *The receipt for each month will be posted to FMIS at the end of month.*
3. *Payments if we draw funds we prepare payments Voucher signed and endorsed before we issue cheques manually Fund 9 True Trust is no link to Accounts Payable so we raise the journal to reflect the payments at the end of the year.*
4. *This payment will be shown in Bank Statement for the same month but for General ledger it will reflect on the period 12 postings by Ministry of Finance where FMIS verify the payments.*

*Explanations on the variances:*

- *The variance is result of previous year (2009-2012) for non-posting of revenue and payments into GL whilst cheques and deposit are going to banks and GL was not updated.*
- *Payments posting of \$489,501.11 through JV were reflected and the unsubstantiated amount of \$235,923.92 was reflected in December reconciliations.*
- *MOF did provide an explanations and requesting to AG office to endorse posting of JV for the unsubstantiated figure that will match the GL figures*

*We have seen and also comply with all standing regulations and process & procedures at all times.*

### **21.13 Board of Survey**

In each year, the existence of all items shall physically be verified and a board of survey report should be compiled.<sup>15</sup> An annual Board of Survey must be conducted each year to verify the existence and condition of assets recorded on the register provided that, for each agencies that have, in the opinion of the Permanent Secretary a large asset base, the Board of Survey to be conducted on a cyclical basis so that all assets are checked every year.<sup>16</sup>

The audit noted that the Ministry did not conduct Board of Survey for the whole of the Ministry. As of the date of audit<sup>17</sup> the Board of Survey for the Northern Division was in progress.

Due to the lack of planning and coordination by the Ministry, the Board of Survey for 2013 was not completed.

As a result the losses may not be properly disclosed by the Ministry's statement of losses.

#### **Recommendation**

**The Ministry should ensure that the board of survey is conducted for the whole Ministry.**

#### **Management Comments**

*Audit Recommendations is acknowledged.*

*For 2013, only maritime stations were not completed. This was mainly due to logistics, high cost of transport, availability of members etc. BOS for most of the maritime area were completed after this – BOS team accompanied Outreach Team to the outer islands to save costs. It was further noted that staff at divisional level lacked basic knowledge on Board of Survey processes which had caused unnecessary delays – forms were not filled in properly, there has been no proper documentation in assets. There is no special BOS Clerk at divisional level; work is done by general services/nursing clerks who have their own respective workload. During on-site inspections, it was noted that the divisions did not take the BOS process seriously – no proper recording etc; which has really affected BOS Completion. The BOS clerk HQ has been making spot checks to the divisions and advising relevant officer on the basic processes for BOS. It has been noted that there has been less errors in the forms since 2013.*

<sup>15</sup> Ministry of Health Finance Manual Section 11.4

<sup>16</sup> Finance Instructions 2010 Section 49(1)

<sup>17</sup> 01/04/14

## 21.14 Trading and Manufacturing Account

The Bulk Purchase Scheme (BPS) is the commercial arm of the Fiji Pharmaceutical & Biomedical Services (FPBS) that is operated under the Trading and Manufacturing Account (TMA). TMA takes care of the supply of drugs and consumables to the wholesalers and retailers locally and also to the region.

On 01/02/11, Cabinet endorsed the Review Report recommendations as follows:

- a) Full cost of operation to be accounted for by BPS;
- b) Review of organisation structure and operations including stock management processes to ensure its effective operations;
- c) BPS to procure and pay for its own stock through the Fiji Pharmaceutical and Biomedical Supplies centre (FPBS) procurement process (consolidated orders); and
- d) BPS to be fully accountable for meeting customer needs both locally and regionally.

The audit noted the following anomalies in TMA.

### 21.14.1 Payables not Accounted for in the TMA Account

In order to meet the objectives, financial statements are prepared on accrual basis of accounting. Under this basis, the effects of transactions and other events are recognised when they occur (and not as cash or its equivalent are received or paid) and they are recorded in the accounting records and reported in the financial statements of the periods to which they relate.

The review of TMA Profit and Loss Statements for the year ended 31/12/13 revealed the following anomalies.

- BPS paid \$434,917 to the Ministry of Finance on 29/01/13. However this payment was not reflected in the equity account in the TMA Balance Sheet.
- Expenses totalling \$14,149.47 for 2012 were paid in 2013. However, the expenses and payables for these expenses were not reflected in 2012 account. In addition the expenses totalling \$14,149.47 were not included in TMA Profit and Loss Statement for the year ended 31/12/13. Refer Table 21.12 for details.

**Table 21.12: Expenses Paid in 2013**

Date	Cheque Number	Details	Amount (\$)
16/01/13	1342	December 2012 reimbursement of drugs to Fiji Pharmaceutical Biomedical Services (FPBS)	8,184.70
16/01/13	1341	November-December 2012 refund of salaries and wages for Bulk Purchase Scheme (BPS) staffs	5,813.40
05/02/13	1343	December 2012 telecom bill	151.37
<b>Total</b>			<b>14,149.47</b>

- Expenses totalling \$5,506.10 which relate to 2013 were paid in 2014. However, the expenses and payables were not recorded in the TMA accounts for the year ended 31/12/13. Refer Table 21.13 for details.

**Table 21.13: 2013 Expenses Paid in 2014**

Date	Reference	Details	Amount (\$)
30/01/14	Cheque No. 1436	December 2013 VAT charges paid to FRCA	5,328.54
30/01/14	Cheque No. 1435	Telecom bill December 2013	153.46
30/01/14	Journal Voucher No. 5/13	Bank Fees 2013	24.10
<b>Total</b>			<b>5,506.10</b>

A significant amount of expenses were not accounted for in the TMA account for the year ended 31/12/13. As a result the audit could not substantiate the accuracy of the TMA account.

### **Recommendation**

**The Ministry must ensure that all expenses are recognised within the relevant accounting period.**

### **Management Comments**

*Audit Recommendations is acknowledged.*

- *BPS paid \$434,917.56 to Ministry of Finance on the 11/02/2013 with the cheque number 1349. Once the payment was done, a JV was raised to adjust the balance in the FMIS. TMA Surplus account was debited while Dominion cash was credited.(Refer to Annexure I )*
- *Cheque number 1342/1341 – The expenses relating to drugs and refund of salary and wages were incurred in 2012, however, it was not reflected in the 2012 account. The actual payment was done on the 02/01/2013 and thus a JV was raised in January to offset the figures. Audit recommendation is noted and all the expenses from now onwards have been reflected in the correct accounting period to which it relates to.*
- *Cheque number 1343 - The exact amount for these expenses could not be determined in 2012 as it related to the month of December for which the service was still being performed. The bill was received in January and thus the exact amount of the payment was known in January.*
- *Cheque number 1436/1435 – to determine the VAT charges paid to FRCA, VAT input and output figures are essential. VAT input is the sales amount for the month of December whereas output is the expenses that are incurred for that particular month. The amount for VAT for December could not be determined in that same accounting period because some of the bills relating to December were received in January 2014 for example, the Telecom Bill for December which was received on 20th January.*

*Bank Fees – The bank fees relating to 2013 were adjusted in January as this was deducted at the end of the month 31/12/2014.*

### **21.14.2 TMA Surplus Account**

To be reliable, information must represent faithfully the transactions and other events it either purports to represent or could reasonably be expected to represent. For example, a balance sheet represent faithfully the transactions and other events that result in assets, liabilities and equity of the enterprise at the reporting date which meet the recognition criteria.<sup>18</sup>

Each agency operating a trading and manufacturing activity must prepare:

- quarterly profit and loss statement;
- a balance sheet on an annual basis.<sup>19</sup>

<sup>18</sup> Fiji Accounting Standards

<sup>19</sup> Finance Instructions 2010 – Section 30 (1)



The TMA balance sheet had two equity accounts namely, TMA Surplus Capital Retained to CFA and TMA ACC Surplus. The Ministry cannot make any postings into these two accounts as postings into these two accounts are done by Ministry of Finance.

The audit noted that the TMA Balance Sheet was not balanced as at 31/12/13 and had a variance of \$384,998. The Ministry of Finance used TMA Surplus Capital Retained to CFA of \$384,998 to balance the TMA Balance Sheet. If this amount is removed from the balance sheet there will be a variance for the same amount between the TMA net assets and the total equity.

The audit could not substantiate the balance of \$384,998 disclosed as TMA Surplus Capital Retained to CFA in the balance sheet.

The finding shows that Ministry of Finance created a fictitious TMA Surplus Capital Retained to CFA to balance the TMA account. Hence the TMA account is not balanced and not correctly prepared.

### **Recommendations**

#### **The Ministry of Health should:**

- **seek explanation from Ministry of Finance why fictitious equity account was created to balance the TMA account; and**
- **ensure that TMA account is properly prepared and balanced.**

### **Management Comments**

*Audit Recommendations is acknowledged.*

- *Provided below is the response from Ministry of Finance:*

*TMA Surplus capital retained to CFA (4-22251-22999-940322) contains the postings done by Ministry of Finance in 2013 for two transactions which totaled up to the amount queried which is \$384,998. This amount consists of the two transactions below:*

1. *Debit 4-22251-22999-940322 - \$434,917.56 – remittance amount*

*Credit 4-22251-22999-540301 - \$434,917.56*

*The above posting was carried out since Bulk Purchase TMA had submitted a remittance of that amount to Ministry of Finance in 2013. The remittance amount came from the surplus of amounts above and over the BPS TMA ceiling in 2012.*

2. *The actual transfer of excess from the fund 4 to fund 1 amounting to \$17.31 was undertaken in 2013 to balance the IS and BS in 2013 since the BPS TMA was not able to identify the differences. The transfer to fund 1 is based on the assumptions that the contra entry for the \$17.31 will be in the fund 1 allocation.*

<i>Particulars</i>	<i>Amount</i>
<i>Opening Balance</i>	<i>\$49,902.74</i>
<i>2013 adjustment</i>	<i>\$434,900.25</i>
<i>Closing Balance</i>	<i>\$(384,997.51)</i>

*Tabulated above is the summary of the amount that comprises the \$384,997.51 balance. In this case \$49,902.74 was the amount carried forward from previous years. \$434,900.25 was the adjustments undertaken in 2013 and explained above. Ministry of Finance is in the process of undertaking an accrual set up for all TMA's requiring the creation of a new org. This will prevent inter fund transactions and eliminate the TMA postings to fund 1.*

### 21.14.3 Accounts Receivable

Credit sales should be properly controlled to ensure debtors pay on time and to avoid bad debts being expensed.<sup>20</sup> Accounts receivable should have debit balance.

The review of accounts receivable revealed the following anomalies.

- Since 2009, BPS sold all drugs and pharmaceutical supplies on cash basis only. However the BPS had accounts receivable of \$23,986.78 which is for credit sale prior to 2009. This amount was not accounted for as accounts receivables in the balance sheet even though it was not written off.
- There was no credit sale during 2013 however TMA balance sheet as at 31/12/13 recorded accounts receivable balance of \$4,959.29. This amount was also included in the FMIS general ledger. Refer Table 21.14 for details.

**Table 21.14: Accounts Receivable Amounts Reflected in the GL**

Item	Allocation Number	Amount (\$)
Accounts Receivable Government Departments and Agency	4-22251-22999-560101	(1,506.15)
Accounts Receivable Companies	4-22251-22999-560102	(10,626.93)
Accounts Receivable Individuals	4-22251-22000-560103	17,092.37
<b>Total Accounts receivable balance as at 31/12/2013</b>		<b>4,959.29</b>

- Accounts Receivable should always have debit balances. However the Accounts Receivable balance in the FMIS general ledger had 2 debtors with credit balances of \$12,133.08 as at 31/12/13. Refer Table 21.15 for details.

**Table 21.15: Accounts Receivable with credit balances**

Account Number	Details	Amount (\$)
4-22251-22999-560101	AR Gov Depts and Agency	1,506.15
4-22251-22999-560102	AR Companies	10,626.93
<b>Total</b>		<b>12,133.08</b>

The Ministry failed to investigate the credit balances in debtors account.

The findings show that proper records were not maintained for accounts receivable by the Ministry. As a result the audit could not ascertain the accuracy of account receivable balance of \$4,959 stated in the TMA Balance Sheet as at 31/12/13.

### Recommendations

#### **The BPS must investigate:**

- the accounts receivable of \$23,986.78 not included in the TMA when it was not written off;
- the accounts receivable balance of \$4,959 when no credit sale was made in 2013; and
- the credit balance in the FMIS general ledger and take appropriate action.

**Management Comment**

*Audit Recommendations is acknowledged.*

- *BPS operates and reports data on FMIS. All transactions prior to inception of FMIS system, will not be or was not reflected in the data, and is not showing in the report. However, part of the outstanding has been recovered and the unit is making maximum effort to contact the outstanding debtors for recovery purposes. Requests have been sent off for write off.*
- *BPS operates on a cash sale basis that is; items are only released once the payment is received. Once a customer requests for an invoice, it reflects in FMIS as a credit sale even though the item is not yet dispatched. This is because TMA is set up in an accrual basis. We are in the process of going through each and every individual invoices that were raised in previous years to identify the customers who requested for the invoice and passing a credit note where necessary.*

*Accounts receivable should have a debit balance; however, some invoices that were relating to previous years had been cleared off in 2013 which led to a difference in the GL balance. Invoices that were relating to previous years had been followed up in 2013. Some invoices were then paid by the customers and the items were dispatched and receipted whereas credit note was created for the rest of the invoices. This had an impact on the 2013 accounts as the amounts could not be back dated.*

**21.14.4 Opening Stock Balance**

A stock take must be undertaken each year to verify the existence and condition of inventories on hand.<sup>21</sup>

The BPS does not hold any inventories at any point in time. The orders that are placed by customers are fulfilled through a request to FPBS to provide that amount of inventory to the customers. However an Opening Stock of \$40,973 was included in the TMA Trading Accounts for the year ended 31/12/13 when there was no actual stock held. In addition the opening stock of \$40,973 was also recorded in the FMIS general ledger.

The finding shows that opening stock amount is incorrectly stated in the TMA Trading Account. As a result gross profit transferred to TMA Profit and Loss Statement is understated by the same amount.

**Recommendation**

**The BPS should investigate and make an adjustment to ensure opening stock is not included when no stock are held at the end of the year.**

**Ministry's Comments**

*Audit Recommendations is acknowledged.*

*The opening stock has been transferred from 2012 and also recorded in the FMIS system.*

*BPS has taken note of the auditors recommendation and does not prepare stock certificate from October 2013 onwards, therefore, there is no closing stock recorded for year ended 2013.*

**21.14.5 TMA Bank Reconciliation**

Reconciliations are the tallying of two sets of transactions to ensure accounts are recorded properly. Reconciliations are carried out on a monthly basis and to be reviewed by the Senior Officer. It helps identifying discrepancies in the recording of transactions.

Review of BPS bank reconciliations revealed the following anomalies.

- The bank reconciliation for the month of June was not prepared by BPS. As a result the reconciliations after June may not be correct.
- The previous month's closing balance of the General Ledger (GL) was not carried forward as the opening balance for the following month. Refer Table 21.16 below.

**Table 21.16: Details of Variance in Closing and Opening Balances**

Months	Opening balance as per GL (\$)	Closing balance as per GL (\$)	Variance (\$)
January	968,128	902,818	
February	966,651	535,830	63,833
March	915,747	479,821	379,917
April	437,760	516,012	(42,061)
May	495,589	510,084	(20,423)
June	-	-	-
July	463,511	473,703	-
August	461,615	466,727	(12,088)
September	471,009	483,574	4,282
October	472,202	478,629	(11,372)
November	454,692	464,106	(23,937)
December	461,299	468,458	(2,807)

\* Variance-Opening balance of current month less closing balance of previous month

- As at 31/12/13 the bank reconciliation had a balance of \$468,458.37 while the FMIS general ledger had balance of \$456,636.91. A variance of \$11,821.46 was noted between the bank reconciliation balance and the FMIS general ledger.

In the absence of appropriate supervision and proper reconciliations, the Ministry may not be able to detect misappropriation or theft of money.

**Recommendation**

**The Ministry must ensure that monthly reconciliations are properly carried out.**

**Management Comments**

*Audit Recommendations is acknowledged.*

- *The bank reconciliation for the month of June was prepared on 03/07/2013. The entries made was mistakenly written as opening balance as per GL when it should have been closing balance as per GL (Part 2).*

*The variance of \$11,821.46 is due to some unidentified invoices and postings. We are currently going through all the invoices to ensure that it is posted correctly.*

#### **21.14.6 VAT Amount Incorrectly Stated**

VAT account should be properly reconciled and recorded in the TMA Balance Sheet either as VAT Receivables or VAT Payables.

The audit noted that the Ministry reported a VAT Receivable of \$142,425 in the TMA Balance Sheet as at 31/12/13. However the VAT calculations performed by audit noted a VAT payable of \$2,592.

Therefore VAT amount was wrongly stated in TMA Balance Sheet. As a result the net assets as at 31/12/13 were materially misstated.

#### **Recommendation**

**The Ministry should ensure that VAT calculations are properly carried out and correct amount of VAT receivable or VAT Payable is stated in the accounts.**

#### **Management Comments**

*Audit Recommendations is acknowledged.*

*A meeting was held with the auditor general to discuss the VAT calculation issues. A correct way of VAT calculation has been advised. However, due to the account being closed, no changes could be made to the current report.*

*The auditor's recommendation has been taken into account and a correct way of VAT calculation would be done for the 2014 accounts to ensure it complies with the relevant standard.*

#### **21.14.7 Rent Payments**

Value for money should be obtained for the rental payment by the BPS.

The BPS uses just in time inventory management system and does not hold any inventory in stock. Hence the BPS does not hold any inventory stock and does not require a warehouse.

However the audit noted that BPS was paying \$1,500 per month or \$18,000 per annum to FPBS for 44.93 square meters of space for the warehouse.

The warehouse was not utilised by BPS as no stocks were held during the year as such value for money was not obtained for the rental payments.

#### **Recommendation**

**The BPS should not have a warehouse when it does not hold any inventory.**

#### **Management Comments**

*Audit Recommendations is acknowledged.*

*The rental payment was done based on the evaluation that was done by the Public Service Office Accommodation. It was implemented in 2011 following the cabinet decision no. 31/2011. However, due to BPS operating on a Just in Time basis, the warehouse, should not be included as part of BPS rental payment.*

*An evaluation will be carried out again this year by the Public Service Office Accommodation to exclude the warehouse portion from the BPS rent and to only include the area which is occupied by BPS staff. This would reduce the amount of rental payment each month, and hence, the expense.*

## HEADQUARTERS

### 21.15 Anomalies in VAT Application

Each Accounting Head must ensure that VAT is correctly accounted for and remitted as required.<sup>22</sup>

The audit noted several instances of VAT charged on zero rated revenue allocations. Hence VAT was incorrectly collected by the Ministry for these allocations. Refer Table 21.17 for examples.

**Table 21.17: VAT Charged on Zero Rated Items**

Date	Name	Particulars	Revenue Receipt Number	Allocation	VEP (\$)	VAT (\$)	VIP (\$)
31/05/13	Net Taito	Accountable advance-Rotuma	178793	570310	3,348.00	502.00	3,850.00
08/03/13	BPS	Refund of salary and wages	20499	9011242	2,937.00	441.00	3,377.00
08/03/13	BPS	Refund of salaries and wages	123402	9011242	2,820.00	423.00	3,243.00
22/04/13	BSP	Salaries and wages	123411	9011242	2,746.00	412.00	3,158.00
27/05/13	BPS	Salaries and wages	123419	279999	3,102.00	465.00	3,567.00
25/06/13	BPS	Salaries and wages	123425	270202	3,546.00	532.00	4,077.00
<b>Total</b>					<b>18,498.00</b>	<b>2,775.00</b>	<b>21,273.00</b>

The audit also noted that VAT was not collected on a number of revenue allocations that were not zero rated. This resulted in loss of Government revenue by \$134,561. Refer Table 21.18 for examples.

**Table 21.18: VAT not Collected Where Applicable**

Date	Name	Particulars	Revenue Receipt Number	Allocation	VEP (\$)	VAT (\$)	VIP (\$)
23/01/2013	Wood & Jepsen Consultancies	Quarantine fees	72552	230311	95.00	14.00	109.00
28/03/2013	Victoria Wine & Spirits Ltd	Renewal of Tobacco Licence Fee	157514	229999	150,000.00	22,500.00	172,500.00
02/04/2013	Motibhai Co. Ltd.	Renewal of Tobacco Licence Fee	157515	229999	150,000.00	22,500.00	172,500.00
02/04/2013	Central Manufacturing Co. Ltd.	Renewal of Tobacco Licence Fee	157517	229999	250,000.00	37,500.00	287,500.00
12/04/2013	Tappoo	Importance Licence under section 25 of Tobacco central	157567	279999	150,000.00	22,500.00	172,500.00
29/05/2013	Global Fund Assistance Account	Reimbursement	178791	50499	180,555.00	27,083.00	207,638.00
02/07/2013	Post Fiji Limited	Outstanding revenue	243353	No allocation	10,357.00	1,554.00	11,911.00
09/01/2013	BSP	BSP rental	61408	229999	1,533.00	230.00	1763.00

<sup>22</sup> Finance Instructions 2010 (21)

Date	Name	Particulars	Revenue Receipt Number	Allocation	VEP (\$)	VAT (\$)	VIP (\$)
27/02/2013	Samman Shivam	Sale of tobacco product in small quantities	72630	229999	1,000.00	150.00	1,150.00
06/03/2013	Atish Prakash	Sale of tobacco product in small quantities	72642	229999	1,000.00	150.00	1,150.00
07/03/2013	BSP	BSP rental	72643	239999	1,533.00	230.00	1763.00
28/05/2013	Jogniti Ben Patel	No smoking sign on Public place	178789	27999	1,000.00	150.00	1,150.00
<b>Total</b>						<b>134,561.00</b>	

This indicates lack of supervision of revenue collectors by a senior officer. This may result in inaccurate disclosure in the financial statements and loss of tax revenue.

### **Recommendation**

**The Ministry should ensure that VAT is accurately collected and remitted to FRCA.**

### **Management Comments**

*Audit recommendation is acknowledged. FPBS while receipting cheques in respect of the wages and salaries will ensure that these payments are receipted exclusive of Vat and any amounts receipted this year with a VAT amount be journalised and correct accounts be credited. Copies of journal vouchers will be submitted.*

*Audit findings are correct and such error occurred by revenue clerks while accounting for revenue and overlooked this.*

*To correct the error we will raise a Journal Voucher for the mis-posting.*

*Vat understated in this instance can be incorporated in the current month payment and paid accordingly to FRCA. The same amount of vat deducted in error will be reduced in the current vat payment to FRCA.*

## **21.16 Overpayment of Salary**

An Officer, who has resigned, deemed to have resigned or terminated shall forfeit all the rights and privileges of his office from the date decided by the Commission.<sup>23</sup> An officer who resigns without giving 30 consecutive days' notice may be required to pay 30 days salary in lieu of notice.<sup>24</sup>

The audit noted that several officers continued to receive salaries and allowances after the effective dates of their resignations, terminations or ceasing of acting appointment due to delay in ceasing the payment of salaries and allowances. Refer Table 21.19 for examples of salaries overpaid in 2013.

**Table 21.19: Overpayment of Salaries**

Name	EDP	Position	Resignation Type	Overpaid Amount (\$)
Salote Lagilagi	64678	Temporary Relieving Dietician	Resignation	1,263.96
Shaneeda Saheb	91490	Junior Physiotherapist	Resignation	290.28
Dr. Abbas Zafar	92415	Medical Officer	Resignation	568.48
Dr. Charlie Rasue	64821	Medical Officer	Resignation	1,153.86

<sup>23</sup> General Orders 222 (d)

<sup>24</sup> General Orders 222 (a)

Name	EDP	Position	Resignation Type	Overpaid Amount (\$)
Dr. Helen Heimanaoa	63920	Medical officer	Resignation	478.35
Urvashi Payal	91357	Dental Officer	Resignation	3,605.54
Nilesh Naween Chand	63139	Physiotherapist	Resignation	5,266.49
Amitesh Kumar	90937	Medical Officer	Resignation	162.42
Dr. Shalendra Nath	92159	Medical Officer	Resignation	4,077.48
Anareta Buloutiri	90293	Medical Officer	Resignation	974.54
Isireli Koyamaibole	90480	Senior Assistant Health Inspector	Resignation	1,263.96
Latileta Bau	33016	Staff Nurse	Acting Appointment	1,825.58
Temo Ravula	53507	Administrative Officer	Acting Appointment	360.00
Kaleli Buinimasi	63678	Senior Medical Officer	Acting Appointment	550.00
Josai Tiko	90276	Senior Medical Officer	Acting Appointment	98.41
John Brown	40947	Superintendent Radiographer	Deceased	708.68
Devika Devi	92863	Senior Pharmacy Officer	Resignation	1,462.70
Bisma Wati	64919	Dental Hygienist	Resignation	693.00
Dr. Dawnette Lailai	91116	Medical Officer	Resignation	50.00
Sunita Ram	62733	Typist	Terminated	1,300.63
Rajni Kaur	90812	Typist	Resignation	1,244.09
Jen Prasad	33656	Staff Nurse	Resignation	1,245.99
Aashish Lal	33937	Staff Nurse	Resignation	332.26
Sakiusa Niumataiwalu	46504	Pharmacy Assistant	Deemed to Resign	1,331.79
Eliki Lesione	53582	Technical Officer II	Deemed to Resign	1,221.82
<b>Total</b>				<b>31,530.31</b>

The overpayment of salaries due to the delay in cessation of salaries has been an on-going issue for the Ministry. The Ministry maintained two overpayment recovery registers to record recovery of overpaid salaries from Clinical and Technical Officers. However as at the date of audit these registers were not updated which indicates no recovery was made.

In addition no Overpayment Recovery Register was maintained for Headquarters staffs even though some staffs were overpaid their salaries during the year. The audit also noted that the Ministry did not maintain a list of officers who were overpaid including the amount overpaid and overpayment recovered.

The Officers were over paid due to the negligence of Senior Medical Officers and immediate supervisors to inform personnel section regarding resignations, terminations and cessation of acting appointments in a timely manner.

### **Recommendations**

#### **The Ministry should:**

- **take appropriate action to ensure that salaries of the Officers are ceased on time to avoid overpayment;**
- **make concerted effort to recover salaries overpaid; and**
- **surcharge officers responsible for causing delays and not advising salary changes to headquarters on time.**

### **Management Comments**

*Audit recommendation is acknowledged.*



*Ministry will ensure prompt action is taken when officers apply for resignations to implement effective process of communication within the ministry for the immediate cessation of salary with the Accounts Department.*

*The Ministry has been pro – active in the cessation of salaries by treating it as a priority before formalising of resignations are done.*

*Recovery communication between Divisional Offices and Headquarters needs to be improved and these overpaid salaries may be written off if not recovered.*

*We don't agree with anyone being disciplined because ways and means of recovering big amount which so far have not been explored in full.*

*The HR officers are reminded to strictly adhere to their roles and responsibilities.*

## 21.17 Over Paid Salaries for the Past 4 Years

It is the responsibility of the accounting head of the agency to ensure that salaries and wages are paid correctly thus no over payments are made.

The Ministry was not able to provide the total salaries overpaid during 2013. This indicates that the Ministry did not maintain record and monitor salaries overpaid in 2013.

The Ministry provided records of salaries overpaid, overpayment recovered and amount outstanding for the years 2010 – 2012 only. However audit could not substantiate these amounts as the Ministry failed to maintain appropriate records of all overpayments made. Refer Table 21.20 for details for the past 4 years.

**Table 21.20: Overpaid Salaries 2010 – 2013**

Years	Overpaid salaries (\$)	Amount recovered (\$)	Amount Outstanding (\$)	Percentage Recovered
2010	274,324.92	9,999.92	264,325.00	4%
2011	293,395.95	16,352.27	277,043.68	6%
2012	42,624.91	666.72	41,958.19	2%
2013	No record	No record	No record	-
<b>Total</b>	<b>610,345.78</b>	<b>27,018.91</b>	<b>583,326.87</b>	<b>4.4%</b>

Review of the overpaid salaries for the years 2010 – 2012 revealed that the Ministry overpaid \$610,345.78 out of which only \$27,018.91 or 4.4% was recovered.

Due to the failure by management to keep proper record and follow up on salary overpayment substantial amount of salary overpayment was not recovered and resulted in loss of public funds.

### Recommendations

**The Ministry should:**

- **keep proper record of all salary overpaid;**
- **take appropriate action to recover salaries overpaid; and**
- **surcharge senior officers responsible for not following up overpayment recoveries.**

### Management Comments

*Audit recommendation is acknowledged.*

*Internal control measures needs to be strengthened to ensure that laid down procedures/instructions are followed closely and promptly all stations in liaising with HQ to avoid any loss to government.*

*The Ministry will ensure prompt action is also taken when officers apply for resignation and at the same time list of names forwarded to Data Bureau.*

*The Ministry will ensure prompt action is taken when officers apply for resignation and at the same time letters will be prepared for those owing to Govt.*

## **21.18 Anomalies in Termination of Kamla Prasad**

Mr. Kamala Prasad, (EDP 92377) was employed as a Driver by the Ministry at Labasa Hospital. On 16/07/13, Mr. Kamala Prasad drove the vehicle GP 105 to pick up a Plumber and Bio-med Technician from Labasa Hospital to travel to Nabouwalu hospital where he parked the vehicle which later rolled and hit a coconut tree. The total cost of damages to the vehicle was estimated to be \$11,923.85.

The Ministry's National Disciplinary Committee (NDC) deliberated on 29/08/13 on Mr. Kamla Prasad's case and decided that the Officer to be terminated from the service.

The Ministry also obtained opinion from the Solicitor General's Office on Mr. Prasad's case. The Solicitor General in its opinion dated 23/09/13 stated that the accident was caused as a result of the driver error. Therefore, advised that Mr. Prasad be surcharged for the insurance excess accordingly.<sup>25</sup>

However, the Ministry on 31/10/13 based on its NDC decision terminated Mr. Prasad. The audit noted that the Ministry terminated Mr. Prasad 63 days later from date of NDC decision to terminate Mr. Prasad.

As a result Mr. Prasad was paid wages totalling \$2,530.74 for 63 days until the date of his termination. The Ministry could have saved this amount if the decision to terminate was not delayed.

The audit further noted that Mr Prasad was also paid his overtime hours and annual leave totalling \$4,657.57 in addition to \$2,530.74 paid as wages on his termination. However the Ministry did not deduct insurance excess totalling \$3,000 from him.

As a result of delay in terminating Mr. Prasad and non-deduction of insurance excess the Ministry lost total of \$5,530.74 of public funds.

### **Recommendations**

**The Ministry should:**

- **ensure that disciplinary cases are not delayed to avoid incurring unnecessary salaries/wages; and**
- **deduct insurance excess from the Drivers wages.**

### **Management Comments**

*Audit recommendation is acknowledged.*

*The officer had appeal the decision to terminate his appointment. The officer had being reinstated back into the service with effect from 15/11/2013. Any disciplinary cases need to go through PS and Ministers decision. NDC to instigate surcharge action by delivering the letter to the officer at fault.*

*As for the insurance excess relevant unit have been advised to discuss the same from source as the officer is back in the service. The Ministry is now ensuring that disciplinary cases are dealt with in a timely manner and relevant units to be advised.*

*The officer was reinstated after winning his appeal. The payment is subject that the officer was still working. The officer was giving service to Ministry which is liable for compensation. Any reliever would be paid the same.*

*There is no loss to the government.*

### **Further OAG Comments**

**The Officer has been reinstated however the insurance excess is yet to be recovered from him.**

## **21.19 Contingency Sum Not Excluded from the Contract Price**

The Ministry undertook 23 capital projects during 2013 for total value of \$16,210,246.84 (VIP). Most of these projects were completed in 2013 while a few such as Refurbishment and Renovation of Operating Theatre Complex, East Wing, CWM Hospital awarded to Pacific Building Solutions (PBS) at a total cost of \$9,954,295.12 (VIP) will continue till next year, 2014.

For all the capital projects reviewed during the audit, the GTB in its letter to the contractors stated that the contract price was inclusive of contingency sum. Hence the total contract price should exclude the contingency sum.

However, the audit noted that the Ministry did not exclude the contingency sum from the total contract price. As a result the contingency sum was not set aside by the Ministry and all contracts were overpriced by the amount of contingency sum. Refer Table 21.21 for details.

**Table 21.21: Contingency Sum Not Excluded**

Project Name	Percentage of Contingency sum	Contingency Sum (\$)	Contract Price (\$)	Contract Awarded for (\$)
• Renovation and refurbishment of St. Giles Hospital	10%	25,883.00	232,947.00	258,830.00
• Refurbishment and Renovation of Operating Theatre Complex, East Wing, CWM Hospital	10%	995,429.51	8,958,865.61	9,954,295.12
• Refurbishment and Maintenance of Vunidawa Sub- Divisional Hospital	10%	28,296.40	282,964	254,667.60
• Construction of Maternity Unit Extension & Associated Works at Sigatoka Hospital	1.89%	50,000.00	2,640,015.99	2,590,015.99
• Refurbishment of Maternity Unit – CWM Hospital	10%	11,858.00	118,580.00	106,722.00
• Construction of a New Hub Centre at Kamikamica Park Lautoka	10%	19,470.00	194,700.00	175,230.00
• Refurbishment of East Wing, CWM Hospital Extension Street	10%	9,350.77	93,507.70	84,156.93
• Refurbishment of West Wing, CWM Hospital Waimanu Road	10%	8,578.13	85,781.30	77,203.17
• Renovation for Accident & Emergency Department at CWM Hospital	10%	15,215.00	152,150.00	136,935.00

The contingency sum is the amount that can be used to meet additional project expenses due to variations in the project work during the implementation phase. However all variations submitted by the Contractor are to be approved by the GTB. The variations can be allowed only up to the contingency sum only.

The audit noted that the Ministry paid the contractors the contingency sum without any variations in the project costs. Refer Table 21.22 for examples of projects completed and contingency sum paid.

**Table 21.22: Contingency Sums Paid without any Variations**

Project Name	Percentage of Contingency Sum	Contingency Sum (\$)	Contract Price (\$)	Total Amount Paid (\$)
1. Renovation and refurbishment of St. Giles Hospital	10%	25,883.00	232,947.00	258,830.00
2. Refurbishment of Maternity Unit – CWM Hospital	10%	11,858.00	106,722.00	118,580.00
3. Construction of a New Hub Centre at Kamikamica Park Lautoka	10%	19,470.00	175,230.00	194,700.00
4. Refurbishment of East Wing, CWM Hospital Extension Street	10%	9,350.77	84,156.93	93,507.70
5. Refurbishment of West Wing, CWM Hospital Waimanu Road	10%	8,578.13	77,203.17	85,781.30
6. Renovation for Accident & Emergency Department at CWM Hospital	10%	15,215.00	136,935.00	152,150.00

The audit further noted that the Articles of Agreement and the Special Condition of Contractor did not include any clause about the contingency sum.

The finding shows that the Ministry did not comply with the terms and conditions of the GTB for approved contracts.

### **Recommendation**

#### **The Ministry should:**

- **make an effort to recover the overpaid amount from the contractors;**
- **ensure that contingency sum is excluded from the contract price; and**
- **take appropriate action against officers for not allowing for contingency sum in the contract agreement.**

### **Management Comment**

- *Audit comments are noted but as far as certification of payments and execution of payments are concerned, the Ministry was guided by MWT&PU hence the same has been cross checked and there has been no overpayment to any contractors.*
- *Final vetting of the Contracts is done by MWT&PU and the same will be discussed with the Project Administration agency to implement the same. However, new measures will be implemented from this year to ensure better transparency and accounting records are maintained for all projects whereby prime cost, retention, contingency and performance bond aspects are correctly accounted for.*
- *All payments are in order as scope of works for maintenance varies tremendously from initial scoping carried out by MWT&PU, hence from this year; more work is discussed to occur on the scoping area to avoid variations.*

### **Further OAG Comments**

**The Ministry did not provide evidence to substantiate its claim that there was no overpayment.**

## 21.20 Retention Sum Not Kept In Trust Fund Account

In respect of any Interim Certificate issued before the issue of Certificate of Practical Completion the Employer may, retain a percentage (in the Condition called the Retention Percentage) of the total value of the work, materials and goods<sup>26</sup>.

All amounts retained as retention sum are trust funds to be paid to the contractor upon successful completion of retention period. Therefore retention funds should be deposited in the Trust Fund account to ensure funds are available when retention period is complete particularly when projects roll over to next year.

The audit noted for several projects the retention sums were deducted from the claims submitted by the contractors, however the sums retained were not deposited in the Trust Fund account with the Ministry. The retention sums remained in the capital project allocation and were fully utilized by the Ministry. Hence the Ministry did not put aside funds to reimburse retention sums held from the contractor's progress claims.

For example the audit noted a project which was completed with retention period also expired but the Ministry did not pay the contractor the retention sum withheld. One of the reasons was that the Ministry did not keep aside the retention sum in a trust fund and hence did not have actual cash on hand to pay for the outstanding retention money. Refer Table 21.23 for details of retention funds deducted.

**Table 21.23: Total Retention Funds Deducted**

Project Name	Total Project Cost (VIP) (\$)	Percentage of Retention	Retention Amount (\$)	Retention Amount Due Date	Retention Amount Paid (\$)	Retention Amount paid from (Allocation)
Renovation and refurbishment of St. Giles Hospital	258,830.00	10%	25,883.00	7/10/13 (6 months from date of CPC on 17/4/13)	Not yet paid	-

The Ministry did not follow proper procedures for the retention sums deducted. The Ministry will require additional funds to pay off the retention sum withheld. It is highly likely that the Ministry will have to divert funds from other allocation to pay for these retention sums in the future.

### **Recommendation**

**The Ministry must ensure that retention sums deducted from the contractors progress claims are set aside in a trust fund account.**

### **Management Comments**

*Audit comments are noted. Ministry receives budgetary allocation of respective amounts in its maintenance allocation and such retention sums are noted during budget submissions for the following year. However, this will be discussed with Ministry of Finance and most appropriate measures will be implemented.*

<sup>26</sup> Articles of Agreement, Clause 30(3)(a)

## **21.21 Anomalies in Project Management**

Capital projects need to be properly supervised and managed from planning to post implementation phase. Project management requires great deal of analytical and management skills to ensure projects are completed on time and according to the predetermined design and specifications and within the budget.

The audit examined several capital projects carried out by the Ministry during 2013. The following anomalies were noted in terms of project management and supervision.

- Progress payments to the contractor should be made after reviewing the progress of the project, materials used and workmanship. Upon inspection and before payment is effected a progress report and inspection reports should be prepared by the Architect/Supervising Officer.

However the Ministry made several progress payments for projects undertaken without progress report or inspection reports from the Architect/Supervising Officer. The Ministry was not able provide any progress report or inspection reports for any of the projects.

This indicates that progress of the contractors work was not evaluated by the Architect/Supervising Officer or the Clerk of Works (CoW) before payments were made.

- The Ministry should have site meeting with the Contractor occasionally. However despite several projects undertaken in 2013 the Ministry was only able to provide minutes of one meeting held on the project site for Renovation and Refurbishment of St. Giles Hospital. This indicates hardly any meeting was held with the contractor on the site.
- The Ministry should appoint a Clerk of Works for every capital project it undertakes. The role of the Clerk of Work should be to inspect the materials used and review the progress of the projects and provide periodic reports on the progress of the project to ensure all works are carried out to the satisfaction of the Ministry.

The Ministry had 2 Clerks of Works – Hospital – Mr Sakiusa Kotobalavu and Clerk of Works Health Centre & Nursing Stations – Mr Filipe Lagimiri to supervise all its capital projects. The Clerks of Works were the staffs of the Ministry and based at Ministry of Health headquarters. The Clerks of Works were not based at the project site to provide direct supervision.

Hence there was very little on site supervision of the projects by the Clerks of Works.

According to the Principal Administrative Secretary, Asset Management Unit; Mr. Mohammad Intiaz Shah, the Clerk of Works occasionally visit the project site to review project works. However the Clerks of Works did not have any record of project inspections such as date of site visit, anomalies noted, project progress reports, reworks required, etc.

The findings indicate that adequate project supervision and reviews were not carried out by the Ministry. There is a high risk that the contractors may use substandard materials and provide poor workmanship.

### **Recommendations**

**The Ministry must ensure that:**

- **payments to contractors are made based on the progress reports submitted by project Architects/Supervising officers.**

- **periodic on site meetings with the contractor are convened; and**
- **Clerks of Works are based on the project sites to supervise projects.**

### **Management Comments**

*Audit recommendation is acknowledged.*

- *Due to budgetary constraints much of the monitoring and on-site visual checks were delegated to respective hospital or Divisional General Services Heads and were carried out by in-house Project Officers. Challengers faced were lack of resources, however, Ministry is improving given the increased number of projects implemented and completed during the year.*
- *This was delegated to various institution desk officers, however comments are noted and standard guidelines are expected to be implemented.*
- *Ministry has not budgeted for this, however, will ensure allocation of Clerks of Works on site on case by case basis*

## **21.22 Kamikamica Park Hub Centre**

Contract No. WSC190/2012 was awarded to Cope Constructions Limited in 2012 for construction of Kamikamica Park Hub Centre in Lautoka. The contract was signed on 11/10/12 with duration of 12 weeks to complete the project. The total value of the project was \$194,700 VIP with a 10% contingency sum.

The audit noted the following anomalies:

- A Clerk of Works is to be assigned to monitor and endorse the satisfactory completion of stages of works prior to release of payments.<sup>27</sup> However the Ministry did not appoint Clerk of Works to oversee the project. Hence there was no means by which the Ministry monitored the quality of materials used and work done by the contractor.
- The Project was supposed to be completed on 03/01/13 but it was actually completed on 11/07/13. The project completion was delayed by 6 months. The contractor was not held liable for the delay as there was no clause in the contract agreement for the penalty due to delays in the project completion.
- According to the progress payment schedule as per the contract the third progress payment was to be made for \$43,807. However the Ministry paid \$45,810 to the contractor. This resulted in an overpayment of \$2,002.50.

This indicates that the Ministry does not have project management skills and capabilities and it did not perceive the importance of having a Clerk of Works. There is a high risk that project works may not be carried out up to the standard required by the Ministry.

### **Recommendations**

**The Ministry should:**

- **appoint a Clerk of Works to closely monitor every project;**
- **ensure that penalty clause is stated in the contract to avoid delays in completion of project in future;**

- **ensure that payments are properly reviewed and made according to the approved progress payment schedule as per the contract; and**
- **recover the overpayment from the contractor otherwise surcharge the officers responsible for overpayment.**

### **Management Comments**

*Audit recommendation is acknowledged.*

- *Due to budget constraints and total value of the project, need for on-site Clerk of Works was not recommended. Off-site Clerks of Works duties were carried out by than Divisional Health Inspector. However, Ministry has commenced on engagement of on-site Clerks of Works for all major capital projects.*
- *Comments noted. Ministry will ensure that all contracts have penalty clauses, in case of non-compliance.*
- *All payments for this project was based on the certifications received from DHI – Western and were progressively executed.*
- *Ministry has re-calculated the figures as per the contract and actual payments made. There is no overpayment. As for the delay in completion of the project, this was due to the adverse weather conditions early in 2013 that affected the project programme for 2 weeks.*

### **Further OAG Comments**

**As per claim number 3 the Contractor was overpaid by \$ \$2,002.50.**

## **21.23 Construction of Grade 6 Quarters at Bagasau Nursing Station - Tender No. 267/2012**

The Ministry via GTB called tenders for the Construction of a Grade 6 Quarters for Bagasau Nursing Station in Cakaudrove in July 2012. The following 5 companies submitted their tenders.

1. Fortech Construction Ltd	\$345,254.00
2. Sharnik Construction Ltd	\$288,530.00
3. Cope Construction Ltd	\$311,080.00
4. Fijiana Builders Ltd	\$148,500.00
5. M. Naidu Land Development	\$294,580.00

However, on 08/08/13 the Ministry requested the GTB to withdraw the tender due to high price quoted by the bidders and insufficient budget held by the Ministry.

Tender Board in its meeting held on 08/08/13 approved the withdrawal of the tender as requested by the Ministry. The Ministry further in its correspondence on 19/08/13 requested that the construction of the quarters to be carried out by Ministry of Works, Transport and Public Utilities (MWT and PU) at the estimated cost of \$185,566 as quoted by the MWT and PU. The Ministry of Finance also approved the request in its correspondence dated 30/08/13 for the waiver of tender and that the proposed works to be carried out by MWT and PU.

The Ministry engaged MWT and PU on 19/09/13 through a Memorandum of Understanding (MoU). Review of the construction of the quarters revealed the following anomalies.

- The Ministry paid \$185,566 on 26/09/13 to MWT and PU prior to commencement of the project works. Hence the Ministry made advance payment in full to the MWT & PU.
- The MoU between the Ministry of Health and MWT and PU did not state the project commencement or completion date. Hence project duration was not stated in the MoU.



- Review of the correspondence between both the Ministry's Permanent Secretaries on 07/08/12 revealed that the estimated time line for the completion of the project was within 8 weeks from the effective date of MoU which was 19/09/13.

However according to Principal Administrative Secretary, Asset Management Unit, Mr. Mohammad Intiaz Shah no work was carried out by MWT and PU as at 31/12/13.

The Ministry did not follow up on the project progress of the project from the MWT and PU.

Due to laxity by management and poor supervision the works were not carried out.

### **Recommendations**

**The Ministry should ensure that:**

- **MoU include project commencement and completion dates;**
- **advance payments are not made to the Contractor unless it is stated in the agreement;**
- **follow up with MWT and PU on the progress of the project to determine the reasons for the delays for further actions; and**
- **investigate the advance payment and take appropriate action.**

### **Management Comments**

*Audit recommendation is acknowledged.*

- *Ministry will ensure that even for contracts amongst inter-government agencies will have commencement and closing dates in future.*
- *Works contracted to be carried out by MWT&PU are considered as internal [inter-government agency] and are controlled under Trading & Manufacturing Account System, hence advance payment becomes necessary as MWT&PU do not operate commercially.*
- *It was late during the year that funds and appropriate approvals were released. It was agreed the mobilisation and demobilisation cost would be saved by differing the project to 2014.*
- *It's the nature of the government machinery that is in-place that warrants advance payments and receive periodical acquittals against the funds utilization that has limitations not to make advance payment.*

## **21.24 Negligence of Doctors at CWM**

An employee must act with care and diligence in the course of employment in the public service.<sup>28</sup>

The audit noted that during the year 2013 a number of patients were not properly treated by the doctors at CWM Hospital which resulted in additional cost from further treatment overseas. These were surgeries undertaken by local doctors which were not successful and were later referred to hospitals in India.

The cost for further treatment in India was paid by the Ministry of Health. However no investigations or actions were undertaken against the doctors responsible for negligence or unsuccessful surgeries.

Refer Table 21.24 for examples of unsuccessful surgeries.

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<sup>28</sup> General Orders Annexure II (2)  
Ministry of Health

**Table 21.24: Examples of Patients Treated at CWM and Referred to India for Further Treatment**

File Number	Patient Name	Treatment in Fiji	Cost (India) (\$)	Treatment in India	Doctor who treated in Fiji
09/13	Pratinesh Singh	Hand surgery	49,246.70	Hand surgery correction	Dr. Joeli Mareko
52006-73-06	Sashi Kumari	Hip Replacement	14,338.67	Hip Replacement	Dr. De Asa
52001-17-22	Ashok Kumar	Hip Replacement	Patient awaiting approval to be sent to India for hip replacement. Recommended by Dr. De Asa	Hip Replacement	Dr. De Asa
128/13	Sumintra Devi	Hip Replacement	11,878.82	Hip Replacement	Dr. De Asa

The finding shows that either the doctors were not capable of such operation or were negligent in doing their job. Hence patients were later referred to India for further treatment resulting in loss of public funds when such treatments are locally available.

### **Recommendations**

#### **The Ministry should:**

- **investigate and take disciplinary action against doctors if they are found to be negligent; and**
- **review these cases and implement strategies to ensure such cases do not reoccur. This may include further training provided to local doctors.**

### **ManagementComments**

*We acknowledged the audit observation which needs correction.*

- *Complications do happen during and after surgeries especially with Trauma /Injuries or surgeries involving bony structure.*
- *Ministry of Health has system in place in dealing with UOR (Unusual Occurrence Report)*

*There is a system in place for Professional or Clinical misconduct which involves respective Councils, Medical Officers, Dentals or Nurses.*

*We don't have Hand Specialist (Plastic Surgeons) and Specialist for Hip Replacement available locally and is done overseas. Only symptoms are treated before patient leaves for Overseas. There is one Plastic Surgeon we have just appointed in February 2014.*

## **21.25 Overseas Medical Treatment**

The quotation process is intended to ensure that the agencies receive value for money based on fair competition and ethical dealing.<sup>29</sup>

A sum of \$1,300,000 was allocated in the 2013 budget for overseas medical and consultancy services. This amount was fully utilized by the Ministry during the year.

The audit noted the following anomalies:

<sup>29</sup> Procurement ( Amendments ) Regulations 2012 Section 4  
Ministry of Health

- The Ministry sent patients for treatment to number of hospital in India which includes Apolo Hospital, Shanti Mukand Hospital, Batra Hospital and Balaji Hospital.

There were several instances where the actual cost of overseas medical treatment was more than the quotation obtained from the hospital. In some cases the variance in the price quoted and the actual cost was substantially high. The variations in cost were paid by the Ministry. According to the Ministry the quotations for the medical treatment were obtained based on referral reports from doctors. Refer Table 21.25 for examples of overseas treatment with variations in costs.

**Table 21.25: Examples of Overseas Medical Treatment with Variations in Cost**

Date	Cheque Number	Particulars	Quoted Amount (\$)	Actual Cost (\$)	Over Expenditure (\$)
24/01/13	281525	Payment for cost of overseas medical treatment for Mr. Abdul Hassan who was sent to Balaji Hospital for eye treatment in India.	26,143.00	33,781.33	7,638.33
28/05/13	288577	Payment for cost of overseas medical treatment for Mr. Pratinesh Singh who was sent to Balaji Hospital for eye treatment in India.	25,439.00	49,246.70	23,807.70
12/04/13	285666	Payment for cost of overseas medical treatment for Ms. Salusalu Mua who was sent to Balaji Hospital for eye treatment in India.	9,231.00	38,654.50	29,423.50
19/03/13	284070	Payment for cost of overseas medical treatment for Mr. Farish Khan who was sent to Batra Hospital in India for cancer treatment.	10,673.00	31,158.76	20,485.76
10/07/13	291441	Payment for cost of overseas medical treatment for Mr. Jone Ikanivoka who was sent to Balaji Hospital in India for Decompression Craniotomy tumor exision and radical mastoidectomy treatment.	12,000.00	14,209.59	2,209.59
10/07/13	291441	Payment for cost of overseas medical treatment for Mr. Jacob Chand who was sent to Balaji Hospital for eye treatment in India.	12,018.00	14,801.66	2,783.66
10/07/13	291441	Payment for cost of overseas medical treatment for Mr. Dinesh Chand who was sent to Balaji Hospital for eye treatment in India.	10,000.00	10,953.23	953.23
<b>Total</b>			<b>105,504.00</b>	<b>192,805.77</b>	<b>87,301.77</b>

According to the Senior Administrative Officer Mr. Vuta Bolaqace the additional costs were due to treatment and the seriousness of the illness, drugs, durations and admission of the patient. However almost all the examples of actual costs higher than the quote were from Balaji Hospital in India.

- There was no independent verification of the final claim submitted by the overseas hospitals to justify the variations in cost.

This indicates lack of adequate controls in overseas medical treatment process that led the Ministry paying costs in excess of the quoted amounts. In addition patients may not have been properly examined locally resulting in local referral doctors not highlighting the seriousness of the sickness.

## **Recommendations**

### **The Ministry should:**

- **ensure that patients are properly examined before sending them for overseas medical treatment;**
- **consider other hospitals in India for better pricing; and**
- **properly scrutinise final claims by overseas hospitals before payment is made.**

## **Management Comments**

*Audit Recommendations is acknowledged.*

*There are many factors associated with referral patients to overseas countries for medical treatment. In other words referring of patients for overseas countries will allow Ministry to pay more expenditure. From the above reports here are some of the findings;*

- *Estimate Quotation - An opinion or judgment on the medical reports submitted by local doctors to the referral hospital with determine the estimate cost of treatment. The Estimate Quotation is always more or less whilst the actual costs/amount paid or incurred, as opposed to estimated/standard cost. In contracting, actual costs amount includes direct treatment, direct materials, physical appeared of the patients and other direct charges.*
- *As referral processes takes 2-3 months the diseases such as Cancer do progress rapidly and by time of arrival more management procedure is instituted.*
- *MOH is trying its best to reduce referral processes in time.*
- *Referring doctors needs to be more detailed in preparing Medical Report in order to get right quotes.*
- *If we had the specialist here we could not ascertain the cost. Since we do not have the right person to quote.*
- *We have to send quotes overseas and whoever responds first than we will process.*

*We can't wait till we get lower quotes it is an operation.*

*Because of the difficulties raised by the auditor, MOH has been trying from last 2 years and we have now sought out Cardiac/etc treatment to Fiji.*

## **21.26 Island Hoppers**

The procurement limit delegated to Permanent Secretaries and Government Tender Board is amended as follows:

- Permanent Secretary – \$50,000 or less
- Government Tender Board – \$50,001 and more<sup>30</sup>.

The Ministry each year engages Northern Air Services, Island Hoppers and Fiji Navy to provide charter services to the Ministry. The aircraft is chartered to cater for medical evacuation of patients from Maritime Island to CWM Hospital. A sum of \$683,600 was allocated in the 2013 budget and was later revised to \$1,916,710 during the year. Out of this the Ministry paid \$1,867,178 in total for charter services in 2013. Refer Table 21.26 for budget allocation for the last 5 years.

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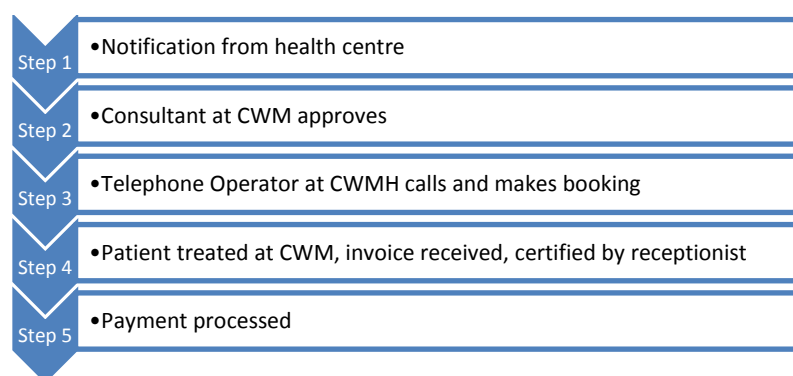
<sup>30</sup> Finance Circular 9/2012 Section 2.1  
Ministry of Health

**Table 21.26: Budget Allocation for Charter of Aircraft 2009 – 2013**

Details	2013	2012	2011	2010	2009
Original Budget	683,600	600,000	500,000	500,000	500,000
Revised Budget	1,916,970	750,000	900,000	500,000	500,000
Actual Expenditure	1,867,178.09	1,046,999.59	887,114	885,794	854,387
Variance	49,791.91	(296,999.59)	12,886	(385,794)	(354,387)

The audit noted the following anomalies in the services provided by Island Hoppers.:

- There was no Standard Operating Procedure (SOP) for charter of aircraft. The SOP will standardize the process and provide step-by-step instructions that enable anyone within the operation to perform the task in a consistent manner. The current practice of hiring aircrafts is as shown in Figure 21.1.

**Figure 21.1: Current Practice of Hiring Aircrafts**

The telephone operator at CWM makes arrangements for the aircrafts without seeking approval from senior officers. Hence the authority to charter aircraft is with telephone operator.

- Expenditure over \$50,000 requires a GTB approval and a service contract agreement. The Ministry has been paying more than \$50,000 to each of the charter services providers. Refer Table 21.27 for payments made to charter services providers in 2013.

**Table 21.27: Charter Service Fee Paid – 2013**

Charter Services Provider	Total amount paid in 2013 (\$)
Island Hoppers	1,113,503.26
Northern Air Services	226,230.50
<b>Total</b>	<b>1,339,733.76</b>

However there was no contractual agreement in place between the Ministry and the charter services providers although each charter services providers were paid more than \$50,000 annually.

- Island Hoppers was claiming fuel surcharge in addition to its normal charges for charter flights in 2013. The Ministry paid total of \$1,113,503.26 for fuel surcharge to Island Hoppers in 2013. However there was no contract agreement or formal approval regarding the payment of fuel surcharge.

The Ministry did not provide any explanation for the payment of fuel surcharge.

- All payment should be made on original invoices from the suppliers to avoid duplicate payments in future. The Ministry made several payments on photocopied and faxed invoices instead of originals. Such practices may result in double payments.

The Ministry did not demand original invoices from the suppliers.

- The Ministry paid 2012 expenses for charter services totalling \$81,270 to Island Hoppers in 2013. The Ministry did not have sufficient funds in 2012 to pay for these expenses. Refer Table 21.28 for details.

**Table 21.28: 2012 Expenses Paid In 2013**

Date	Cheque Number	Payee	Amount (\$)
23/11/12	285821	Island Hoppers	8,316.01
26/11/12	285821	Island Hoppers	7,938.00
03/10/12	295047	Island Hoppers	13,986.00
03/10/12	295047	Island Hoppers	18,522.00
03/10/12	295047	Island Hoppers	32,508.00
<b>Total</b>			<b>81,270.01</b>

Paying expenses for 2012 invoices in 2013 will affect the Ministry's plan for 2013.

- The invoices from Island Hoppers and Northern Air were always certified as correct for payment by the telephone receptionists, Ms. Alisi Ravosai & Eliza Qereqeretabua at CWM Hospital. The receptionists do not have authority to certify invoices for payment. Refer Table 21.29 for details.

**Table 21.29: Invoices Certified By Telephone Receptionist**

Date	Invoice Number	Payee	Amount (\$)
19/09/13	2383	Island Hoppers	13,230.00
30/05/13	2028	Island Hoppers	20,412.00
20/05/13	1844	Island Hoppers	10,206.00
19/04/13	1357	Island Hoppers	18,900.00
14/04/13	1245	Island Hoppers	18,900.00
09/06/13	2200	Island Hoppers	13,230.00
21/05/13	1862	Island Hoppers	6,804.00
21/05/13	1863	Island Hoppers	9,072.00
20/05/13	1845	Island Hoppers	10,206.00
23/11/12	00012006	Island Hoppers	8,316.01
26/11/12	00012007	Island Hoppers	7,938.00
05/03/13	0686	Island Hoppers	11,340.00
27/02/13	0609	Island Hoppers	18,900.00
08/04/13	1156	Island Hoppers	16,254.00
02/04/13	1022	Island Hoppers	18,144.00
19/06/13	2377	Island Hoppers	33,688.50
29/06/13	2577	Island Hoppers	14,364.00
07/06/13	2190	Island Hoppers	14,364.00
24/06/13	2494	Island Hoppers	9,072.00
25/06/13	2503	Island Hoppers	13,608.00
28/06/13	2567	Island Hoppers	19,278.00
07/07/13	2700	Island Hoppers	16,632.00

Date	Invoice Number	Payee	Amount (\$)
05/07/13	2698	Island Hoppers	14,364.00
24/06/13	2493	Island Hoppers	18,900.00
18/06/13	2364	Island Hoppers	19,656.00
27/09/12	11362	Island Hoppers	18,522.00
03/10/12	11506	Island Hoppers	13,986.00
14/01/13	00003702	Northern Air	22,500.00
26/01/13	00004003	Northern Air	20,000.00
15/04/13	4604	Northern Air	2,150.00
<b>Total</b>			<b>452,936.51</b>

The telephone receptionist makes arrangement for the charter of aircrafts and also certifies the invoices as correct. Hence there is poor control over charter of aircraft and review of invoices for charter of aircrafts.

There is a high risk of collusion and fraud.

### **Recommendations**

**The Ministry should:**

- **enter into contract with the charter service providers who are paid more than \$50,000 per annum;**
- **cease payment of fuel surcharge to Island Hoppers without proper approval;**
- **ensure all payments are made on original invoices;**
- **ensure that appropriate level of funding is requested from Ministry of Finance for charter flights to avoid using the following year's funds to pay for the previous years expenses; and**
- **accounting officers review and certify all invoices from charter services.**

### **Management Comments**

*Audit recommendation is acknowledged.*

*CWMH is working on formulating SOP and HQ has done the tender evaluation specifications to be submitted FPO.*

*MOH cannot wait for long process for GTB approval and needs to uplift the emergency of patients.*

*Fuel Surcharge applied by Aircraft as they are based in Nadi when they called for evacuations they start charging from departure and arrival*

*We need to enter into contract then Island Hoppers to cease the fuel surcharge.*

*We will ensure that officers comply with Finance Regulations and we will continue to enforce that all payments are made on original invoices.*

*We cannot forecast the number of cases to evacuate but the ministry needs to put a proper justification to MOF on the numbers of referral cases to divisional Hospital with the cost involved so MOF understand our nature of work for Health Care and increase the funding.*

*We need to relook at all the processes from the initial arrangement to end results as services was provided in terms of emergency and invoices needs to be verified properly before effecting payments.*

## 21.27 Sponsorship for Zuriel's Security

Funds are to be utilised for the purpose it is allocated.

Promoting awareness for Non-Communicable Diseases (NCD) activities may include sponsorship for sports, providing information through banners, posters, brochures, and other related activities.

However the audit noted that the Ministry paid \$41,400 to Zuriel's Security Services for sponsoring the Uprising 7's in its anticipation to promote awareness for NCD. This payment did not in any way relate to promoting awareness for NCD's.

The audit further noted that the payment was approved by the Permanent Secretary for Health.

The finding shows poor planning and review by appropriate senior officers before payments are made. The payment to Zuriel's Security Services is misuse of public funds.

### **Recommendations**

**The Ministry must ensure that;**

- **funds are utilised for the intended purpose only; and**
- **proper planning is done in order to achieve its goals on promoting NCD's.**

### **Management Comment**

*Audit recommendations is acknowledged*

- *As mentioned in the sponsorship agreement, Zuriel security was the company with the sole rights to organise and stage the 2013 Uprising 7's. Thus all financial correspondence and dealings were to be held with Zuriel as they were the main organisers.*
- *Zuriel security has also indicated in the agreement that they will provide certain benefits to Ministry of health in return for Ministry of Health's sponsorship. Schedule of sponsorship benefits attached for your perusal.*
- *This sponsorship was endorsed based on the agreement that there will be NCD advocacy through Media (TV, Radio, and Newspaper) and signage present throughout the duration of the tournament. The organisers had also facilitated provision of space for NCD screening during the tournament.*

## 21.28 Local Purchase Orders (LPO) Raised after Date of Invoice

A Local Purchase Order (LPO) shall be issued when procuring any goods, services or works from an organization within Fiji, irrespective of whether a contract or agreement has been entered into or not.<sup>31</sup>

An LPO must be approved on line and signed by the authorizing officer (i.e. the officer with the necessary procurement authority) before being issued to the supplier.<sup>32</sup>

The audit noted that on a number of occasions local purchase orders were raised by the Ministry after the goods and services were acquired and invoices were received from the suppliers of goods and services for payment. Hence the LPO's were raised by the Ministry only to fulfil the requirement of issuing purchase orders but it did not serve any purpose. Refer Table 21.30 for examples.

<sup>31</sup> Ministry of Health Finance Manual 2011 Section 2.5.1

<sup>32</sup> Ministry of health Finance manual 2011 Section 2.5.9



**Table 21.30: Examples of LPO's Raised after Date of Invoice**

Invoice Date	Invoice Number	LPO Date	LPO Number	Payee	Amount (\$)
31/01/13	371533	06/02/13	PO81201002208	BOC Gases Fiji Ltd	950.14
31/12/12	535446	08/01/13	PO81201-002131	BOC Gases Fiji Ltd	6,663.74
05/06/13	681909	07/06/13	PO84201-004340	BOC Gases Fiji Ltd	7,951.10
31/05/13	681800	10/06/13	PO84201-004345	BOC Gases Fiji Ltd	5,293.68
31/05/13	681798	10/06/13	PO84201-004351	BOC Gases Fiji Ltd	6,503.66
30/01/13	678959	05/02/13	PO84201-003645	BOC Gases Fiji Ltd	7,788.77
31/12/12	678436	18/01/13	PO84201-003573	BOC Gases Fiji Ltd	950.14
10/01/13	678580	18/01/13	PO84201-003574	BOC Gases Fiji Ltd	1,308.55
28/12/12	678394	09/01/13	992522	BOC Gases Fiji Ltd	7,750.97
16/05/13	377475	17/05/13	PO81201-002523	BOC Gases Fiji Ltd	5,463.60
16/05/13	377478	17/05/13	PO81201-002522	BOC Gases Fiji Ltd	6,340.47
16/05/13	377473	17/05/13	PO81201-002519	BOC Gases Fiji Ltd	1,538.08
30/06/13	17438	02/07/13	PO22101-004552	Fiji Television Ltd	25,570.25
06/05/13	12904	13/05/13	PO84201-004201	National Produce	3,847.88
13/05/13	12905	14/05/13	PO84201-004208	National Produce	3,310.03
22/07/13	1216	23/07/13	PO84201-004538	National Produce	3,343.65
04/01/13	128313	07/01/13	PO85101-000858	National Produce	30,089.29
27/02/13	679572	01/03/13	PO84201-003820	BOC Gases	8,658.40
27/02/13	679579	01/03/13	PO84201-003823	BOC Gases	8,129.06
26/11/12	677847	01/03/13	PO84201-003828	BOC Gases	1,807.19
27/02/13	679573	01/03/13	PO84201-003822	BOC Gases	7,977.84
27/02/13	679574	01/03/13	PO84201-003819	BOC Gases	950.14
20/12/12	320404	09/01/13	PO83201-005447	R.B Patel Supermarket Labasa	1,247.30
31/12/12	320424	11/01/13	PO83201-005493	R.B Patel Supermarket Labasa	15.95
24/12/12	320417	11/01/13	PO83201-005493	R.B Patel Supermarket Labasa	15.95
17/12/12	320339	11/01/13	PO83201-005493	R.B Patel Supermarket Labasa	15.95
07/01/13	320449	11/01/13	PO83201-005493	R.B Patel Supermarket Labasa	15.95
31/12/12	320423	11/01/13	PO83201-005492	R.B Patel Supermarket Labasa	1473.36
24/12/12	320416	11/01/13	PO83201-005492	R.B Patel Supermarket Labasa	1,473.36
17/12/12	320338	11/01/13	PO83201-005492	R.B Patel Supermarket Labasa	1,457.86
07/01/13	320448	11/01/13	PO83201-005492	R.B Patel Supermarket Labasa	1,151.86
<b>Total</b>					<b>159,054.17</b>

The Ministry did not comply with its own finance manual. There is inadequate control over purchase of goods and services.

### **Recommendations**

#### **The Ministry should:**

- ensure that local purchase orders are issued for purchase of goods and services to ensure no unauthorized purchases are made; and
- investigate the matter and take appropriate action against responsible officers.

### **Management Comments**

*Audit recommendation is acknowledged.*

*For Lautoka Hospital retrospective LPO were Issued for Rental of Oxygen Cylinders which were used monthly and rental of facility charges for hiring of their Oxygen tank on monthly basis.*

*Supply of Bulk Oxygen which is gauged once the oxygen tank is filled and supplied via piping towards the Operating Theatre. This cannot be gauge prior to filling due to high consumption rate. The tank reading before filling and after filling is taken and invoice is raised accordingly on the quantity filled and LPO issued. Management will review the current practice after investigation and ensure that Local Purchase Order is issued prior to Purchasing of Bulk Oxygen, payment for container Rental and Cylinder Rentals.*

*Secondly we had faced shortage of fund in our ration vote by the end of third quarter.*

*This year we will make advance purchase during closure period of the PO i.e. from November to Jan 15.*

*We have constantly reminded our officers to comply with Finance Regulations and we will continue to enforce that instruction to ensure issuance of Purchase Order is mandatory.*

*Purchase Orders are for ration for Labasa Hospital and was raised when the PO was closed.*

*Storeman has been advised to submit the consumption rate of ration which they started submitting on a monthly basis to forecast the quantity that we need to order to cover for the period.*

*Retrospective Purchase Orders for CWM Hospital was raised on a monthly basis for rental of BOC Gases.*

*For CWM hospital January payments will be paid in the following month.*

*By the end of the year there is an insufficient fund to the Oxygen allocations so management makes arrangement to BOC Gases as it is vital needs for the patient*

## 21.29 2012 Invoices Paid in 2013

All invoices received in an accounting period should be paid in that accounting period. This will ensure that funds budgeted for the next accounting period would be utilised for that accounting period.

The audit noted that 2012 expenses totalling \$130,597.71 were paid in 2013. Refer Table 21.31 for details.

**Table 21.31: 2012 Expenses Paid in 2013**

Date	Cheque Number	Invoice Date	Invoice Number	Payee	Amount (\$)
23/11/12	285821	23/11/12	12006	Island Hoppers	8,316.01
26/11/12	285821	26/11/12	12007	Island Hoppers	7,938.00
03/10/12	295047	03/10/12	11506	Island Hoppers	13,986.00
03/10/12	295047	27/09/12	11362	Island Hoppers	18,522.00
03/10/12	295047	03/10/12	11506/11362	Island Hoppers	32,508.00
12/02/13	282271	-	-	SDMO* Suva	2,981.31
24/01/13	281525	29/11/12	1102242	Bank of South Pacific	33,781.32
11/04/13	285565	05/08/11	5319	Sami's Food Supplies	711.99
11/04/13	285565	08/09/11	5325	Sami's Food Supplies	703.28
11/04/13	285565	14/09/11	5326	Sami's Food Supplies	659.16
11/04/13	285565	09/11/11	5348	Sami's Food Supplies	1,898.90
11/04/13	285565	25/04/12	5374	Sami's Food Supplies	270.37
18/02/13	282570	04/07/12	153017	Freshet International	1,162.20
18/02/13	282570	27/07/12	153448	Freshet International	1,408.00
18/02/13	282570	21/08/12	153843	Freshet International	868.80
18/02/13	282570	23/05/12	152184	Freshet International	1,208.50
18/02/13	282570	01/09/12	151785	Freshet International	1,096.52
18/02/13	282570	07/12/12	155942	Freshet International	1,272.65
18/02/13	282570	26/10/13	155374	Freshet International	1,304.70

Date	Cheque Number	Invoice Date	Invoice Number	Payee	Amount (\$)
<b>Total</b>					<b>130,597.71</b>

\*Senior Divisional Medical Officer

The Ministry did not have sufficient funds available in 2012 to cater for the above expenses. Paying 2012 invoices in 2013 will affect the Ministry's plan for 2013.

### **Recommendation**

**The Ministry must ensure that all expenses are cleared within the relevant accounting period.**

### **Management Comment**

*Audit Recommendation is acknowledged.*

*The payments were not processed due to inadequate funding for 2012, hence was processed in 2013. Vouchers were not processed in December 2013 and were returned to the respective divisions by HQ.*

*For Island Hoppers this was the Only Company in operation till late last year when another Company was formed and operated as Helicopters Fiji.*

*SOP is in place and a copy will be forwarded once received by Head Operator.*

## **FIJI PHARMACUETICALS & BIOMEDICAL SERVICES**

### **21.30 Variances between Epicor System and Actual Stock**

The Ministry of Health will strive to improve and standardize inventory control procedures at all levels of the public drug supply system.<sup>33</sup> Proper record keeping of drugs and consumables should be maintained by FPBS at all times.

The Epicor system is Inventory Management Software utilised by FPBS to record its movement of stock. This includes entering of stock as it is received, deliveries made to Hospitals and Health Centres, orders placed by Hospitals and Health Centres, orders placed by FPBS to its suppliers and other stock related activities. At any point in time, the physical stock should coincide with the system stock records.

Our review of annual stock take report for the year ending 31 December 2013 revealed variances between the balance as per the Epicor System and the balance of actual stock for numerous drugs and consumables. The audit noted that the stock balance for several drugs and consumables were either overstated or understated in the Epicor System. Refer to **Appendix 21.2** for examples.

The stock take report also revealed that several drugs and consumables were not recorded in the Epicor System. The quantity recorded in the Epicor System was understated compared to the actual balance in stock.

The FPBS did not update the system on a timely basis resulting in significant variances between the actual stock on hand and stock balance as per the Epicor System. There is a high risk of misappropriation or theft of stores.

<sup>33</sup> National Drug Policy 1994 section 7.1  
Ministry of Health

**Recommendation**

**The Ministry should investigate the variances noted and take appropriate remedial action.**

**Management Comments**

*FPBS acknowledges the audit report on the variances between Epicor system and actual stock.*

*These variances have been highlighted in the Annual Stock Reports for the last 3 years. The variance was resulted from as follows:*

- *Current EPICOR module lack ability to capture warehouse operations such high stock movements within and out of the warehouse, multi stock locations, high operation frequency of stock movements, multi batch, expiry data of 3000 line products.*
- *3 database system being used – EPICOR, FMIS and manual (stock card) – therefore expectations are competing therefore cumbersome to manage with resources constraints.*
- *Current Epicor service agreement has not been renewed since 2009 therefore support/maintenance is not available.*
- *Therefore training has not been conducted since 2010.*

*From the Annual stock count report recommendation is the purchase of an appropriate application to suit the operation expectation. EOI was called in 2013 and purchase of the software is being planned for 2015 with budget requested.*

**21.31 Value of Expired Stock**

The Ministry of Health will strive to improve and standardize inventory control procedures at all levels of the public drug supply system.<sup>34</sup>

It is difficult to estimate the exact amount of drugs and consumable usage in the health system annually. In addition in an attempt to fully eliminate expiring drugs cost to zero may put the Ministry in a risk of not having appropriate supply of drugs and consumable when needed.

The audit noted that a total of \$369,327.89 worth of drugs and consumables expired as at 31/12/13.

Refer Table 21.32 for details of expired drugs for the last 3 years.

**Table 21.32: Expired Drugs as at 31/12/13**

Month	Expired Stock 2011 (\$)	Expired Stock 2012 (\$)	Expired Stock 2013 (\$)
January	77,294.82	24,512.84	24,942.62
February	136,849.42	255,781.10	54,751.33
March	57,277.73	47,031.60	65,176.94
April	786,634.82	17,761.15	50,086.08
May	98,949.51	98,185.94	8,431.81
June	40,590.22	46,156.48	23,621.40
July	83.88	13,119.79	35,771.75

<sup>34</sup> National Drug Policy 1994 section 7.1

Month	Expired Stock 2011 (\$)	Expired Stock 2012 (\$)	Expired Stock 2013 (\$)
August	16,371.53	19,320.14	19,943.34
September	55,433.15	21,774.51	22,509.25
October	80,925.95	49,560.67	15,422.79
November	165,897.18	6,676.08	12,545.84
December	2,145.29	35,765.56	36,124.74
<b>Total</b>	<b>1,518,435.50</b>	<b>635,645.86</b>	<b>369,327.89</b>

The audit also noted a decreasing trend in the value of the expired drugs over the past three years. Although an encouraging 42% reduction was noted in the value of expired drugs in 2013 compared to 2012 the audit is of a view that this amount could be reduced further.

### **Recommendations**

#### **The Ministry should:**

- review the reorder levels for all drugs and consumables to avoid losses due to drugs being expired; and
- strive to further reduce the expired drugs in future.

### **Management Comments**

*FPBS acknowledge the finding on the Audit Report.*

*Eliminating of Expiration is impossible with indication from WHO standard of less than 5% of the total purchase budget accepted wastage level. The wastage is unavoidable however controlling the wastage is the goal. Wastage is the result of the following elements:*

- *Purchased quantity is based on historical consumption from warehouse with a complex procurement processes.*
- *Disease forecasted based on the history changes or do not appear in the New Year.*
- *Changing of prescribing practices due to change of doctors or treatment based on new research.*
- *Poor, inadequate or inaccessible data from facilities on consumption contributes to weak forecasting at FPBS.*

*Therefore review of maximum level based on the recent consumption is conducted regularly. In addition 6 months forecasted reported are generated monthly and action to redistributed high risk products are consulted with Hospitals.*

*New application will improve data consumption reporting to FPBS therefore improve forecasting*

## **21.32 Unreasonable Expiry Dates**

The Supplier will not supply goods with unacceptably close “use by/expiry dates”. An unacceptable use by/expiry date is one where in the normal course of events the Goods could not be used before the use-by date within the Purchaser’s usual stock holding period. In general this period will be not less than 75% of its shelf life from the date of receipt at the Purchaser. The expiry date will not take into account the time of delivery<sup>35</sup>.

The purchaser may accept shorter expiry dates at its discretion.

<sup>35</sup> Tender CTN 121/2013 – Purchase of Essential Medicines Contract – Section 8.2

Where goods are delivered with unacceptably close expiry dates the supplier will replace the goods at no cost to the purchaser. Replacement goods will be provided urgently. Where the supplier is unable to supply replacement goods within an acceptable time the purchaser may purchase an alternative good elsewhere. Any reasonable additional costs incurred by the purchaser may be recoverable from the supplier from the Performance Bond<sup>36</sup>.

The audit noted that some of the drugs and consumables purchased in 2013 were to expire within 1 – 9 months' time from the date of manufacture. Refer to **Appendix 21.3** for details.

The audit further noted that because most of these drugs and consumables were close to expiry dates when purchased the Ministry was not able to utilize all the stock within the short period of time. Hence these drugs and consumables costing \$368,927.94 were not dispatched to hospitals because they have expired. Refer Table 21.33 for details of drugs expired.

**Table 21.33: Drugs Expired within 1 – 9 Months of Purchasing**

Month	Received Value	Expired Value	Percentage Expired
January	93,743.99	24,942.62	27%
February	140,451.74	54,751.33	39%
March	197,391.12	65,176.94	33%
April	160,336.94	50,086.08	31%
May	21,874.91	8,431.86	39%
June	93,035.25	23,621.40	25%
July	91,247.26	35,771.75	39%
August	83,946.20	19,543.34	23%
September	52,549.37	22,509.25	43%
October	39,690.12	15,422.79	39%
November	162,082.20	12,545.84	8%
December	1,119,596.98	36,124.74	3%
<b>Total</b>	<b>2,255,946.08</b>	<b>368,927.94</b>	<b>16%</b>

The highest percentage (43%) of expiring drug and consumable stock was noted for the month of September, the same month these drugs and consumables were purchased. This shows that drugs and consumable purchased in September had usable life of less than a month before they expired.

The findings show lack of consideration for expiry date when drugs and consumable were purchased, thus loss of Government funds.

### **Recommendation**

**The Ministry should ensure that drugs and consumables have sufficient usable life when received.**

### **Management Comments**

*FPBS acknowledges the findings of the audit.*

*The Laboratory reagents are the major items expired within 9 months because of the short shelf life i.e. 12 months. It is contributed more to the supply chain from manufacturer to Distributor agent then to FPBS, hence FPBS when received the supplies it has only 9 months of shelf life left.*

*As part of its improvement, FPBS is reviewing the order quantity regularly however the utilization is dependent very much on the demand from Hospitals.*

<sup>36</sup>Tender CTN 121/2013 – Purchase of Essential Medicines Contract – Section 8.2

*Further to the report finding that FPBS would like to clarify a statement- 'this shows that drugs and consumable purchased in September had usable life of less than a month before they expired.' This statement was used to refer to the whole report assessment of the year 2013. This is incorrect.*

*Our internal investigation may conclude that a wrong report was used or the interpretation of the correct report was inaccurate by the Auditor's Office.*

*The August Expired value should report \$1,668.16 was received in the same month and \$1,283.20 [76%] expired also at the end of the month. The rest of the Expired Values per month as reported were not received on the same month but from within the previous 9 months.*

*Annexure I shows the appropriate monthly expiry and the dates it was received at FPBS.*

*It needs to be clarified also that FPBS controls stocks for the whole Ministry and acts as the central distribution centre. It does not dispatched items unnecessarily however according to the demand from health facilities. Controlling stocks at FPBS ensure elimination of pilferage at hospital level however it expiration is expected and this is kept to the minimum.*

*Monitoring of the Expire Dates is continually conducted on a monthly basis.*

### **21.33 Items Ordered Not Received**

The Ministry of Health will strive to improve and standardize inventory control procedures at all levels of the public drug supply system.<sup>37</sup>

The FPBS ordered various clinical items in 2012 and 2013 totalling \$8,911,839 from various overseas suppliers. The items were supposed to be received by the FPBS in December 2013. However these items were not received as at the date of audit.<sup>38</sup> Refer to **Appendix 21.4** for details.

The Technical Officer Stock Controller Mr. Mobin Khan in charge of the procurement was not able to provide any explanation for not receiving these items.

The finding indicates that FPBS does not follow up with the suppliers on the orders that were not fulfilled.

#### **Recommendation**

**The Ministry should follow up and investigate why the ordered items were not received on time and take appropriate action.**

#### **Management Comments**

*The management acknowledges the auditors findings.*

*FPBS would like to be given more time to clarify the reports on Appendix 3 as the data appears to be not consistent with the main source data.*

*Generally orders are being supplied In reference to Appendix 3 -Date of PO between 23/02/2012 – 29/04/2013 but only 95 to 99% are received and paid only however it is still appearing open order in the system. This is due to packaging standards from manufacturer.*

*Balance quantities are not re-ordered as Purchasing Unit and LMU small and would be more costly.*

<sup>37</sup> National Drug Policy 1994 Section 7.1

<sup>38</sup> 19/03/13

*FPBS will need to review the ordered quantity to reflect the standard packaging from manufacturer. These orders have been closed too in the system.*

*Another element is the advance orders placed from second half of the previous years for e.g. July to December 2013 intending to be received in 2014. This is the purchasing cycle followed because of the 4 – 6 months lead time from PO date to arrival at FPBS.*

*Currently FPBS is progressing in acquiring a reporting tool to monitor to strengthen reporting of inventory activities which will be funded by the Grant Management Unit of the Global Fund.*

#### **Further OAG comments**

**This was the data provided by FPBS to audit.**

### **21.34 Nil Stock**

The Ministry of Health will strive to improve and standardize inventory control procedures at all levels of the public drug supply system.<sup>39</sup>

The Ministry's EPICOR system indicates when a particular drug or consumables reaches its minimal level. Hence, the stock controller has to ensure that new orders are placed immediately to ensure adequate supply of drugs and consumables stocks are available at all times.

Scrutiny of the Epicor System on 21/1/14 revealed that several drugs and consumables were out of stock at FPBS. Refer to **Appendix 21.5** for details. The audit noted that while several of these drugs and consumables have been ordered by FPBS on various dates from 12/2/12 to 30/12/13 most of them were not received as at 21/1/14.

The finding shows poor supply of drugs and consumables by the suppliers. Non availability of essential pharmaceutical supplies may place patients' life and health at risk.

#### **Recommendations**

**The Ministry should:**

- **ensure that drugs and consumables are ordered at minimum reorder point to avoid 'run outs'; and**
- **investigate why the drugs and consumables are not received on time from the suppliers.**

#### **Management Comments**

*FPBS acknowledges the findings and recommendation of the Audit Report.*

*The nil stock report for items where PO has been raised from various dates from 12/2/12 to 30/12/13 on **Appendix 21.5** needs more clarification on the source of data as it stands to contradict item 8.1.7 on the issue of Ibuprofen 400mg Tablets availability.*

*FPBS acknowledged the nil stock report for some products with no POs because of the following reasons:*

- *they are obsolete items from the system such as Whitfield lotion/ointment, multivitamins,*
- *they are available at facility level and they do not need to be available at FPBS such as propylene glycol and podophyllin, anti-cancer drugs, nasal prong*

<sup>39</sup> National Drug Policy 1994 section 7.1  
Ministry of Health



- *some products are only purchased once and on demand it will be ordered again based on demand oxycodone*
- *some products have been replaced with the new product line such as Isoniazid tablets*

*FPBS will be improving reporting of stock status to eliminate stocks that do not need to be monitored regularly by end of July through the support of Grant Management Unit.*

### **21.35 Stock in Excess of Predetermined Maximum level**

The Ministry of Health will strive to improve and standardize inventory control procedures at all levels of the public drug supply system.<sup>40</sup> Proper stock management ensures that stock level does not exceed maximum stock level.

FPBS has predetermined maximum stock levels for all drugs and consumables. Review of the Epicor System as at 21/01/14 revealed that several drugs and consumables were available in excess of the required maximum stock level.

The audit noted that several of these drugs and consumables were significantly overstocked when compared to its maximum stock levels. For example the predetermined maximum stock level for Ibuprofen tablets 400mg was 4,000,000 units only at any point in time. However the stock on hand as at 21/01/14 was 5,381,000 units, which were 1,381,000 units or 35% more than the predetermined maximum stock level.

Similarly the predetermined maximum stock level for Enalapril tablets 5mg was 4,000,000 units only. However the stock on hand as at 21/01/14 was 5,590,664 units which was 1,590,664 units or 40% more than the predetermined maximum stock level.

The audit further noted that the total value of drugs and consumables in excess of the predetermined maximum stock levels was \$7,006,293.59 as at 31/12/13. Refer to **Appendix 21.6** for details. It is also highly likely that significant quantity of the excess drugs and consumables may not be used before its expiry date thus would expire while in stock.

The above irregularities indicate poor estimates on the usage and reordering of drugs by FPBS which led to the accumulation of excessive drugs and consumable stocks. As a result significant amount of public funds are tied up with excessive stocks and result in loss of public funds if these drugs and consumable are not fully utilised and expires.

#### **Recommendations**

##### **The Ministry should:**

- **ensure that FPBS does not hold drugs and consumables stock in excess of the predetermined maximum stock levels; and**
- **investigate over stocking of drugs and consumables and take appropriate action against those responsible for over purchasing.**

#### **Management Comments**

*Management acknowledges the report on the excess stock.*

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<sup>40</sup> National Drug Policy 1994 section 7.1  
Ministry of Health

*FPBS needs to have more clarification on **Appendix 21.6** source of data as it stands to contradict item 8.1.6 on the issue of Ibuprofen 400mg Tablets being out of stock.*

*The products read overstocked as per report because of the impact of the revision of the max and min levels [reduced levels] in June 2013. Purchases for 2013 were carried out before June 2013 and quantities were based on old contract quantities which is higher than new levels.*

*Enalapril order was raised in May 2013 and arrived around October of around 7,600,000 tablets. Further to this, the average monthly consumption of Enalapril is 932,000 based on 3 year average calculation and with this the month of stock from January status for this product is 5.3 months.*

*A sudden change of use by hospitals for example new product used would put a risk to the current stock however proper planning of winding off current stock and introduction of new stock ensures reduction of wastage. This is currently being organised for the Gemini Sets where a new machine is being introduced with a new consumable but introduction has been phased in.*

*Thromborel was an over purchased and investigation will be conducted and be completed by end of June 2014.*

### **21.36 Stock below Predetermined Minimum level**

The Ministry of Health will strive to improve and standardize inventory control procedures at all levels of the public drug supply system.<sup>41</sup>

Review of the Epicor System as at 21/01/14 revealed that several drugs and consumables on hand were below the predetermined minimum stock levels. The audit also noted that some of the drugs and consumables were out of stock.

The FPBS placed orders for these drugs and consumables on 27/02/13 to replenish the low level stock items. These items were expected to arrive in December 2013 or January 2014. However as at the date of audit<sup>42</sup> the items were not received by FPBS.

The audit further noted that majority of the drugs and consumables were not reordered by FPBS as at the date of audit<sup>43</sup> even though they were out of stock. Refer to **Appendix 21.7** for details.

The Ministry did not properly monitor the stock levels and reorder drugs and consumables on time. This may lead to drugs and consumables shortage in hospitals and health centres if supplies are not reordered and received on time.

### **Recommendations**

#### **The Ministry should:**

- **investigate why drugs and consumables below the predetermined minimum stock level or out of stock were not reordered; and**
- **take appropriate action to ensure appropriate level of drugs and consumables are available at all times.**

### **Management Comment**

*Management acknowledges the report finding of the auditor.*

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<sup>41</sup> National Drug Policy 1994 section 7.1

<sup>42</sup> 16/01/14

<sup>43</sup> 21/01/13

*The products that were below BMSL and do not have stocks because: they are one off purchase items, obsolete stocks, stocks are available at the hospital and slow moving items where stocks are still available at the hospitals.*

*Delays of supplies from overseas are always an expected event that FPBS is always challenged with. Delays could be caused by manufacturing problems and delays in the transiting due to unseen events. These items do have substituted products that can be used instead or other sources such as purchases through quotation is organised.*

*FPBS currently reviewing its reporting system to strategically monitor products that are relevant to the services. This report would be ready by end of July.*

*Recently FPBS has established the position of contract management to monitor suppliers ETA.*

## **21.37 Under utilization of Laundry Machine**

Fixed assets acquired by an entity are to be utilized to their full potential and obtain value for money, thus realize future economic benefit.

The Ministry purchased laundry equipments at a total cost of \$2.7m in 2009 from ACLEPL in Australia for various hospitals around Fiji. The units were installed as and when the sites were ready. However 1 unit allocated for the Labasa Hospital was stored at Freight Services Warehouse in Navutu, Lautoka from September 2009 to May 2012.

The audit noted the following discrepancies:

- The site at the Labasa Hospital was not ready for installation when the laundry equipment was received. The equipment was kept at the Freight Services Warehouse in Lautoka for 32 months until it was taken to Labasa on 12/5/12 for installation.

The Ministry paid a total of \$132,351.25 to Freight Services Warehouse for storage charges. It could have saved \$132,351.25 of public fund if the equipment was stored at one of the Ministry's own premises.

- Upon installation of the equipment in May 2012 and during testing phase the Ministry noted that the equipment's ironer was not working and was unserviceable. The ironer was damaged during January 2012 flood during storage at Freight Services Warehouse in Lautoka.

In November 2013 the Government Tender Board gave approval for the purchase of the new ironer from GIRBAU Australia Pty Ltd for F\$234,786.60. The Ministry is yet to receive the part as at the time<sup>44</sup> of audit.

- The Ministry was not able to provide the actual cost of the laundry equipment and its installation (including cost of site preparation, electrical works and labour cost).

Value for money has not been obtained from the purchase of the laundry equipment.

<sup>44</sup> January 2014

## **Recommendations**

### **The Ministry should:**

- ensure that installation of the equipment is followed up to expedite the commissioning of the equipment;
- take appropriate disciplinary action against responsible officers and surcharged where deemed necessary for wastage of public funds; and
- provide cost of laundry equipment and its installation.

## **Management Comments**

*FPBS acknowledges the findings of the Audit.*

*The Labasa Laundry Machine was finally commission in April 2014 by the Minister of Health.*

*The delays of the installation were due to few factors:*

- *Single team responsible for installations around the country for 7 Subdivisional hospitals laundries and 2 Divisional hospitals.*
- *Infrastructure readiness was delayed.*
- *The power supply was needed to be adjusted to meet the new demand*
- *The flooding that caused the damage to the ironer delays the installation further which was not predicted.*
- *In all, such major project is the first for Health to carry out without the assistance of PWD.*

*Health is content with the completion of the installation in support of the Cabinet approval of the purchases to improve greatly the laundry services in the hospital which has been marred by bad reports such as poor washing qualities, laundry chemical issues, frequent breakdowns, cost to maintain was increasing and all resulted in poor services rendered to the patients.*

*The total cost of the equipment and installation will be provided by the end of June 2014.*

## **21.38 Local Purchase Orders not Monitored**

If the quantity of the goods received is less than the quantity shown in the supplier's invoice or delivery note, the receiving officer shall furnish a report to the Administration Manager who shall arrange a claim against the supplier or carrier.<sup>45</sup>

The Government Tender Board via Tender number CTN 155/2011 awarded contract to Medica Pacifica South Pacific Limited for the supply of Laboratory Consumables & Reagents for a period of 2 years effective from 22/06/11.

The audit noted that the Ministry raised a single LPO number PO85101 000864 on 16/01/13 for supply of various reagents and consumables amounting to \$1,051,263.52 from Medica Pacifica South Pacific Ltd.

The Ministry continued to receive medical supplies on the same order for whole of 2013 on piece meal basis as and when the supplies were requested by the Ministry.

The audit further noted that the Ministry did not have any monitoring system in place to ensure that the supplier had actually supplied the quantity of medical supplies ordered and up to the amount stated in the LPO.

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<sup>45</sup> Finance Manual 2011, 2.5.17

The findings show negligence of Procurement Officers to raise single order for \$1,051,263.52 for supply of reagents and consumables on piece meal basis and not monitoring the medical supplies supplied. The vendor may not supply all the items requested but invoice the Ministry for payment.

### **Recommendation**

**The Ministry should ensure that LPO's are raised for exact amount of consumables required at a particular time.**

### **Management Comments**

*The management acknowledges the auditor's report.*

*The Local Purchase Order MD85101-000864 was raised for various reagents & consumables awarded in the tender Medica Pacifica. The product and quantity ordered was for 6 months' supply for various items at various point of time.*

*This is efficient way to manage constraint resources such as time, papers and HR to continue to print 12 different orders at 12 different times.*

*The delivery lead time for these consumables & reagents was 3-4 months but various reagents were made on monthly basis considering the shorter shelf life for some of the reagents.*

*FPBS has a monitoring system in place where the system captures the items received and quantity assigned to be received per split time interval.*

*Also payment is only made once product is received.*

## **COLONIAL WAR MEMORIAL HOSPITAL**

### **21.39 Poor Storage of Dry Goods**

Storage of inventories shall be the responsibility of the storekeepers. The storekeeper must ensure that stocks are handled with care and well stored so as to reduce the risk of damage.<sup>46</sup>

Inspection of the kitchen storeroom<sup>47</sup> revealed that dry goods were not properly stored in the storage room. The audit noted that sack of tea leaves was open and left on the floor. Refer to Figure 21.2 below:



**Figure 21.2: Open Sack of Tea Leaves**

<sup>46</sup> Ministry of Health Finance Manual 2011, Section 8.2.1 (IV)

<sup>47</sup> 29/01/14

The finding shows that the Store Officers were not performing their duties properly. The bag of tea leaves may perish before its expiry date or may get infested with insects since it is not kept in an air tight container. As a result, this would lead to waste of public funds.

### **Recommendation**

**The Ministry should ensure that dry goods are properly stored.**

### **Management Comment**

*No comment received from the Ministry.*

## **21.40 Blocked Drainage**

The Ministry must continually upgrade its facilities thorough maintenance and repairs so that patients have access to quality, safe and reliable health care facility.

The audit noted that due to poor plumbing works at the Kitchen the waste water pipes was leaking resulting in blocked drains outside the Kitchen. The drain was filled with waste water giving bad odour. Refer to Figures 21.3 and 21.4 below:



**Figure 21.3: Blocked drains due to poor drainage from Kitchen**



**Figure 21.4: Blocked Drains**

The finding shows poor upkeeping of the Hospital by the Hospital Management. It also sets a bad example for the Ministry as patients use the walkway at this area every day.

### **Recommendation**

**The Ministry should ensure that regular maintenance works is carried out at all Hospitals.**

### **Management Comment**

*No comment received from the Ministry.*

### 21.41 Improper Facilities at CWMH Kitchen

The CWM Hospital's kitchen is one of the major arms of the Ministry of Health, known for the provision of healthy diet to its patients from various wards. The Ministry should ensure that the work environment is free from harm and is properly maintained.

The audit visited the CWM Hospital's kitchen on 29/01/14 and noted that several windows had missing louver blades whilst some had broken louver blades attached to the frames and were yet to be replaced.

In addition, the toilets at the Kitchen were not properly cleaned and looked unhygienic. Refer to Figures 21.5 to 21.8 below for illustration.

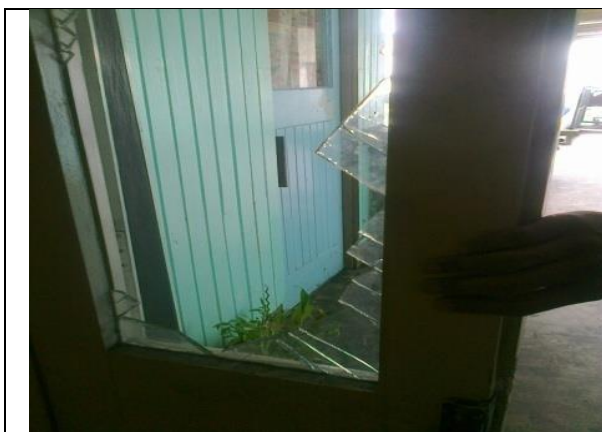


Figure 21.5: Broken glass at the kitchen entry



Figure 21.6: Missing louvers at the kitchen walkway



Figure 21.7: Rusty window frame at the kitchen walk way



Figure 21.8: Male kitchen toilet and tiles was found dirty and rusty

The findings show that Hospital Kitchen was not properly maintained by the Ministry.

#### **Recommendation**

**The Ministry must take appropriate actions to ensure that the kitchen facilities are properly maintained.**

#### **Management Comment**

*No comments provided.*



## 21.42 Store Room

The CWM Store Room is used to store all supplies ranging from various hospital forms to dry goods.

The audit noted that the store room was scattered with items that were written off in 2012. There were boxes of batteries, unused urns and other unnecessary items which were no longer to be used by Ministry.

In addition boxes of papers were lying on the floor and there were inadequate spaces on the shelves to stack them properly. Refer to Figures 21.9 and 21.10 below for illustration.



Figure 21.9: Items waiting to be disposed



Figure 21.10: Unstacked boxes of paper

There is lack of initiative by the Stores Officer, Ms. Mereani Laukoko, to arrange items in a proper and presentable manner. Furthermore the Manager Administration and Finance, Mr. Bashir Ali failed to supervise and coordinate the work of the Stores Officer to ensure office space is properly utilised and maintained.

### **Recommendation**

**The Ministry should ensure that the store room is properly maintained and all written off items are disposed appropriately.**

### **Management Comment**

*No comment received from the Ministry.*

## 21.43 Undisposed Items at CWM Hospital

The Permanent Secretary for Health, Medical Superintendent and Divisional Medical Officers has authority to approve the disposal of any “agency asset” using approved disposal methods in Finance Instruction 51-(1).<sup>48</sup> Where the written approval of the Ministry of Finance has been obtained for the disposal of any state assets, the Director Administration and Finance, Medical Superintendent and Divisional Medical Officers (NHS, CEHS & WHS) have authority to approve the disposal of any “state asset”.<sup>49</sup> It is the responsibility of the Manager Administration and Finance to ensure that these written off items are properly disposed in a timely manner.

<sup>48</sup> Ministry of Health Finance Manual 2011, Section 11.5.1

<sup>49</sup> Ministry of Health Finance Manual 2011, Section 11.5.2



The audit noted that there were several items lying in the walk way of the Lanchester Ward and various other places at the CWM Hospital. The undisposed items unnecessarily occupied a lot of hospital space and also create a bad image for the Hospital. Refer to Figures 21.11 to 21.22 for illustration.



Figure 21.11: Unused Refrigerator in Lanchester Ward Walkway



Figure 21.12: Unused Machine in Top Kitchen awaiting disposal



Figure 21.13: Discarded items in Lanchester Ward Carpark



Figure 21.14: Discarded Kitchen Sink

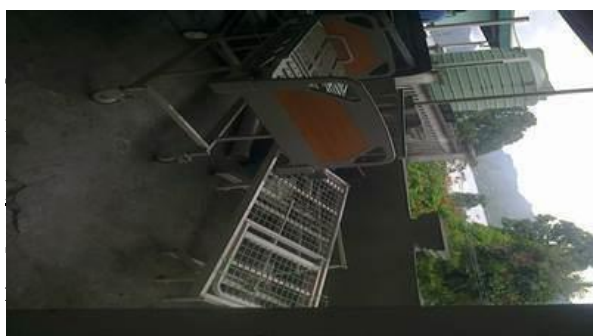


Figure 21.15: Discarded Bed in Top Kitchen Walkway



Figure 21.16: Carpenters Tools and Empty Paint Gallons



Figure 21.17: Discarded Cabinets



Figure 21.18: Discarded Materials by Carpenters

The Ministry failed to implement adequate security measures to restrict entry into and out of IT room to safeguard IT equipment and the data. This could result in theft of IT equipment and data.



Figure 21.19: Discarded Air Con



Figure 21.20: Discarded Photocopier



Figure 21.21: Carpenters Materials & Cement Bags



Figure 21.22: Discarded items beneath Staircase

- Unused monitors, CPU and printers were scattered in the IT room. Some were lying on the floor while others on the shelves. As a result the audit could not establish whether the items were serviceable, awaiting repairs or written off.

Poor storage and handling could result in further deterioration of IT equipment. Refer to Figures 21.23 and 21.24 below for illustration.



Figure 21.23: Discarded Printer & Monitor



Figure 21.24: Unused Monitors and Printers

The findings show poor control over IT equipment and data at CWM Hospital.

### **Recommendation**

**The Ministry should implement adequate control measures to safeguard IT equipment and data from theft.**

### **Management Comment**

*No comment received from the Ministry.*

## **WESTERN DIVISION**

### **21.45 Non Payment of Bond**

The PSC at its meeting on 28 November 2013 approved that all civil servants who are occupying government quarters and government rented premises are to pay a bond effective from 01/01/14. The bond shall be payable as follows:

- (i). SS01 level and above - \$500
- (ii). SS02 level and below, including GWEs - \$300<sup>50</sup>

Review of government quarters records revealed that a number of tenants occupying quarters had not paid their bonds. There was no evidence of action taken by the Ministry to collect the bond amount from the tenants. Refer to Appendices 4 to 6 for examples of tenants occupying quarters without paying their bond.

Due to laxity by management the tenants did not pay their bond but continued to occupy the quarters. In addition, if the tenants vacate the quarters the Ministry would not be able to recover the cost of damages or unpaid bills from the tenants.

### **Recommendations**

**The Ministry should:**

- ensure that all tenants pay the required amount of bond before occupying the quarters;
- ensure that all outstanding bonds are collected from the tenants; and
- take appropriate action against responsible officers.

### **Management Comment**

*No comment received from management.*

### **21.46 Nadi Hospital**

#### **21.46.1 Undisposed Items at Nadi Hospital**

The Permanent Secretary for Health, Medical Superintendent and Divisional Medical Officers has the authority to approve the disposal of any “agency asset” using approved disposal methods in Finance Instruction. Where the written approval of the Ministry of Finance has been obtained for the disposal

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<sup>50</sup> PSC Circular No. 84/2013 dated 23/12/13



of any state assets, the Deputy Secretary Administration and Finance, Medical Superintendent and Divisional Medical Officers (National Health Services, Central Eastern Health Services, Western Health Services) have authority to approve the disposal of any “state asset” using an approved disposal method in Finance Instruction.<sup>51</sup>

The audit noted that several hospital items that were boarded were left in the walk way and at the entrance of the Hospital. These boarded items had not been disposed by the hospital. Refer to Figures 21.25 to 21.28 for illustration.



Figure 21.25: Boarded items not disposed



Figure 21.26: Boarded bed lying in the walk way



Figure 21.27: Boarded items in front of the door way



Figure 21.28: Boarded items near the reception area

Due to laxity by hospital management the boarded items were yet to be disposed. These items are unnecessarily occupying hospital space and pose risk to the staff, patients and members of the public.

### **Recommendation**

**The Ministry should ensure that boarded items are immediately disposed.**

<sup>51</sup> Ministry of Health Finance Manual 2011 Section 11 (5)  
Ministry of Health

**Management Comment**

*No comment received from the Ministry.*

**21.46.2 Expired Drugs and Medicines not Disposed**

The Ministry of Health will strive to improve and standardize inventory control procedures at all levels of the public drug supply system.<sup>52</sup> It is vital that all expired drugs is boarded and removed in a timely manner to avoid negligence and vicarious liability. The Board of Survey Officers shall physically identify each item, note its working condition and verify its existence to the fixed assets register and expendable items register.<sup>53</sup>

The Fiji Pharmaceutical and Biomedical Supplies (FPBS) purchases and distributes drugs to all the hospitals and health centres in Fiji.

The audit noted that the Hospital pharmacy was still holding on with the stock of expired drugs. The expired drugs included drugs donated by donor agencies and also drugs purchased from government funds dating back to 2011. Refer to Figures 21.29 and 21.30 for illustration.



Figure 21.29: Expired drugs



Figure 21.30: Undisposed drugs

The findings show poor drugs management and disposal of expired drugs by hospital management. There is also a risk that the patients may be supplied with the expired drugs.

**Recommendations**

**The Ministry should:**

- **immediately remove the expired drugs from the hospital pharmacy; and**
- **review the reorder levels for all drugs and consumables to avoid losses due to expired drugs.**

**Management Comment**

*No comment received from the Ministry.*

<sup>52</sup> National Drug Policy 1994 section 7.1

<sup>53</sup> Ministry of Health Finance Manual 11.4.1

### 21.46.3 *Storage and Maintenance of Equipment and Consumables*

It is vital for Hospital Management to ensure that the medical equipment and machines and consumables are kept safely in rooms that are not only secured but at the same time limit unauthorized access. The audit noted the following anomalies:

- A portable x-ray machine that was in operational condition was kept at the walkway causing disruptions to the patients and the staff of the hospital. The x-ray machine was kept in the walkway because the hospital did not have a proper space for the machine to be securely kept after use. Refer to Figures 21.31 and 21.32 for illustration.

There is a risk of the x-ray machine being damaged and or stolen as it is not secured.



Figure 21.31: X- Ray Machine in the walk way



Figure 21.32: X- Ray Machine partly exposed

- The Ministry partially closed the old hospital building due to its deteriorated and inhabitable condition. In addition the building had water leakages which caused electrical problems.

Despite these problems the hospital's supply of consumables namely, hand gloves, cotton wool, syringes, cotton wax, mouth caps, glosses and many other consumables were stored in the old hospital building. Refer to Figures 21.33 and 21.34 for illustration.



Figure 21.33: Consumables stored in the Old Hospital building



Figure 21.34: Consumables not properly stacked



There is a high risk of fire to the old building due to electrical faults and loss to government property.

- The Nadi Hospital maintains a generator to provide power to the Hospital in case of a power shut down in order to avoid disruptions to services. The Hospital was required to maintain 200 litres of diesel to operate the generator.

However, the hospital stored diesel and kerosene with other items such as electrical appliances, timber, wheel barrows, empty boxes, in the generator room. There is a high risk of fire due to flammable liquid stored in the generator room. Refer to Figures 21.35 to 21.38 for illustration.

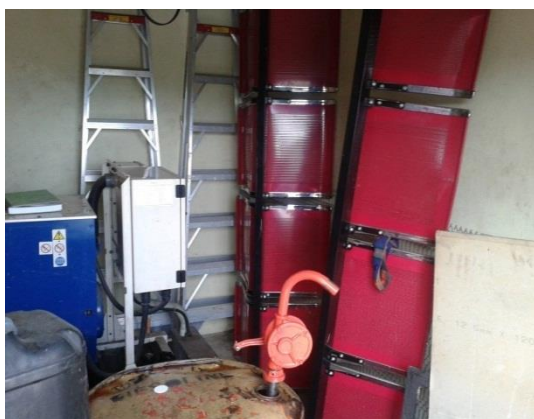


Figure 21.35: Cleaning materials kept in the Generator House



Figure 21.36: Construction materials maintained in the Generator House



Figure 21.37: Benzene, Diesel kept in generator House



Figure 21.38: The generator room houses other items

Due to unavailability of a proper store room the flammable liquids were stored in the generator room. This may result in huge loss in case of vandalism, theft, or fire.

### **Recommendations**

**The Ministry should ensure that:**

- **Bio medical equipment are safely maintained in locked rooms accessed only by authorised personnel; and**
- **proper storage facility is provided to store flammable liquids separately from the generator room to avoid risks.**

### **Management Comment**

*No comment received from the Ministry.*

## **21.47 Lautoka Hospital**

### **21.47.1 Installation of New Elevators**

On 15/08/12, the Government Tender Board (GTB) approved the tender for the supply, installation and commissioning of two new elevators at Lautoka Hospital to OTIS Elevators of New Zealand for NZ\$629,337.50 (FJ\$898,925.15 VIP). The Cabinet also endorsed 10% of the total cost or FJD\$89,892.52 to be used by Public Works Departments (PWD) Mechanical Section to carry out any associated works relating to the installation of new elevator.

A total of F\$1,000,000 was provided in the Ministry's 2013 budget estimates to cater for the new elevators. The following anomalies were noted in the disbursement of funds.

### **21.47.2 Engaging PWD for Associated Works**

The Ministry engaged PWD for \$89,982.52 to carry out associated works for the installation of two new elevators at Lautoka Hospital in 2012. The following anomalies were noted.

- There was no contract agreement signed between the Ministry and PWD for the associated works to be carried out. In addition the Ministry did not provide PWD the list of specific tasks to be carried out as part of the associated works.
- There was no commencement and completion timeline and scope of work identified and communicated to Ministry of Works Mechanical section by way of a formal agreement.
- The Ministry did not have any arrangement with PWD for the disposal of the old elevators and its accessories.

The Ministry did not follow proper procedures to engage PWD for associated works.

### **Recommendation**

**The Ministry should investigate the anomalies and take appropriate action.**

### **Management Comment**

*No comment received from the Ministry.*

### **21.47.3 Delay in Dismantling the Old Elevators**

The Ministry on 31/10/12 paid in advance a sum of \$40,860 to PWD for dismantling the old lifts at Lautoka Hospital.

The audit noted that the dismantling work had not been done as at the date of audit on 14/05/14.



## **Recommendations**

### **The Ministry should:**

- follow up with the Ministry of Works Mechanical section on the status of works to be undertaken and ensure that all assigned tasks are completed; and
- have a an agreement signed with Ministry of Works Mechanical section for all works assigned in future.

## **Management Comment**

*No comment received from the Ministry.*

### **21.47.4 Delay in the Installation of New Elevators**

The Government Tender Board (GTB) approved the awarding of contract for the supply and installation of two elevators at Lautoka Hospital on 15/08/12. The contract between OTIS Elevators and Fiji Government was signed on 16/10/12. The first payment of F\$369,085 was made to the contracted supplier, OTIS Elevators on 10/12/12.

The audit noted that there were considerable delays of four months from the date of GTB approval to the signing of contract and the date the first payment was made to the contractor.

The project was not completed in 2012 because of the delays and the unused funds were returned to the Ministry of Finance. The Ministry was again allocated \$1,000,000 in its 2013 budget to complete the project. The project was to be completed within 48 weeks with effect from 03/10/12.

As at date of audit on 14/05/14, the new elevators were yet to be installed. The delay was from the Ministry of Works for not dismantling the old elevators and breaking the concrete wall as illustrated in Figure 21.39 below:



The delays indicate the lack of coordination and consultation between the Ministry of Health and the Contractors in the implementation of the project.

## **Recommendation**

**The Ministry should ensure that approved capital projects are implemented without delays.**

## **Management Comment**

*No comment received from the Ministry.*

### **21.48 Kamikamica Park Health Centre**

Contract No. WSC190/2012 was awarded to Cope Constructions Limited in 2012 for construction of Kamikamica Park Health Centre in Lautoka. The total value of the project as per the contract was \$194,700.00 (VIP) including 10% contingency sum \$19,470. The contract was signed between the Ministry of Health and Cope Construction Limited on 11/10/12 for works to be carried out in 12 weeks. The Project commenced on 12/10/2012 and was due to be completed on 03/01/13.

Our review of the project revealed the following anomalies:

- The project which was to be completed on 03/01/13 was finally completed on 11/07/13; 6 months after completion date.
- The Kamikamica Park Health Centre is the only health centre in Lautoka. While the Centre provides service to the whole of Lautoka, it does not have essential equipment like emergency trolleys, incubators, and wheel chairs.
- 5 fire extinguishers held at the Centre are empty; staffs also do not know how to use them. Refer to Figures 21.40 to 21.42 for illustration of empty fire extinguishers.



- The sewerage system also overflows frequently posing health hazard to the users; refer to Figures 21.43 and 21.44 for illustration.



Figure 21.43: Sewerage leaks



Figure 21.44: Sewerage leaks

- The Centre does not have a store room as a result items are stored in the bathroom. Refer to Figure 19.44 for illustration. In addition the Centre is not provided with sufficient cabinets as a result files are stored in boxes. Refer to Figure 21.45 and 21.46 for illustration.



Figure 21.45: Items stored in bathroom



Figure 21.46: No proper cabinets to store files

- When it rains, the rain water flows into the health centre due to low lying floor which is next to a drain along the roadside.

According to Dr. Mere Sigawale the management of the Lautoka Hospital has been informed in writing to look at these problems however no action has been taken.

### **Recommendations**

**The Ministry should ensure that:**

- Kamikamica Park Health Centre is fully equipped in order to provide quality health services to the people of Lautoka;**
- Empty fire extinguishers are replaced and staffs of the health centre are trained to use the fire extinguisher;**
- the sewerage line at Kamikamica Park Health Centre is repaired;**
- proper storage facilities are provided for safe custody of stores items and records; and**
- proper drainage is provided around the Health Centre to avoid flooding of the Centre.**

### **Management Comment**

*No comment received from the Ministry.*

## 21.49 Anomalies in Motor Vehicle

Each driver must keep daily running sheets to record details of each run undertaken in any of the agency's vehicles. The running sheet shall document:

- i. vehicle registration number
- ii. date and mileage at the start of the day
- iii. runs during the day and the reasons for each run
- iv. arrival and departure times including mileage during each separate run
- v. fuel details if vehicle is filled during the day<sup>54</sup>.

The Ministry allocated 15 vehicles to Lautoka hospital in the year 2013 and the vehicle number was increased to 17 in 2014. Out of the 17 government vehicles allocated to Lautoka hospital, 14 were serviceable, 2 were written off and 1 was damaged in an accident and is in the process of being boarded.

The transport officer in 2013, Mr Sevanaia Kaunisela was responsible for maintaining the government vehicle log book together other vehicle records.

The audit noted that out of the 17 vehicles, the hospital did not maintain the running sheets for 16 of the vehicles during 2013. Refer Table 21.34 for details.

**Table 21.34: Missing Running Sheets**

Registration Number	Missing Running Sheet Date	Missing Running Sheets In Days
GN 177	01/01/13 – 31/08/13	243
GN 456	01/04/13 – 30/06/13 & 01/09/13 – 31/12/13	213
GN 448	01/01/13 – 31/08/13	243
GN 946	01/01/13 – 31/10/13 & 18/12/13 – 30/12/13	317
GN 044	01/04/13 – 31/10/13 & 03/12/13 – 31/12/13	243
GN 063	01/01/13 – 31/08/13 & 01/11/13 – 28/11/13	271
GN 959	01/01/13 – 31/06/13	181
GN 926	01/01/13 – 31/06/13	181
GP 251	01/01/13 – 31/12/13	365
FS 438	01/01/13 – 22/11/13	326
GM 961	01/01/13 – 31/08/13	243
GM 967	01/01/13 – 31/08/13 & 06/12/13 – 28/12/13	265
GN 456	01/01/13 – 31/03/13, 01/07/13 – 31/08/13 & 25/12/13 – 30/12/13	158
GN 820	01/01/13 – 31/10/13 & 01/12/13 – 25/12/13	329
GN 970	01/01/13 – 31/01/13 & 01/07/13 – 31/08/13 & 07/12/13 – 24/12/13	111
GN 044	03/12/13 – 31/12/13	29

The duties of the Transport Officer were assigned to Ms. Losalini Malotolu from February 2014. However, handing over of the duties and vehicle records were not done by the former Transport Officer Mr. Sevanaia Kaunisela.

The above anomalies indicate poor control and management of government vehicles. There is high risk of misuse and mismanagement of government vehicles.

<sup>54</sup> Ministry of Health Finance Manual 2011, Section 12.3.4

**Recommendations**

**The Ministry should:**

- discipline the Drivers and the Transport Officer for not maintaining vehicle running sheets;
- ensure that vehicle records are properly maintained; and
- ensure proper handing over of duties and vehicle records to the new Transport Officer.

**Management Comment**

*No comment received from the Ministry.*

**APPENDICES****Appendix 21.1: Short Supply of Rations**

Date	LPO Number	Product	Supplier	Quantity Ordered	Quantity Supplied	Short Supplied
15/04/13	PO84201-004060	Bananas	National Produce	85kg	8kg	77kg
15/04/13	PO84201-004060	Watermelon	National Produce	85kg	79kg	6kg
10/05/13	PO84201-004196	Celery	National Produce	15kg	1.5kg	13.5kg
26/07/13	PO083201-006777	Bele	Singh's Shopping Ltd	8kg	0	8kg
26/07/13	PO083201-006778	Bele	Singh's Shopping Ltd	8kg	6kg	2kg
26/07/13	PO083201-006775	Bele	Singh's Shopping Ltd	8kg	5kg	3kg
05/07/13	PO083201-00642	Bele	Singh's Shopping Ltd	10kg	2.5kg	7.5kg
12/07/13	PO083201-006679	Bele	Singh's Shopping Ltd	12kg	6kg	4kg
11/07/13	PO083201-006681	Bele	Singh's Shopping Ltd	10kg	0kg	10kg
11/07/13	PO083201-006682	Rourou	Singh's Shopping Ltd	15kg	0kg	18kg
02/08/13	PO083201-006812	Pineapple	Singh's Shopping Ltd	15kg	0kg	15kg
02/08/13	PO083201-006813	Bele	Singh's Shopping Ltd	8kg	0kg	8kg
02/08/13	PO083201-006813	Pineapple	Singh's Shopping Ltd	15kg	0kg	15kg
19/07/13	PO083201-006716	Bele	Singh's Shopping Ltd	12kg	0kg	12kg
19/07/13	PO083201-006718	Bele	Singh's Shopping Ltd	10kg	2.5kg	7.5kg
02/08/13	PO083201-006815	Pineapple	Singh's Shopping Ltd	15kg	0kg	15kg
02/08/13	PO083201-006815	Rourou	Singh's Shopping Ltd	10kg	6kg	4kg
31/07/13	PO81601-001015	English Cabbage	Joes Farm	18kg	2kg	16kg
27/09/13	PO81210-001658	Dalo	Joes Farm	40kg	0kg	40kg
27/09/13	PO81210-001658	Ginger	Joes Farm	2 kg	0kg	0.2kg
27/09/13	PO81210-001658	Lettuce	Joes Farm	3 kg	2.7 kg	1kg
27/09/13	PO81210-001658	Capsicum	Joes Farm	1 kg	0 kg	1kg
27/09/13	PO81210-001658	Coconut	Joes Farm	4 kg	0 kg	4kg
27/09/13	PO81210-001658	Blue Peas	Joes Farm	30 kg	16 kg	14kg
27/09/13	PO81210-001658	Banana	Joes Farm	30 kg	20 kg	10kg
27/09/13	PO81210-001658	Watermelon	Joes Farm	15 kg	14.5kg	0.5kg
27/09/13	PO81210-001659	Carrots	Joes Farm	4 kg	0 kg	4kg
27/09/13	PO81210-001659	Capsicum	Joes Farm	1 kg	0kg	1kg
27/09/13	PO81210-001659	Pear	Joes Farm	5 kg	0kg	5kg
27/09/13	PO81210-001659	Banana	Joes Farm	20 kg	10kg	10kg
27/09/13	PO81210-001659	Lemon	Joes Farm	2 kg	0kg	2kg
27/09/13	PO81210-001659	Watermelon	Joes Farm	10 kg	9.25 kg	0.75kg
27/09/13	PO81210-001659	Oranges	Joes Farm	3 kg	0kg	3kg
	PO81210-001659	Lime	Joes Farm	3 kg	0kg	3kg
12/09/13	PO81210-001624	Cassava	Joes Farm	100kg	80kg	20kg
12/09/13	PO81210-001624	Bhindi	Joes Farm	3kg	0kg	3kg
12/09/13	PO81210-001624	Pumpkin	Joes Farm	15kg	14.7kg	0.3kg
12/09/13	PO81210-001624	Capsicum	Joes Farm	1kg	0kg	1kg
12/09/13	PO81210-001624	Mustard Cabbage	Joes Farm	10kg	0kg	10kg
12/09/13	PO81210-001624	Pear	Joes Farm	5kg	0kg	5kg
12/09/13	PO81210-001624	Banana	Joes Farm	30kg	14.2kg	15.8kg
12/09/13	PO81210-001624	Lime	Joes Farm	3kg	0kg	3kg

Date	LPO Number	Product	Supplier	Quantity Ordered	Quantity Supplied	Short Supplied
27/09/13	PO81210-001661	Cassava	Joes Farm	100kg	80kg	20kg
27/09/13	PO81210-001661	Pumpkin	Joes Farm	15kg	14.2kg	0.8kg
27/09/13	PO81210-001661	Dhaniya	Joes Farm	1kg	0kg	1kg
27/09/13	PO81210-001661	Pear	Joes Farm	5kg	0kg	5kg
27/09/13	PO81210-001661	Banana	Joes Farm	30kg	25kg	5kg
27/09/13	PO81210-001661	Pineapple	Joes Farm	10kg	0	10kg
27/09/13	PO81210-001661	Watermelon	Joes Farm	15kg	0	15kg
27/09/13	PO81210-001661	Lime	Joes Farm	3kg	0	3kg
27/09/13	PO81210-001661	Cassava	Joes Farm	100kg	80	20kg
27/09/13	PO81210-001661	Dalo	Joes Farm	40kg	0	40kg
27/09/13	PO81210-001661	Dhaniya	Joes Farm	0.5kg	0	0.5kg
27/09/13	PO81210-001661	Mustard Cabbage	Joes Farm	10kg	0	10kg
27/09/13	PO81210-001661	Haldi	Joes Farm	3kg	0	3kg
27/09/13	PO81210-001661	Blue Peas	Joes Farm	30kg	0	30kg
27/09/13	PO81210-001661	Banana	Joes Farm	30kg	0	30kg
27/09/13	PO81210-001661	Pineapple	Joes Farm	10kg	0	10kg
02/09/13	PO81210-001609	Dalo	Joes Farm	40kg	0	40kg
02/09/13	PO81210-001609	Mustard Cabbage	Joes Farm	10kg	0	10kg
02/09/13	PO81210-001609	Coconut	Joes Farm	4kg	0	4kg
02/09/13	PO81210-001609	Pear	Joes Farm	5kg	0	5kg
02/09/13	PO81210-001609	Banana	Joes Farm	13kg	0	13kg
02/09/13	PO81210-001609	Pineapple	Joes Farm	10kg	0	10kg
02/09/13	PO81210-001609	Watermelon	Joes Farm	15kg	14kg	1kg
02/09/13	PO81210-001609	Lime	Joes Farm	3kg	0	3kg
02/09/13	PO81210-001607	Cassava	Joes Farm	100kg	80kg	20kg
02/09/13	PO81210-001607	Bhindi	Joes Farm	3kg	1.8kg	1.2kg
02/09/13	PO81210-001607	Mustard Cabbage	Joes Farm	10kg	0	10kg
02/09/13	PO81210-001607	Coconut	Joes Farm	4kg	0	4kg
02/09/13	PO81210-001607	Garlic	Joes Farm	2kg	0	2kg
02/09/13	PO81210-001607	Banana	Joes Farm	30kg	0	30kg
02/09/13	PO81210-001607	Lemon	Joes Farm	2kg	1kg	1kg
02/09/13	PO81210-001607	Pineapple	Joes Farm	10kg	8.45kg	1.55kg
02/09/13	PO81210-001608	Cassava	Joes Farm	100kg	80kg	20kg
02/09/13	PO81210-001608	Ginger	Joes Farm	2kg	0	2kg
02/09/13	PO81210-001608	Tomatoes	Joes Farm	5kg	3kg	2kg
02/09/13	PO81210-001608	Capsicum	Joes Farm	1kg	0	1kg
02/09/13	PO81210-001608	M/Cabbage	Joes Farm	10kg	0	10kg
02/09/13	PO81210-001608	Banana	Joes Farm	20kg	0	20kg
02/09/13	PO81210-001608	Pineapple	Joes Farm	10kg	5kg	5kg
02/08/13	PO81210-001533	M/cabbage	Joes Farm	10kg	4.5kg	5.5kg
02/08/13	PO81210-001533	Onions	Joes Farm	10kg	0	10kg
02/08/13	PO81210-001533	Banana	Joes Farm	30kg	20kg	10kg
02/08/13	PO81210-001533	Lemon	Joes Farm	2kg	0	2kg
02/08/13	PO81210-001533	Pawpaw	Joes Farm	20kg	15kg	5kg
02/08/13	PO81210-001533	Pineapple	Joes Farm	10kg	0	10kg

Date	LPO Number	Product	Supplier	Quantity Ordered	Quantity Supplied	Short Supplied
02/08/13	PO81210-001533	Watermelon	Joes Farm	15kg	9.6kg	5.4kg
02/09/13	PO81210-000484	Cassava	Joes Farm	100kg	90kg	10kg
02/09/13	PO81210-000484	Carrots	Joes Farm	4kg	0	4kg
02/09/13	PO81210-000484	Cabbage	Joes Farm	10kg	0	10kg
02/09/13	PO81210-000484	Blue Peas	Joes Farm	30kg	0	30kg
02/09/13	PO81210-000484	Banana	Joes Farm	30kg	0	30kg
02/09/13	PO81210-000484	Lemon	Joes Farm	2kg	0	2kg
02/09/13	PO81210-000484	Pineapple	Joes Farm	10kg	0	10kg
31/07/13	PO81601-001015	Cassava	Joes Farm	150kg	90kg	60kg
31/07/13	PO81601-001015	Dalo	Joes Farm	50kg	20kg	30kg
31/07/13	PO81601-001015	Long Bean	Joes Farm	8kg	2kg	6kg
31/07/13	PO81601-001015	C/cabbage	Joes Farm	18kg	13kg	5kg
31/07/13	PO81601-001015	E/Cabbage	Joes Farm	18kg	12kg	6kg



**Appendix 21.2: Variance In System Quantity And Physical Quantity**

Description	Total System Qty	Total Value of System Qty (\$)	Physical Qty	Total Value of Physical Qty (\$)	Total Variance Qty	Total Variance Value (\$)
Galipots Stainless steel 5"	241	2,366.52	280	2,749.48	39	382.96
Tablet Counter Plastic (TRIANGLE)	32	217.87	80	544.69	48	326.81
Gags Mouth Child	75	943.81	86	1,082.24	11	138.43
Speculum Vaginal bilvalve duckbill Stainless Steel - Size Small	6	23.12	32	123.29	26	100.17
Tourniquet Adult	425	606.82	482	688.20	57	81.38
Bonnet Midline ( 25 - 29 cm) for Paediatric Ventilator	0	0.00	3	61.47	3	61.47
BC309-05 Bonnet Midline 29-36cm	0	0.00	2	42.55	2	42.55
Basin Stainless Steel - Small	0	0.00	6	4.18	6	4.18
Forceps Plastic Dressing 5"	4,134	73.70	4,082	72.77	-52	-0.93
Test Tube Pyrex 16mm X 15cm	12,970	3,940.58	12,960	3,937.55	-10	-3.04
Forceps Dissecting Plain 7"	110	233.96	108	229.71	-2	-4.25
Scissors Dressing Sharp/Sharp 5.5"	150	292.45	147	286.60	-3	-5.85
Episotomy Scissors - Steel Angled 7"	120	377.85	118	371.56	-2	-6.30
Cheatele Forceps - lifting 11/12	10	68.00	9	61.20	-1	-6.80
Needle holder Mayo 7"	318	1,070.90	315	1,060.79	-3	-10.10
Forceps Dissecting toothed 7"	146	310.53	136	289.26	-10	-21.27
Stethoscope Adult - Dual Head	93	2,541.73	92	2,514.40	-1	-27.33
Forceps Haemostatic toothed 7" (Cocus Forceps)	123	501.61	113	460.83	-10	-40.78
Gags Mouth adult	14	52.85	0	0.00	-14	-52.85
Cervical Collars Soft (Medium)) - Philidelphia	3	176.81	2	117.87	-1	-58.94
Electrode Chest Infant 31118733	9,368	2,806.44	9,000	2,696.19	-368	-110.24
Bed Pan Stainless Steel - Paediatric	246	3,880.54	238	3,754.34	-8	-126.20
Mayo Curved 7" Scissors	42	3,415.08	40	3,252.45	-2	-162.62
Enema Can Stainless Steel	19	98.96	8	125.88	-11	-173.08
Stethoscope infant	10	448.50	6	269.10	-4	-179.40
Laryngoscope set child 1set	6	769.15	4	512.76	-2	-256.38
Bed Pan Stainless Steel - Adult	510	9,629.25	496	9,364.92	-14	-264.33
Valley Lab Reusable Paediatric 7510-25(Diathemy Pads)	798	13,948.20	780	13,633.58	-18	-314.62
Forceps Artery Plain 7"	145	488.30	0	0.00	-145	-488.30
Bowls Stainless steel 7"	319	4,087.26	270	3,459.44	-49	-627.82
Catheter Size 6 Fr - AR 2	40	818.80	0	0.00	-40	-818.80
Diagnostic Sets complete (eye/ear/nose/throat)	29	24,906.07	28	24,047.24	-1	-858.83
Centering Sleeve for DHS/DCS Wrench	1	917.17	0	0.00	-1	-917.17
0.038 inch, Size-6F, Sheath L-11cm, Introducer, Slide Port	50	1,173.09	0	0.00	-50	-1,173.09
Wrench for DHS/DCS Screws	1	1,218.37	0	0.00	-1	-1,218.37
Towel Clips 5"	37	1,302.45	0	0.00	-37	-1,302.45
DHS/DCS Lag Screw 80mm	4	1,427.71	0	0.00	-4	-1,427.71
Speculum Vaginal duckbill Stainless Steel - Size Medium	120	5,200.62	85	3,683.77	-35	-1,516.85
Blood Glucose Monitoring Meter	59	1,645.86	0	0.00	-59	-1,645.86
DHS/DCS Lag Screw 110mm	5	1,784.64	0	0.00	-5	-1,784.64

Description	Total System Qty	Total Value of System Qty (\$)	Physical Qty	Total Value of Physical Qty (\$)	Total Variance Qty	Total Variance Value (\$)
Thermometer Digital	9,956	21,042.28	9,069	19,167.58	-887	-1,874.70
DHS Plate 135 5 Hole Sterile	2	1,921.69	0	0.00	-2	-1,921.69
Tray Instrument Stainless Steel 40 x 27 x 6cm	195	11,915.54	122	7,454.85	-73	-4,460.69
Electrode Chest Neonatal Bag of 100 Electrodes	278	12,590.44	88	3,985.46	-190	-8,604.98
Alcohol Based Hand Gel 1L Bottle	807	11,414.87	134	1,895.41	-673	-9,519.46
Electrode Chest Adult 31050522 (Bag of 100)	3,448	68,960.00	1,150	23,000.00	-2,298	-45,960.00
Ventilator Tubing Circuit Kit - Paediatric -RT225 >> Fisher & Paykel	520	65,935.21	1,966	249,285.82	1,446	183,350.61
Ventilator Tubing Circuit Kit - Adult > RT206	496	45,718.73	2,067	190,525.41	1,571	144,806.69
Mesh prolene 30 x 30cm Box of 5 Pieces	0	0.00	41	55,217.62	41	55,217.62
Nasal Tubing Universal 100mm x 5, BC192 - 5 for Paediatric Ventilator	85	5,555.46	340	22,221.85	255	16,666.38
Nasal Tubing 50mm x 5, BC180-5 for Paediatric Ventilator	387	22,947.30	655	38,838.46	268	15,891.16
Identification bracelet infant Box of 100	16,741	132,716.05	18,594	147,405.90	1,853	14,689.85
Nasal Tubing Universal 70mm x 5, BC191 - 05 for Paediatric Ventilator	79	5,520.08	242	16,909.60	163	11,389.52
Vicryl Rapid Suture 36 mm 1/2 Circle Undyed Braid/Coat 36' x90cm 2/0 Box of 36	0	0.00	33	11,064.74	33	11,064.74
Litmus paper book blue Packet of 10 books	906	128,110.01	979	138,432.34	73	10,322.33
Suture polyglycolic acid coated 0 90cm ,37mm taper pt half circle Box of 36	0	0.00	32	7,485.65	32	7,485.65
Laryngeal Mask Airway - 2.5 - Reusable	0	0.00	200	7,322.86	200	7,322.86
Cannula Umbilical, 8fg, arterial, double lumen, sterile, individually wrapped	375	9,940.76	650	17,230.65	275	7,289.89
Endotracheal tube size 7, cuffed, hi volume/low pressure, x-ray detectable (Reinforced)	200	8,356.55	370	15,459.61	170	7,103.06
Bag Autoclave Code H Size 180 x 95 x 380mm Box of 500	0	0.00	47	6,905.30	47	6,905.30
Catheter Foley Silicon treated 26FG, Sterile, individually wrapped	2,443	2,144.62	9,849	8,646.08	7,406	6,501.46
Polypropylene Suture - 1 (4) 75cm, half Circle 37mm RBT (Box of 36)	87	14,669.75	123	20,740.00	36	6,070.24
Catheter Peritoneal Dialysis Set, Adult (Tenckhoff) Length 42 cm	0	0.00	37	5,176.09	37	5,176.09
Cervix Brush (Cytobrush) Pack of 10	992	9,169.76	1,542	14,253.79	550	5,084.04
Suture Silk Blue twisted Virgin 9/0 45cm 5.55mm rev cut 3/8 circle Box of 12	0	0.00	17	4,594.26	17	4,594.26
Polyglycolate Monofilament Suture -	98	8,201.91	152	12,721.33	54	4,519.42

Description	Total System Qty	Total Value of System Qty (\$)	Physical Qty	Total Value of Physical Qty (\$)	Total Variance Qty	Total Variance Value (\$)
4/0 70cm, Half circle, 19mm Round Body, (Box of 12)						
Polyglycolic Acid Suture - 2/0 140cm, Non-needed, (Box of 36)	47	9,688.72	68	14,017.72	21	4,329.00
Endotracheal tube size 8, cuffed, hi volume/low pressure, x-ray detectable (Oral Rae)	200	3,477.37	400	6,954.75	200	3,477.37
Nasal Tubing 100mm x 5, BC182 - 05 for Paediatric Ventilator	0	0.00	55	3,260.73	55	3,260.73
Cannula IV, 14G x 50mm, sterile, individually wrapped, box of 50	5,700	234,535.74	5,772	237,498.30	72	2,962.56
Suture polyglycolic acid coated 5/0 67cm, 17mm taper pt half cut Box of 36	128	24,759.31	143	27,660.79	15	2,901.48
Spatula Wooden Box of 100	314	2,940.25	604	5,655.77	290	2,715.52
Pessary Ring size Large - 90mm	150	3,551.03	260	6,155.13	110	2,604.09
Suture Silk 2/0 45cm, 24mm rev cut half circle Needle Box of 36	142	19,184.59	161	21,751.54	19	2,566.95
Valley Lab Reusable Polythene E7507 (Diatemy Pads)	1,281	28,953.79	1,382	31,236.64	101	2,282.85
Needle Spinal Pencil Point G 22	2,270	22,733.68	2,450	24,536.35	180	1,802.67
Suture Polyglycolic Acid Coated 2/0 1.35m Without Needle Box of 12	36	1,799.92	71	3,549.85	35	1,749.92
Cannula Umbilical 6fg x 35cm, Sterile, Individually Wrapped	538	2,393.41	921	4,097.27	383	1,703.86
Syringe Disposable 20ml Box of 50	0	0.00	104	1,413.82	104	1,413.82
Needle Disposable Sterile 23G x 32mm Packet of 100	953	3,907.66	1,272	5,215.67	319	1,308.02
Gloves Surgical Sterile Latex Size 7, pair	144	53.98	3,565	1,336.40	3,421	1,282.42
Suture nylon monofilament 3/0 75cm, 39mm rev cut three eight Box of 36	137	15,395.89	147	16,519.68	10	1,123.79
Catheter Urinary OD 1.65mm, Sterile, (Ureteric Blue size 5 Portex 300/520/050)	0	0.00	63	1,110.23	63	1,110.23
Blood Lancets, autoinjectable	149,093	18,697.02	157,250	19,719.95	8,157	1,022.93
Syringe Disposable 5ml Box of 100	0	0.00	84	1,012.16	84	1,012.16
Chest Drain Tubes, Size 12 Box of 10	0	0.00	56	980.47	56	980.47
Catheter Urinary OD 2.00mm, Sterile, (Ureteric Blue size 6 Portex 300/520/060)	104	2,582.56	142	3,526.19	38	943.63
Suture polyglycolic acid coated 4/0 67cm, 19mm rev cut three eight Box of 36	134	24,706.77	139	25,628.67	5	921.89
Endotracheal tube size 8.0, cuffed, hi volume/low pressure, x-ray detectable (Normal)	4,851	7,622.84	5,434	8,538.96	583	916.12

**Appendix 21.3: Drugs Expired Within 1-9 Months From Date Of Receiving**

Item Description	Date Drugs Received	Quantity of Drugs Received	Expiry Date	Quantity of Drugs Expired	Total Value of Drugs Received (\$)	Total Value of Drugs Expired	Expiry Time Frame
Preservacell red cell preserving solution 500ml bottle	1-Aug-13	13	31-Aug-13	10	1,668.16	1,283.20	30
04738551190-TSH (Thyroxine Stimulating Hormone) Calset Gen II	15-Jul-13	4	30-Nov-13	1	1,012.15	253.04	138
719905-Rapid QC Complete Level 2	11-Jul-13	8	30-Nov-13	2	2,823.84	705.96	142
Pentavalent vaccine (DPT-Hib-Hep B) 1 dose	1-Jun-13	75,050	31-Dec-13	10	767,761.50	102.30	213
Reference Electrode ISE Module - BS 200 Reagents	8-May-13	8	31-Dec-13	1	5,147.11	643.39	237
CI Electrode ISE Module - BS 200 Reagents	3-May-13	8	30-Nov-13	1	5,381.07	672.63	211
Tri Level Quality Control Kit - BS 200 Reagent	3-May-13	16	31-Dec-13	11	5,615.04	3,860.34	242
Liss ready for use 2500ml bottle	15-Apr-13	20	31-Aug-13	1	2,536.87	126.84	138
Bayer Hematek stain	13-Mar-13	25	31-Oct-13	4	8,734.50	1,397.52	232
Total Cholesterol : BS-800M1 Reagents	11-Mar-13	18	31-May-13	2	2,535.89	281.77	81
11488872216 Triglyceride 902 Sys 1	18-Feb-13	2	31-Dec-13	2	3,833.54	3,833.54	316
Preciset TDM I Multicalibrator	12-Feb-13	2	31-May-13	1	1,506.38	753.19	108
118155216-CEDIA TDM Antibiotic MultiCal	11-Feb-13	4	31-Dec-13	2	2,929.76	1,464.88	323
2339000-Anti-nuclear Autoantibody - 96 wells (ANA Screen - 96T)	7-Feb-13	10	30-Apr-13	5	5,545.30	2,772.65	82
Metronidazole Suppository 500mg	16-Jan-13	1,100	30-Nov-13	220	3,514.74	702.95	318
03561097190-LH (Lutenizing Hormone) Calset II	24-Dec-12	3	30-Jun-13	2	749.22	499.48	188
10825441001-Potassium Electrode	24-Dec-12	1	31-Aug-13	1	1,209.89	1,209.89	250
Lactate Dehydrogenase Strips #77171 Pack 25 - Spotchem EZ SP-4430	24-Dec-12	30	31-Aug-13	23	2,469.30	1,893.13	250
Vironostika HIV Uni-form 11 PI	8-Nov-12	42	28-Feb-13	2	60,944.80	2,902.13	112
Benzotropine Tablets 2mg	1-Nov-12	1,680	28-Feb-13	1,440	436.31	373.98	119
Papenzyme 10ml vial	24-Sep-12	3	31-Jan-13	3	217.11	217.11	129
744 Reference Sensor	13-Sep-12	1	31-Jan-13	1	755.82	755.82	140
Valporic Acid	10-Dec-12	7	30-Apr-13	5	7,236.43	5,168.88	141

Item Description	Date Drugs Received	Quantity of Drugs Received	Expiry Date	Quantity of Drugs Expired	Total Value of Drugs Received (\$)	Total Value of Drugs Expired	Expiry Time Frame
03005658122-Estradiol II Calset II	9-Oct-12	4	28-Feb-13	2	814.29	407.15	142
BD Sodium Citrate tubes (2.7ml) (1x 100)	26-Sep-12	3,000	28-Feb-13	400	953.86	127.18	155
11775863122-FSH (Follicle Lutenising Hormone)	9-Oct-12	10	31-Mar-13	4	5,395.90	2,158.36	173
Harris Haematoxylin Stain (500mls bottles)	3-Oct-12	20	31-Mar-13	10	1,186.11	593.05	179
03203093190-Prolactin Gen II	30-Jul-12	6	31-Jan-13	6	1,792.41	1,792.41	185
04738551190-TSH (Thyroxine Stimulating Hormone) Calset Gen II	30-Jul-12	6	31-Jan-13	1	1,195.40	199.23	185
11731297122-TSH (Thyroxine Stimulating Hormone)	30-Jul-12	20	31-Jan-13	6	10,689.80	3,206.94	185
CA125 Calset	9-Oct-12	5	30-Apr-13	2	3,600.80	1,440.32	203
11820796322-Digoxin (Elecsys)	9-Oct-12	5	30-Apr-13	5	2,956.16	2,956.16	203
API Strept (1x25test kit)	25-Jul-12	4	28-Feb-13	1	3,241.86	810.46	218
CI Electrode ISE Module - BS 200 Reagents	21-Aug-12	4	31-Mar-13	4	2,530.56	2,530.56	222
Arabinocide-C (Cytarabine) Injection 100mg	14-Jun-12	80	31-Jan-13	30	2,303.05	863.64	231
03203093190-Prolactin Gen II	4-Jun-12	6	31-Jan-13	2	1,792.41	597.47	241
PPD Human Tuberculin (Mantoux) inj 100units / 1ml 1	31-Oct-12	120	30-Jun-13	21	26,706.00	4,673.55	242
03003701001-Stromatolyser 4DS	29-Aug-12	90	30-Apr-13	14	73,493.10	11,432.26	244
Anaerobic Container System Gas Pak E2 500ml	29-Jun-12	4	28-Feb-13	4	361.15	361.15	244
Anaerobic Container System Gas Pak E2 500ml	29-Jun-12	30	28-Feb-13	30	2,708.66	2,708.66	244
03315517001-Stromatolyser 4DL	23-Aug-12	30	30-Apr-13	14	8,119.50	3,789.10	250
03315541001-Stromatolyser FB	21-Aug-12	30	30-Apr-13	15	8,978.70	4,489.35	252
Reference Electrode ISE Module - BS 200 Reagents	21-Aug-12	4	30-Apr-13	2	2,417.16	1,208.58	252
11729691216 - Urea/Bun	14-Jun-12	37	28-Feb-13	14	27,648.92	10,461.75	259
<b>Total</b>						<b>88,681.97</b>	

**Appendix 21.4: Items Ordered Not Received By FPBS**

Item Description	UOM	Avg Unit Cost	Qty On Order	Amount ( )	Date of PO	ETA
Annula Umbilical, 8fg, arterial, double lumen, sterile, individually wrapped	BX	26.51	5	133	23-Feb-12	30 Oct-13
Microlut (levonogestrel 30 microgram) tablet - cycle/card	CL	0.6	100	60	19-Mar-12	30-Sep-13
IUCD (Copper T 380A)	EA	5.12	2,500	12,797	19-Mar-12	30-Sep-13
Levonogestrel Implant 75mg (JADELLE BRAND) 2 rods	PK	36.59	3,600	131,729	19-Mar-12	30-Sep-13
Condom Teats (Male 53mm)	EA	0.03	4,600	155	19-Mar-12	30-Sep-13
Needle Disposable Sterile 27G x 16mm Packet of 100	BX	3.98	6,160	24,514	30-Aug-12	30-Dec-13
Needle Disposable Sterile 23G x 32mm Packet of 100	BX	4.01	47,600	190,833	30-Aug-12	30-Dec-13
Folic Acid Tablets 5mg	TA	0.01	950,000	4,791	27-Nov-12	30-Dec-13
Needle Disposable Sterile 19G x 32mm Packet of 100	BX	4.28	37,725	161,339	29-Nov-12	28-Jan-14
Syringe Disposable 20ml Box of 50	BX	13.59	1,579	21,466	29-Nov-12	15-Jan-14
Syringe disposable 1ml Box of 100	BX	6.09	9,312	56,750	29-Nov-12	15-Jan-14
DiaCell - I + II + III (3x10ml)	VI	377.9	41	15,494	6-Dec-12	30-Mar-14
DiaPanel (10vialsx4mls)	BX	732.62	41	30,037	6-Dec-12	31-Mar-14
Ortho Coombs control cell (1 x 10ml)	VI	32.09	117	3,754	6-Dec-12	31-Mar-14
Litmus paper book blue Packet of 10 books	PK	141.4	116	16,403	14-Dec-12	15-Feb-14
Flucloxacillin Capsules 250mg	CA	0.05	1,316,000	67,123	3-Jan-13	30-Sep-13
Ipratropium Bromide solution 0.025% (1mL)	BT	1.36	400	544	27-Feb-13	30-Mar-13
Total Cholesterol : BS-800M1 Reagents	BX	83.24	28	2,331	7-Mar-13	29-Nov-13
UNICEF - Safety Box for AD Syringes (Cardboard Box - yellow)	EA	29.23	400	11,692	8-Mar-13	30-Sep-13
HBV Infant Injection 10mcg	VI	0	1,000	1	8-Mar-13	30-Sep-13
HBV Adult Injection 20mcg	VI	0	22,000	0	8-Mar-13	30-Sep-13
Burs air rotor for cavity prep, TC high speed Fiss size 018	EA	2.45	250	612	12-Mar-13	30-Sep-13
Burs air rotor for cavity prep, TC high speed Fiss size 016	EA	2.45	250	612	12-Mar-13	30-Sep-13
Burs air rotor for cavity prep, TC high speed Fiss size 014	EA	1.74	250	435	12-Mar-13	12-Sep-13
B30 Control: 6 x 3.0ml (2L/2N/2H) BC-3000Plus Analyser	PK	203.02	18	3,654	12-Mar-13	31-Dec-13
Electrodes Filling Solution - Carelyte 503 Electrolyte Analyser	PK	13.88	3	42	10-Apr-13	29-Nov-13
Carbamazepine Tablets 200mg	TA	0.05	480,000	24,264	26-Apr-13	30-Mar-14
Ibuprofen Tablets 400mg	TA	0.01	124,000	1,810	29-Apr-13	30-Oct-13
Coverslip No. 1 22x60 (marienfield) -Made in Germany 100/box	BX	3.35	324	1,086	8-May-13	28-Feb-14
Erythromycin Suspension 125mg/5ml (100mL)	BT	1.48	700	1,034	13-May-13	30-Oct-13
Matrix Retainer(sequivalent-narrow)	EA	43.1	30	1,293	16-May-13	30-Sep-13

Item Description	UOM	Avg Unit Cost	Qty On Order	Amount ( )	Date of PO	ETA
Matrix Band Retainer -Wide	EA	61.97	100	6,197	16-May-13	30-Dec-13
Amoxycillin Capsules 500mg	CA	0.05	5,002,500	245,625	23-May-13	30-Oct-13
Zidovudine Oral Solution 50mg/5ml	BT	24.8	6,653	165,020	17-Jun-13	30-Sep-13
Lamivudine Oral Solution 10mg/ml	EA	20.52	18,680	383,241	17-Jun-13	30-Sep-13
Ergometrine/Oxytocin Injection 500mcg/5iu	AM	0	6,500	0	10-Jul-13	30-Oct-13
348 Ionised Calcium electrode	EA	1,000.00	4	4,000	16-Jul-13	28-Feb-14
Alcian blue 8GX 25g	BT	0	1	0	16-Jul-13	30-Mar-14
Hemoglobin Powder 500g	BT	159.5	3	479	16-Jul-13	19-Nov-13
Dark Green Tetron Material	MT	1.73	25	43	23-Jul-13	20-Oct-13
Pillow with Vinyl cover	EA	3.45	1,425	4,916	23-Jul-13	20-Dec-13
Composite L/C kit- shade A2,primer,bond&app. tips	PK	108.97	10	1,090	23-Jul-13	30-Aug-13
Composite L/C kit- shade A3,primer,bond&app. tips	PK	107.2	10	1,072	23-Jul-13	30-Aug-13
Composite L/C kit- shade A3.5,primer,bond&app. tips	PK	108.97	10	1,090	23-Jul-13	30-Aug-13
Dental Stone BP 20kg	EA	88.82	15	1,332	23-Jul-13	30-Aug-13
Morphine Sulphate Injection 10mg/ml	AM	1.84	12,000	22,135	1-Aug-13	30-Mar-14
Prochlorperazine Injection 12.5mg/ml	AM	3.19	5,600	17,882	26-Aug-13	30-Jan-14
Gauze Absorbent BP 9cm x 5m 40x40 19x15 4ply	RO	1.96	24	47	27-Aug-13	30-Oct-13
Surgical Paper Tape 25mm x 9m	RO	0.41	3,600	1,492	27-Aug-13	27-Nov-13
Erythromycin Tablets 250mg	TA	0.08	28,400	2,223	27-Aug-13	30-Nov-13
Paracetamol Mixture 120mg/5ml 100ml Bottle	BT	1.13	120,000	135,418	27-Aug-13	30-Nov-13
Gauze Absorbent BP 90cm x 100m 40x40 19x15 4ply	RO	26.76	3,700	98,997	28-Aug-13	28-Feb-14
Barium Enema Kits	ST	25.58	115	2,942	28-Aug-13	11-Oct-13
Warfarin Sodium Tablets 1mg (MAREVAN BRAND)	TA	0.11	94,000	10,384	30-Aug-13	30-Mar-14
Propranolol Tablets 40mg	TA	0.03	642,000	20,459	2-Sep-13	30-Dec-13
Penicillin G Injection 1mega	VI	0.33	154,000	51,210	2-Sep-13	15-Mar-14
Penicillin V Tablets 250mg	TA	0.03	706,000	24,059	2-Sep-13	30-Dec-13
Mannitol Solution 20% Injection 500ml Bag	BG	3.74	310	1,159	2-Sep-13	30-Jan-14
Hartmanns Solution Injection 1000ml Bag	BG	1.75	10,020	17,507	2-Sep-13	30-Jan-14
Sodium Chloride 0.9% Injection 1000ml Bag	BG	1.65	117,400	194,272	2-Sep-13	30-Jan-14
Potassium Chloride S.R. Tablets 600mg	TA	0.07	200,000	13,203	6-Sep-13	30-Nov-13
Pyridoxine Tablets 25mg	TA	0.12	198,000	23,604	6-Sep-13	30-Nov-13
Trifluoperazine HCl Tablets 5mg	TA	0.25	757,000	187,594	9-Sep-13	30-Nov-13
Green Film 24 x 30cm Box of 100	BX	106.36	10	1,064	23-Sep-13	30-Jan-14
Green Flim 30 x 40cm Box of 100	BX	186.61	20	3,732	23-Sep-13	30-Jan-14
Green Films 35 x 43cm Box of 100	BX	216.81	20	4,336	23-Sep-13	30-Jan-14
Bandage elastic adhesive BP 7.5cm x 5m (stretched)	RO	5.46	4,028	21,996	26-Sep-13	26-Feb-14

Item Description	UOM	Avg Unit Cost	Qty On Order	Amount ( )	Date of PO	ETA
Bandage elastic adhesive BP 5cm x 5m (stretched)	RO	3.23	5,560	17,955	26-Sep-13	26-Feb-14
Hypoallergenic Microporous Tape 2.5cm x 9m (3M Brand)	RO	5.35	14,016	74,931	26-Sep-13	26-Feb-14
Lignocaine Plain Injection 1% - FOR IV USE ONLY	AM	0.59	8,500	5,050	3-Oct-13	18-Feb-14
Disposable Innoculation Loop 10ul (20x25loops/pkt)	PK	48.74	15	731	7-Oct-13	28-Feb-14
Disposable Innoculation Loop 1ul (20x25loops/pkt)	PK	0	18	0	7-Oct-13	28-Feb-14
PYZ Reagent 2x5mls	BX	130.5	3	392	7-Oct-13	30-Jan-14
API Coryne Kit (12T) 20900	BX	0	3	0	7-Oct-13	30-Jan-14
Finnpipette Digital 10 - 100uL	EA	149.73	3	449	7-Oct-13	28-Feb-14
Finnpipette Digital 5 - 50uL	EA	0	3	0	7-Oct-13	28-Feb-14
Finnpipette Digital 40 - 200uL	EA	0	3	0	7-Oct-13	28-Feb-14
Finnpipette Digital 20 - 200uL	EA	157.3	6	944	7-Oct-13	28-Feb-14
Finnpipette Stand Grey	EA	0	8	0	7-Oct-13	28-Feb-14
Flat Bottom Flask 2L Pyrex	EA	17.83	7	125	7-Oct-13	28-Feb-14
Greiner Vacuette K2E EDTA K2 Anticoagulant Tubes 13x75mm (rack of 100s)	TU	0.23	1,000	232	7-Oct-13	7-Oct-13
Staining racks Steel 24 slides	EA	0	5	0	7-Oct-13	30-Jan-14
Staining racks Plastic 24 slides	EA	26.74	5	134	7-Oct-13	30-Jan-14
Volumetric Glass Pipettes 1ml	EA	0	9	0	7-Oct-13	30-Jan-14
Harris Haematoxylin Stain (500mls bottles)	BT	59.31	10	593	7-Oct-13	30-Jan-14
Elastic Stain Kit	BT	532.49	1	532	8-Oct-13	30-Mar-14
Anaerobic Indicator Strips - Dry (1x100strips)	BT	38.28	2	77	8-Oct-13	30-Jan-14
Sodium Bicarbonate 500g	BT	31.49	1	31	8-Oct-13	30-Jan-14
Formaldehyde 20 ltr (40% solution) Plastic container	GA	0	12	0	8-Oct-13	30-Jan-14
Leishman Stain 100gms	BT	80.29	10	803	8-Oct-13	30-Jan-14
Volumetric Glass Pipettes 3ml	EA	9.89	5	49	8-Oct-13	30-Jan-14
Sediplast ESR tube with Sodium citrate labels (1 x 250)	TU	0.29	2,000	588	8-Oct-13	30-Jan-14
Anti -s human antisera 2ml	VI	68.52	5	343	8-Oct-13	30-Jan-14
Ephedrine Nasal Drops 0.5%	BT	2.1	40,000	84,065	8-Oct-13	25-Nov-13
Tropicamide eye drops 1%	BT	4.44	2,000	8,885	8-Oct-13	15-Nov-13
Fruzemide Tablets 500mg	TA	0.32	15,000	4,726	8-Oct-13	15-Feb-14
Hemolysate Reagent without ken (250mls bottle)	BT	154.67	2	309	8-Oct-13	30-Jan-14
Diff Quik Stain Kit (3x500mls bottle)	BT	245.6	10	2,456	8-Oct-13	30-Jan-14
Slide Trays Metals 20 slides	EA	0	15	0	8-Oct-13	30-Mar-14
Colony Count Wire Loop 1/100ml 25pcs/pkt	PK	0	20	0	8-Oct-13	30-Mar-14
DNase Test Agar 500g	BT	164.13	2	328	8-Oct-13	30-Jan-14
Shigella flexneri Mono Type III (1x2mls)	VI	248.14	3	744	8-Oct-13	30-Jan-14
Shigella flexneri Mono Type IV (1x2mls)	VI	248.14	3	744	8-Oct-13	30-Jan-11



Item Description	UOM	Avg Unit Cost	Qty On Order	Amount ( )	Date of PO	ETA
Shigella flexneri Mono Type V (1x2mls)	VI	186.1	3	558	8-Oct-13	30-Jan-14
Shigella flexneri Mono Type VI (1x2mls)	VI	186.1	3	558	8-Oct-13	30-Jan-14
Shigella flexneri Mono Type II (1x2mls)	VI	0	5	0	8-Oct-13	30-Jan-14
Dopamine Injection 200mg/5ml	AM	23.01	2,200	50,624	9-Oct-13	28-Feb-14
Salmonella O Antiserum Factor 7 (1x3mls)	VI	201.68	2	403	9-Oct-13	30-Jan-14
Shigella Antiserum Poly Group C (1x3mls)	VI	314.12	3	942	9-Oct-13	30-Jan-14
E2300AMAA-Hepatitis A Virus Antibody - 48 wells (HAV IgM - 48 wells)	BX	269.57	7	1,887	9-Oct-13	30-Jan-14
Vacuum Filter - Trinity biotec Washer	BX	537.83	2	1,076	9-Oct-13	30-Jan-14
IV Giving set - 20 drops/ml luer lock (Adult Chamber) 150ml chamber	EA	4.24	7,375	31,250	10-Oct-13	15-Dec-13
Hydrocortisone Sodium Succinate Injection 100mg	VI	0.62	42,000	26,058	16-Oct-13	30-Mar-14
Levodopa/Benserazide Capsules 200mg/50mg	CA	0.51	80,000	40,841	16-Oct-13	1-Mar-14
Ceftriaxone Injection 1g	VI	4.35	9,500	41,349	16-Oct-13	15-Mar-14
Omnipaque [non-ionic monomer] 350 MGL/ML	PK	46.2	100	4,620	22-Oct-13	30-Nov-13
LDH : BS-800M1 Reagents	BX	155.99	20	3,120	23-Oct-13	28-Feb-14
Magnesium : BS-800M1 Reagents	BX	84.36	20	1,687	23-Oct-13	28-Feb-14
Spironolactone Tablets 25mg	TA	0.05	80,000	3,826	23-Oct-13	30-Jan-14
Medication Plug (Hep-Lock)	EA	0.32	50,000	16,145	23-Oct-13	31-Jan-14
Salbutamol Tablets 4mg	TA	0.01	900,000	11,366	23-Oct-13	30-Jan-14
Prednisolone Tablets 20mg	TA	0.06	80,000	4,800	23-Oct-13	30-Jan-14
Cotrimoxazole Suspension 240mg/5ml	BT	0.67	11,000	7,369	23-Oct-13	30-Jan-14
Salbutamol Respirator solution 0.5% (15mL)	BT	1.24	4,000	4,946	23-Oct-13	30-Jan-14
Prednisolone Tablets 5mg ( or Prednisone)	TA	0.01	800,000	11,378	23-Oct-13	30-Jan-14
Glipizide Tablets 5mg	TA	0.01	3,000,000	38,916	23-Oct-13	30-Jan-14
Benzhexol Tablets 2mg	TA	0.07	162,000	11,393	23-Oct-13	30-Apr-14
Permethrin Cream 5% (30g)	TU	1.17	28,000	32,810	23-Oct-13	30-Mar-14
Zinc Oxide Ointment	CO	1.62	7,700	12,491	23-Oct-13	30-Mar-14
CVP Triple Lumen, 7fg, 16cm	EA	44.48	2,500	111,212	31-Oct-13	31-Jan-14
Gloves Surgical Sterile Latex Size 7,pair	PR	0.74	94,300	69,628	31-Oct-13	31-Jan-14
Gloves Surgical Sterile Latex Size 7 1/2 , pair	PR	0.99	126,870	125,194	31-Oct-13	31-Jan-14
Needle Spinal Pencil Point G 25	EA	11.42	3,000	34,267	31-Oct-13	28-Feb-14
Needle Disposable Sterile 21G X 40 mm Box of 100	BX	3.94	7,000	27,549	31-Oct-13	28-Feb-14
Cannula I/V 16G X 57mm, Sterile, Individually wrapped	EA	0.54	13,400	7,222	31-Oct-13	31-Jan-14
Cannula I/V 20G X 32mm, Sterile, Individually wrapped ( Pink)	EA	0.44	39,500	17,571	31-Oct-13	31-Jan-14
Cannula I/V 22G X 25mm, Sterile, Individually wrapped (Blue)	EA	0.83	40,400	33,387	31-Oct-13	31-Jan-14
Gloves Nitrile "Large" Box of 100	BX	15	500	7,500	1-Nov-13	31-Jan-14
Gloves Nitrile "Medium" (Box of 100)	BX	15	513	7,695	1-Nov-13	31-Jan-14

Item Description	UOM	Avg Unit Cost	Qty On Order	Amount ( )	Date of PO	ETA
Bag urine drainage, adult with outlet non return valve, 2000ml, longtube, unsterile	EA	0.9	37,420	33,788	1-Nov-13	15-Feb-14
GGT : BS-800M1 Reagents	BX	145.08	5	725	6-Nov-13	18-Feb-14
Amylase BS-800M1 Reagents	BX	487.83	8	3,903	6-Nov-13	18-Feb-14
Direct Bilirubin (VOX) BS-800M1 Reagents	BX	144.71	18	2,605	6-Nov-13	18-Feb-14
Albumin (6 x 60ml)BS-800M1 Reagents	BX	76.55	20	1,531	6-Nov-13	18-Feb-14
AST BS-800M1 Reagents	BX	162.64	20	3,253	6-Nov-13	18-Feb-14
Calcium BS-800M1 Reagents	BX	48.33	20	967	6-Nov-13	18-Feb-14
CK BS-800M1 Reagents	BX	252.5	20	5,050	6-Nov-13	18-Feb-14
ALP BS-800M1 Reagents	BX	106.33	22	2,339	6-Nov-13	18-Feb-14
ALT BS-800M1 Reagents	BX	164.24	22	3,613	6-Nov-13	18-Feb-14
Creatinine J : BS-800M1 Reagents	BX	123.64	60	7,419	6-Nov-13	18-Feb-14
BC 3000 Printer Paper	RO	0.15	220	33	6-Nov-13	30-Jan-14
Lipids Calibrator (5 x 1ml) - BS-800M1 Consumables	BX	292.64	12	3,512	6-Nov-13	28-Feb-14
Multi Sera Calibrator (10 x 3ml) - BS-800M1 Consumables	BX	406.56	20	8,131	6-Nov-13	28-Feb-14
Lipids Control N (6 x 3ml) - BS-800M1 Consumables	BX	524.33	20	10,487	6-Nov-13	28-Feb-14
Multi Control Sera N (10 x 5ml) - BS-800M1 Consumables	BX	395.25	30	11,858	6-Nov-13	28-Feb-14
Multi Control Sera P (10 x 5ml) - BS-800M1 Consumables	BX	394.25	30	11,828	6-Nov-13	28-Feb-14
HDL C : BS-800M1 Reagents	BX	246.44	15	3,697	6-Nov-13	28-Feb-14
LDL C : BS-800M1 Reagents	BX	246.94	15	3,704	6-Nov-13	28-Feb-14
Phosphorous : BS-800M1 Reagents	BX	90.13	20	1,803	6-Nov-13	28-Feb-14
Total Bilirubin (VOX) BS-800M1 Reagents	BX	154.66	30	4,640	6-Nov-13	28-Feb-14
Glucose HK : BS-800M1 Reagents	BX	146.61	40	5,864	6-Nov-13	28-Feb-14
Polyglycolate Monofilament Suture - 4/0 70cm, Half circle, 19mm Round Body, (Box of 12)	BX	82.63	134	11,073	6-Nov-13	31-Jan-14
Polypropylene Suture - 1 (4) 75cm, half Circle 37mm RBT (Box of 36)	BX	169.19	245	41,450	6-Nov-13	31-Jan-14
Polypropylene Suture - 0 (3/5) 75cm, half Circle 26mm RBT (Box of 36)	BX	98.97	300	29,690	6-Nov-13	31-Jan-14
Suture polyglycolic acid coated 1 90cm ,37mm taper pt half circle Box of 36	BX	224.32	70	15,702	6-Nov-13	31-Jan-14
Suture polyglycolate monofilament 5/0 67cm,20mm rev cut half Box of 36	BX	190.87	95	18,132	6-Nov-13	31-Jan-14
Suture Polyglycolic Acid Coated 2/0 1.35m Without Needle Box of 12	BX	50	300	14,999	6-Nov-13	31-Jan-14
Suture polyglycolic acid coated 1 90cm ,40mm taper pt half circle Box of 36	BX	227.27	790	179,545	6-Nov-13	31-Jan-14
Gloves Disposable Examination, Latex, Amidextrous, Medium Box of 100	BX	9.23	25,000	230,843	6-Nov-13	31-Jan-14
Carbamazepine	BX	482.21	1	482	7-Nov-13	28-Feb-14
11706799001-Assay Tips 2010	BX	509.75	7	3,568	7-Nov-13	28-Feb-14
11820907322-Digoxin Calset	BX	259.43	1	259	7-Nov-13	28-Feb-14

Item Description	UOM	Avg Unit Cost	Qty On Order	Amount ( )	Date of PO	ETA
11820796322-Digoxin (Elecsys)	BX	624.27	2	1,249	7-Nov-13	28-Feb-14
03005658122-Estradiol II Calset II	BX	286.6	2	573	7-Nov-13	28-Feb-14
Folate III Calset	BX	264.37	2	529	7-Nov-13	28-Feb-14
11875124122-Cortisol Calset	BX	359.69	3	1,079	7-Nov-13	28-Feb-14
03737586190-Ferritin II Calset II	BX	259.43	3	778	7-Nov-13	28-Feb-14
11775863122-FSH (Follicle Lutenising Hormone)	BX	624.27	3	1,873	7-Nov-13	28-Feb-14
FSH (Follicle Lutenising Hormone) Calset II	BX	259.43	3	778	7-Nov-13	28-Feb-14
Ferritin II	BX	490.62	8	3,925	7-Nov-13	28-Feb-14
04476433190-Folate III	BX	624.23	8	4,994	7-Nov-13	28-Feb-14
Nifedipine Capsules 10mg	CA	0.02	40,000	954	7-Nov-13	30-Mar-14
Glibenclamide Tablets 5mg	TA	0	1,500,000	3,976	7-Nov-13	30-Mar-14
Cloxacillin Injection 500mg	VI	0.03	450,000	13,933	7-Nov-13	30-Mar-14
Ampicillin Injection 500mg	VI	1.15	290,000	332,401	7-Nov-13	15-Mar-14
Metronidazole Tablets 200mg	TA	0.01	1,300,000	10,144	7-Nov-13	30-Mar-14
Chlorhexidine Cetrimide Solution 1.5/15% 500ml	BT	4.37	1,400	6,121	7-Nov-13	7-Nov-13
Penicillin Procaine Injection 4 megaunit (Fortified)	VI	0.93	113,000	104,801	7-Nov-13	30-Jan-14
Chemical X-Ray Developer G138 20L	BT	49.27	288	14,190	7-Nov-13	30-Jan-14
Chemical X-Ray Fixer G334 20 Litre	BT	51.46	288	14,820	7-Nov-13	30-Jan-14
Gloves Disposable Examination, Latex, Amidextrous, Large Box of 100	BX	12.18	20,000	243,562	8-Nov-13	31-Jan-14
Lint Absorbent 500g	RO	14.53	6,000	87,171	11-Nov-13	15-Mar-14
Syringe Disposable 5ml Box of 100	BX	12.33	15,272	188,371	11-Nov-13	28-Feb-14
Syringe disposable 10ml Box of 100	BX	17.21	14,524	249,939	11-Nov-13	28-Feb-14
Cleaning Solution Kit - BS 200 Reagent	KT	129.45	4	518	11-Nov-13	30-Jan-14
Na Electrode ISE Module - BS 200 Reagents	EA	448.42	6	2,691	11-Nov-13	30-Jan-14
K Electrode ISE Module - BS 200 Reagents	EA	448.42	6	2,691	11-Nov-13	30-Jan-14
Cl Electrode ISE Module - BS 200 Reagents	EA	672.63	6	4,036	11-Nov-13	30-Jan-14
Reference Electrode ISE Module - BS 200 Reagents	EA	643.39	6	3,860	11-Nov-13	30-Jan-14
Tri Level Quality Control Kit - BS 200 Reagent	KT	342.21	6	2,053	11-Nov-13	30-Jan-14
CD80 Detergent 1L - BS 200 Reagent	BX	40.8	8	326	11-Nov-13	30-Jan-14
Reaction Cuvette - BS 200 Reagent	BX	700.88	20	14,018	11-Nov-13	30-Jan-14
Reagent Module(Cal A, Cal B, Waste) ISE Module - BS 200 Reagents	PK	0	48	0	11-Nov-13	30-Jan-14
RF : BS-800M1 Reagents	BX	1,098.28	8	8,786	11-Nov-13	28-Feb-14
ASO : BS-800M1 Reagents	BX	1,671.44	8	13,371	11-Nov-13	28-Feb-14
Uric Acid : BS-800M1 Reagents	BX	154.36	12	1,852	11-Nov-13	28-Feb-14
Triglycerides : BS-800M1 Reagents	BX	301.75	18	5,432	11-Nov-13	28-Feb-14
HbA1c : BS-800M1 Reagents	BX	2,740.71	20	54,814	11-Nov-13	28-Feb-14
Total Protein : BS-800M1 Reagents	BX	73.58	22	1,619	11-Nov-13	28-Feb-14
Urea : BS-800M1 Reagents	BX	124.29	60	7,457	11-Nov-13	28-Feb-14

Item Description	UOM	Avg Unit Cost	Qty On Order	Amount ( )	Date of PO	ETA
MR Detergent Solution (2btl x 100ml) BS-800M1 Consumables	BX	312.74	6	1,876	11-Nov-13	18-Feb-14
MR Serum Standard (2btl x 100ml,High,Low): BS-800M1 Consumables	PK	312.74	6	1,876	11-Nov-13	18-Feb-14
MR Urine Standard - BS-800M1 Consumables	PK	312.74	6	1,876	11-Nov-13	18-Feb-14
Sodium Electrode	BX	1,169.80	6	7,019	11-Nov-13	18-Feb-14
Potassium Electrode	BX	1,169.80	6	7,019	11-Nov-13	18-Feb-14
Chloride Electrode	BX	1,169.80	6	7,019	11-Nov-13	18-Feb-14
Reference Electrode	BX	1,316.02	6	7,896	11-Nov-13	15-Feb-14
Lamp 801-BA-80-00001-00	EA	160.85	6	965	11-Nov-13	18-Feb-14
CD80 Detergent (2L x 6bottles/box): BS-800M1 Consumables	BX	562.93	40	22,517	11-Nov-13	18-Feb-14
MR Buffer Solution (1btl x 2L)	BT	308.6	240	74,064	11-Nov-13	18-Feb-14
Bilirubin Total - BS 200 Reagents	BX	138.81	10	1,388	12-Nov-13	30-Jan-14
Bilirubin Direct Kit (vox method)	KT	142.15	10	1,422	12-Nov-13	30-Jan-14
Glucose - BS 200 Reagents	BX	61.17	20	1,223	12-Nov-13	30-Jan-14
HDL - BS 200 Reagents	BX	329.93	20	6,599	12-Nov-13	30-Jan-14
Urea - BS 200 Reagents	BX	86.17	30	2,585	12-Nov-13	30-Jan-14
Creatinine - BS 200 Reagents	BX	34.87	30	1,046	12-Nov-13	30-Jan-14
Cholesterol - BS 200 Reagents	BX	75.83	30	2,275	12-Nov-13	30-Jan-14
Triglyceride - BS 200 Reagents	BX	162.47	30	4,874	12-Nov-13	30-Jan-14
Creatinine Kinase - BS 200 Reagents	BX	166.79	35	5,838	12-Nov-13	30-Jan-14
Salbutamol Inhaler 100mcg	PK	3.75	12,000	44,962	12-Nov-13	30-Dec-13
Bandage Elastic Cotton Crepe BPC 7.5cm x 5m	RO	0.72	960	693	12-Nov-13	15-Mar-14
Gauze Absorbent BP 90cm x 20m 40x40 19x15 4ply	RO	5.31	6,780	35,987	12-Nov-13	15-Mar-14
Stockinette 5cm x 20m	RO	5.47	600	3,282	13-Nov-13	3-Jan-14
Cellulose wadding BP 500g	RO	2.44	9,500	23,225	13-Nov-13	3-Jan-14
Bandage plaster of Paris 7.5cm x 2.7m Box of 12 Rolls	BX	38.27	652	24,950	13-Nov-13	28-Feb-14
Bag autoclave Biohazard-Large 600x900mm 125 deg.C Yellow 100/pkt	BX	66.25	5	331	13-Nov-13	30-Jan-14
Coverslip No. 1 22x50mm 1oz (pak of	BX	15.61	200	3,122	13-Nov-13	28-Feb-14
Stockinette 10cm x 20m	RO	18.44	560	10,327	13-Nov-13	28-Feb-14
Stockinette 15cm x 20m	RO	22.29	600	13,376	13-Nov-13	28-Feb-14
Gauze Absorbent X-Ray detectable BP 100cm x 90m	RO	48.44	1,200	58,123	13-Nov-13	28-Feb-14
Bandage Triangular Calico BP 90cm x 130cm	RO	1.1	2,800	3,084	13-Nov-13	28-Feb-14
Bandage Elastic Cotton Crepe BPC 5cm x 5m	RO	0.37	3,800	1,398	13-Nov-13	28-Feb-14
Abdominal Pack, X Ray detectable, Large size, 30cm x 50cm, Pack of 5, Double Wrapped	PK	25.22	3,570	90,043	13-Nov-13	13-Nov-13
Bandage plaster of Paris 15cm x 2.7m Box of 12 Rolls	BX	74	600	44,401	13-Nov-13	28-Feb-14
Codeine Phosphate Tablets 30mg	TA	0.08	5,000	421	14-Nov-13	30-Mar-14

Item Description	UOM	Avg Unit Cost	Qty On Order	Amount ( )	Date of PO	ETA
Morphine Hydrochloride solution 10mg/ml 200ml	BT	36.38	40	1,455	14-Nov-13	30-Mar-14
Pethidine Injection 100mg/2ml	AM	1.82	6,000	10,895	14-Nov-13	30-Mar-14
Pethidine Injection 50mg/ml	AM	2	18,000	35,950	14-Nov-13	30-Mar-14
Bottles Plastic for dispensing 250ml	BT	0.21	20,000	4,202	14-Nov-13	15-Feb-14
Prochlorperazine Tablets 5mg	TA	0.25	199,479	49,421	14-Nov-13	30-Mar-14
Bandage plaster of Paris 10cm x 2.7m Box of 12 Rolls	BX	40.4	652	26,339	14-Nov-13	28-Feb-14
Bandage plaster of Paris 5cm x 2.7m Box of 12 Rolls	BX	32.79	750	24,593	14-Nov-13	28-Feb-14
Calcium Hydroxide 12g	PK	153.83	45	6,922	15-Nov-13	22-Nov-13
6510272001 - Floruocell RET 12mL x 2	BX	1,211.61	6	7,270	18-Nov-13	30-Jan-14
6510205001 - Cellpack DFL 1.5L x 2	BX	621.46	15	9,322	18-Nov-13	30-Jan-14
6510302001 XN Check L1	VI	258.7	40	10,348	18-Nov-13	30-Jan-14
6510329001 XN Check L2	VI	258.7	40	10,348	18-Nov-13	30-Jan-14
6510337001 XN Check L3	VI	258.7	40	10,348	18-Nov-13	30-Jan-14
Droperidol Injection 5mg/2ml	AM	12.33	120	1,480	19-Nov-13	28-Feb-14
Blood Glucose monitoring strips 50 - Advantage Brand	BT	33.68	700	23,577	19-Nov-13	15-Feb-14
Nifedipine Tablets MR 20mg	TA	0.02	600,000	13,583	21-Nov-13	30-Mar-14
Feeding Tube 8FG infant	EA	0.83	5,000	4,157	22-Nov-13	22-Feb-14
Feeding Tube 6FG infant	EA	0.84	6,000	5,015	22-Nov-13	22-Feb-14
Underwater Seal Drainage, Disposal Full Sets (PAEDIATRICS)	ST	21.95	300	6,586	22-Nov-13	22-Feb-14
Urine Collectors Paediatric Sterile 100ml	EA	0.68	4,000	2,712	22-Nov-13	22-Feb-14
Blood Administration Set 20drops/ml with filter,length180cms with swivel lock.	EA	0.85	35,000	29,661	22-Nov-13	22-Mar-14
Bag Autoclave Code C Size 159 x 79 x 235mm Box of 1000	BX	87.7	200	17,540	22-Nov-13	22-Feb-14
Bag Autoclave Code E Size 190x65x250mm Box of 1000	BX	196.1	400	78,441	22-Nov-13	22-Jan-14
Sharps Container, For cytotoxics waste, Purple, 23L, puncture resistant	EA	29	3,000	87,002	22-Nov-13	22-Feb-14
Sharps Container, 10 L, yellow, puncture resistant	EA	3.74	3,000	11,207	22-Nov-13	22-Feb-14
Sharps Container, 5 L, yellow, puncture resistant	EA	2.2	3,000	6,591	22-Nov-13	22-Feb-14
Film Autoclave 8" Individual Packs	RO	160.36	128	20,526	22-Nov-13	22-Mar-14
Tape Autoclave indicator 25mm	RL	9.5	1,584	15,049	22-Nov-13	22-Mar-14
Tape Masking Autoclave 25mm	RL	10.79	2,016	21,750	22-Nov-13	22-Mar-14
Bag Autoclave Code Q Size 128 x 50 x 190mm (Box of 1000)	BX	130.13	300	39,038	22-Nov-13	22-Feb-14
Bag autoclave Code F Size 140 x 50 x 330mm Box of 500	BX	128.95	270	34,817	22-Nov-13	22-Feb-14
Bag Autoclave Code H Size 180 x 95 x 380mm Box of 500	BX	146.92	300	44,076	22-Nov-13	22-Feb-14
Chest Drain Tubes, Size 14 Box of 10	BX	17.51	52	910	22-Nov-13	22-Feb-14
Chest Drain Tubes, Size 24 Box of 10	BX	7.85	150	1,178	22-Nov-13	22-Feb-14

Item Description	UOM	Avg Unit Cost	Qty On Order	Amount ( )	Date of PO	ETA
Chest Drain Tubes, Size 18	EA	16.09	650	10,460	22-Nov-13	22-Feb-14
Chest Drain Tubes, Size 12 Box of 10	BX	17.51	55	963	22-Nov-13	22-Feb-14
Chest Drain Tubes, Size 32 Box of 10	BX	9.12	106	967	22-Nov-13	22-Feb-14
Tubing extension luer lock 55cm	EA	0.63	100	63	25-Nov-13	1-Jun-14
Nasogastric tube 8FG X Ray Detectable, closed end	EA	1.18	500	592	25-Nov-13	25-Feb-14
Cervix Brush (Cytobrush) Pack of 10	PK	9.24	1,500	13,866	25-Nov-13	1-Jun-14
close wound suction /Redivac drains	EA	15.76	1,500	23,633	25-Nov-13	1-Jun-14
Feeding Tube 10FG Infant	EA	4.17	3,000	12,517	25-Nov-13	25-Feb-14
Naso Gastric Tube Drainage 12FG	PK	0.29	2	1	25-Nov-13	25-Feb-14
Naso Gastric Tube Drainage 10FG	PK	0.29	10	3	25-Nov-13	25-Feb-14
Naso Gastric Tube 18FG	EA	1.17	700	816	25-Nov-13	25-Feb-14
Naso Gastric Tube 20FG	EA	1.19	750	890	25-Nov-13	25-Feb-14
Naso Gastric Tube 14FG	EA	1.18	1,000	1,185	25-Nov-13	25-Feb-14
Tube Levin D/Ryles (Duodenal Catheter) 16FG	EA	1.18	1,200	1,422	25-Nov-13	25-Feb-14
Endotracheal tube size 7, cuffed, hi volume/low pressue, x-ray detectable (Reinforced)	EA	41.78	70	2,925	26-Nov-13	10-Mar-14
Endotracheal tube size 8, cuffed, hi volume/low pressue, x-ray detectable (Oral Rae)	EA	17.39	80	1,391	26-Nov-13	10-Mar-14
Endotracheal tube size 8, cuffed, hi volume/low pressue, x-ray detectable (Reinforced)	EA	45.94	80	3,675	26-Nov-13	10-Mar-14
Endotracheal tube size 7, cuffed, hi volume/low pressue, x-ray detectable (Nasal Rae)	EA	4.87	100	487	26-Nov-13	10-Mar-14
Endotracheal tube size 7.5, cuffed, hi volume/low pressue, x-ray detectable (Nasal Rae)	EA	4.87	100	487	26-Nov-13	10-Mar-14
Endotracheal tube size 6, cuffed, hi volume/low pressue, x-ray detectable (Oral Rae)	EA	4.83	120	579	26-Nov-13	10-Mar-14
Endotracheal tube size 6, cuffed, hi volume/low pressue, x-ray detectable (Reinforced)	EA	41.78	120	5,014	26-Nov-13	10-Mar-14
Endotracheal tube size 6.5, cuffed, hi volume/low pressue, x-ray detectable (Oral Rae)	EA	4.83	130	628	26-Nov-13	10-Mar-14
Endotracheal tube size 6.5, cuffed, hi volume/low pressue, x-ray detectable (Nasal Rae)	EA	5.05	200	1,011	26-Nov-13	10-Mar-14
Endotracheal Tubes, Neonatal Size 5.0, uncuffed, X-Ray detectable (Normal)	EA	0.05	200	11	26-Nov-13	10-Mar-14
Endotracheal Tubes, Neonatal Size 5.5, uncuffed, X-Ray detectable (Oral Rae)	EA	0	200	0	26-Nov-13	10-Mar-14
Endotracheal tube size 7.5, cuffed, hi volume/low pressue, x-ray detectable (Reinforced)	EA	20.89	300	6,267	26-Nov-13	10-Mar-14
Endotracheal tube size 6, cuffed, hi volume/low pressue, x-ray detectable (Normal)	EA	3.34	400	1,337	26-Nov-13	10-Mar-14
Endotracheal Tubes Neonatal Size 2.5, uncuffed, x ray detectable (Oral Rae)	EA	11.7	400	4,680	26-Nov-13	10-Mar-14
Endotracheal Tubes, Neonatal Size 4.5, uncuffed, X-Ray detectable (Oral Rae)	EA	0	400	0	26-Nov-13	10-Mar-14
Endotracheal tube size 7, cuffed, hi volume/low pressue, x-ray detectable (Oral Rae)	EA	4.83	500	2,414	26-Nov-13	10-Mar-14
Endotracheal tube size 7.5, cuffed, hi volume/low pressue, x-ray detectable (Oral Rae)	EA	4.83	500	2,414	26-Nov-13	10-Mar-14

Item Description	UOM	Avg Unit Cost	Qty On Order	Amount ( )	Date of PO	ETA
Endotracheal Tube, Size 8.5, cuffed, hi-volume/low pressure, x-ray detectable (Oral Rae)	EA	0	500	0	26-Nov-13	10-Mar-14
Endotracheal Tube, Size 8.5, cuffed, hi-volume/low pressure, x-ray detectable (Reinforced)	EA	0	500	0	26-Nov-13	10-Mar-14
Low Pressure cuffed (LPC) Size 6 - Shiley Brand	EA	131.34	200	26,269	26-Nov-13	26-Feb-14
Cuff Less Fenestrated (CFN) Size 6 - Shiley Brand	EA	136.63	200	27,326	26-Nov-13	26-Feb-14
Low Pressure Cuffed (LPC) Size 8 - Shiley Brand	EA	136.63	200	27,326	26-Nov-13	26-Feb-14
Low Pressure Cuffed (LPC) Size 4 - Shiley Brand	EA	103.66	200	20,733	26-Nov-13	26-Feb-14
Cuff Less Fenestrated (CFN) Size 4 - Shiley Brand	EA	113.77	200	22,755	26-Nov-13	26-Feb-14
Syringe Disposable 50ml	EA	0.63	5,400	3,381	26-Nov-13	15-Mar-14
Mucus extractor without filter with extra lid (uno plast - Muco-Sa	EA	1.08	800	861	26-Nov-13	26-Feb-14
Catheter Foley Silicon treated 24FG, (3 way), Sterile, individually wrapped	EA	22.64	600	13,583	26-Nov-13	23-Mar-14
Catheter Foley, Silicone treated 6fg, sterile, individually wrapped	EA	0	600	0	26-Nov-13	23-Mar-14
Catheter Foley silicone treated 8FG, sterile, individually wrapped	EA	4.69	1,200	5,624	26-Nov-13	23-Mar-14
Catheter Foley silicone treated 10FG, sterile, individually wrapped	EA	2.71	1,200	3,258	26-Nov-13	23-Mar-14
Catheter Foley silicone treated 12FG, sterile, individually wrapped	EA	3.89	1,800	7,003	26-Nov-13	23-Mar-14
Catheter Foley Silicon treated 22FG, Sterile, individually wrapped	EA	4.76	4,200	19,996	26-Nov-13	23-Mar-14
Catheter Foley Silicon treated 20FG, Sterile, individually wrapped	EA	4.75	4,300	20,435	26-Nov-13	23-Mar-14
Catheter Foley Silicon treated 14FG, Sterile, individually wrapped	EA	4.52	4,800	21,697	26-Nov-13	23-Mar-14
Catheter Foley Silicon treated 18FG, Sterile, individually wrapped	EA	4.73	4,800	22,683	26-Nov-13	23-Mar-14
Catheter Foley Silicon treated 16FG, Sterile, individually wrapped	EA	4.52	6,000	27,121	26-Nov-13	23-Mar-14
Catheter Suction Sterile PVC 20FG fingertip control	EA	0.68	800	544	26-Nov-13	15-Apr-14
Catheter Suction Sterile PVC 18FG fingertip control	EA	0.38	1,600	615	26-Nov-13	15-Apr-14
Catheter Suction Sterile PVC 8FG Fingertip Control	EA	0.42	1,600	678	26-Nov-13	15-Apr-14
Catheter Suction Sterile PVC 16FG fingertip control	EA	0.31	2,400	733	26-Nov-13	15-Apr-14
Catheter Suction Sterile PVC 14FG fingertip control	EA	0.31	3,000	917	26-Nov-13	15-Apr-14
Catheter Suction Sterile PVC 12FG fingertip control	EA	0.27	4,600	1,231	26-Nov-13	15-Apr-14
Catheter Suction Sterile PVC 10FG fingertip control	EA	0.31	6,500	1,986	26-Nov-13	15-Apr-14
Catheter Suction Sterile PVC 6FG Fingertip Control	EA	0.95	7,200	6,806	26-Nov-13	15-Apr-14
Syringe Disposable 3ml Box of 100	BX	9.08	8,231	74,741	26-Nov-13	26-Feb-14
1045671-348 Preheater Tube Kit	KT	0	2	0	27-Nov-13	28-Feb-14
6462640-PO2 electrode	EA	1,658.72	3	4,976	27-Nov-13	28-Feb-14

Item Description	UOM	Avg Unit Cost	Qty On Order	Amount ( )	Date of PO	ETA
2671199-PCO 2 electrode	EA	1,658.72	3	4,976	27-Nov-13	28-Feb-14
7173251-pH electrode	EA	1,248.91	4	4,996	27-Nov-13	28-Feb-14
9463893-Sodium electrode	EA	1,564.14	4	6,257	27-Nov-13	28-Feb-14
8001888-Potassium electrode 348	EA	1,387.68	4	5,551	27-Nov-13	28-Feb-14
6553743-HCT electrode	EA	1,786.37	4	7,145	27-Nov-13	28-Feb-14
476273-Reference Sensor (both)	EA	1,647.87	4	6,591	27-Nov-13	28-Feb-14
1405672-348 Bottle Tubing Kit	KT	0	4	0	27-Nov-13	28-Feb-14
2563698-Reference Electrode Fill Solution	EA	160.76	5	804	27-Nov-13	28-Feb-14
719905-Rapid QC Complete Level 2	KT	235.32	12	2,824	27-Nov-13	28-Feb-14
7182730-Rapid QC Complete Level 3	KT	352.98	12	4,236	27-Nov-13	28-Feb-14
4909133-Rapid 3ml Syringe Box/200	BX	442.87	12	5,314	27-Nov-13	28-Feb-14
Rapid 1ml Syringe Box/200	BX	590.18	12	7,082	27-Nov-13	28-Feb-14
2490356-348 Wash and CD Pack 348	BX	1,048.71	15	15,731	27-Nov-13	28-Feb-14
1410308-348 Buffer Pack	KT	1,313.45	15	19,702	27-Nov-13	28-Feb-14
384192-Gas Catridge Pack	PK	0	15	0	27-Nov-13	28-Feb-14
1150195-348 Printer Paper (pack of 5)	RO	182.59	27	4,930	27-Nov-13	28-Feb-14
Needle Disposal sterile 18G x 38mm	BX	4.63	6,000	27,762	28-Nov-13	28-Aug-14
Volume expander Solution Injection 500ml Bag	BG	6.77	1,500	10,155	28-Nov-13	30-Apr-14
Dextrose 10% inj 500ml Bag	BG	1.22	2,000	2,436	28-Nov-13	30-Apr-14
Sodium Chloride 0.3% with Dextrose 3% Injection 1000ml Bag	BG	1.76	25,000	43,964	28-Nov-13	30-Apr-14
Gloves surgical,sterile ,latex,size 8 ,pair	PR	0.39	66,720	25,826	29-Nov-13	28-Feb-14
IV Chamber (Peadiatrics) 60 drops /ml luer lock 150ml Chamber.	EA	5.49	35,000	192,187	29-Nov-13	28-Feb-14
Needle Disposable Sterile 25G x 16mm Packet of 100	BX	4.39	40,500	177,971	29-Nov-13	28-Mar-14
Cannula Umbical 6fg x 35cm, Sterile, Individually Wrapped	EA	4.45	21,000	93,423	29-Nov-13	28-Feb-14
Povidone Iodine Alcoholic solution 10%	BT	3.55	1,200	4,256	3-Dec-13	30-Mar-14
Flucloxacillin Suspension 125mg/5ml (100mL)	BT	3.59	39,000	140,069	3-Dec-13	30-Mar-14
Amoxycillin Capsules 250mg	CA	0.03	2,500,000	70,958	3-Dec-13	30-Mar-14
Theophylline slow release Tablets 300mg	TA	0.08	4,000,000	339,199	3-Dec-13	30-Mar-14
Ranitidine Tablets 300mg	TA	0.08	40,000	3,136	3-Dec-13	30-Mar-14
Chlorhexidine Gluconate Solution 20% w/v (4.5L)	GA	196.76	54	10,625	3-Dec-13	30-Mar-14
Flucloxacillin Capsules 500mg	CA	0.1	1,900,000	186,416	3-Dec-13	30-Mar-14
Enalapril Tablets 5mg	TA	0.01	4,000,000	51,130	3-Dec-13	30-Mar-14
Promethazine Elixir 1mg/ml 100ml Bottle	BT	0.85	1,200	1,023	3-Dec-13	30-Mar-14
Amiodarone Injection 150mg/3ml	AM	8.77	12	105	3-Dec-13	6-Dec-13
Sodium Valproate Tablets 200mg	TA	0.17	400,000	68,026	3-Dec-13	30-May-14
Haloperidol Tablets 5mg	TA	0.01	100,000	1,299	3-Dec-13	30-Mar-14
Fentanyl Injection 100mcg/2ml	AM	1.99	15,000	29,804	3-Dec-13	30-Mar-14



Item Description	UOM	Avg Unit Cost	Qty On Order	Amount ( )	Date of PO	ETA
Hand Towel	EA	1.61	2,500	4,024	10-Dec-13	30-Jan-14
Shroud Material	MT	1.67	320	534	10-Dec-13	30-Apr-14
Mattress with Vinyl cover (1880cm x 900cm x 10cm)	EA	50.23	1,410	70,824	10-Dec-13	30-Apr-14
Mackintosh Rubber	MT	5.86	2,500	14,639	10-Dec-13	30-May-14
Etoposide Injection 100mg	VI	50.69	40	2,028	10-Dec-13	15-Feb-14
Ondansetron Tablet 8mg	TA	6.25	120	750	16-Dec-13	28-Feb-14
Chlorhexidine Gluconate Cream 1% 500ml Bottle	BT	30.37	700	21,260	18-Dec-13	30-Jan-14
Trifluoperazine HCl Tablets 1mg	TA	0.14	12,000	1,659	18-Dec-13	28-Feb-14
Dental plaster of paris BP 20kg	EA	27.33	19	519	31-Dec-13	1-Mar-14
Central venous Line catheter Single Lumen, Gauge 22, Sterile	EA	78.32	200	15,663	31-Dec-13	28-Jan-14
<b>Total</b>				<b>8,911,839</b>		

UoM = Unit of measure

ETA = Expected time of arrival

**Appendix 21.5: Out Of Stock - Vital/Essential Items**

Item Description	Min Stock	Max Stock	Qty In Stock
Ipratropium Bromide solution 0.025% (1mL)	1,000	3,000	0
PPD Human Tuberculin (Mantoux) inj 100units / 1ml 1	132	264	0
Frusamide Injection 20mg/2ml	43,500	87,000	0
Amoxycillin Capsules 250mg	1,150,000	2,300,000	0
Amoxycillin/Clavulanic Acid Tablets 500mg/125mg	11,500	23,000	0
Methylated Spirit solution 70% (500mls)	3,500	7,000	0
Methyldopa Tablets 250mg	250,000	500,000	0
Beclomethasone Inhaler 100mcg	8,750	17,500	0
Dextrose 10% inj 500ml Bag	1,182	3,547	0
Warfarin Sodium Tablets 1mg (MAREVAN BRAND)	31,000	93,000	0
Amoxycillin Capsules 500mg	2,500,000	5,000,000	0
Ibuprofen Tablets 400mg	2,000,000	4,000,000	0
Carbamazepine Tablets 200mg	350,000	700,000	0
Tropicamide eye drops 1%	500	1,500	0
Norethisterone Tablets 5mg	70,000	140,000	0
Frusamide Tablets 500mg	5,400	16,200	0
Ephedrine Nasal Drops 0.5%	1,667	5,000	0
Dopamine Injection 200mg/5ml	1,033	3,100	0
Aminophylline Injection 250mg/10ml	5,850	11,700	0
Chloramphenicol Injection 1g	18,667	56,000	0
Paracetamol Mixture 120mg/5ml 100ml Bottle	85,000	170,000	0
Erythromycin Tablets 250mg	800,000	1,600,000	0
Ceftriaxone Injection 250mg	2,333	7,000	0
Chlorpromazine Tablets 50mg - conventional and scored in half	16,000	32,000	0
Halothane Liquid 250ml	140	280	0
Hyaluronidase Injection 1500iu	100	300	0
Hydroxycobolamin Injection 1mg/2ml	1,667	5,000	0
Isoniazid Tablets 100mg	12,233	36,700	0
Povidone Iodine Aqueous solution 10%	900	1,800	0
Verapamil Tablets 40mg	26,667	80,000	0
Dacarbazine Injection 200mg	27	81	0
Vinblastine Injection 10mg	24	71	0
Penicillin G Injection 1mega	120,000	240,000	0
Propranolol Tablets 40mg	275,000	550,000	0
Griseofulvin Tablets 125mg	400,000	800,000	0
Lignocaine Plain Injection 1% - FOR IV USE ONLY	3,250	6,500	0
Warfarin Sodium Tablets 5mg (MAREVAN BRAND ONLY)	25,000	75,000	0
Zinc Oxide Ointment	3,850	7,700	0
Permethrin Cream 5% (30g)	14,000	28,000	0
Sodium Chloride 0.9% 100mL for NICU and PICU	613	1,225	0
Propylene glycol BP 1 Litre	5	10	0
Azithromycin Tablet 500mg	7,333	22,000	0
Hydroxyurea Caps 500mg	667	2,000	0
Podophylline Tinture	3	6	0
Dextrose 5% 500mls in PVC/non PVC Bags	50	100	0
Oxycodone Tab 20mg	100	300	0

Item Description	Min Stock	Max Stock	Qty In Stock
Cyclosporin Tabs	1,500	5,000	0
Tracrolimus Tabs	600	2,400	0
Mycophemolate Tabs	1,650	6,600	0
Herceptin Injection	25	100	0
Peppermint Oil 100ml	1	1	0
Spacer for aerosols (Volumatic)	67	200	0
Label drug (Shake the bottle)	61	122	0
Label drug (Typewriter plain) (Ministry of Health)	287	574	0
Label drug (To be taken until all finished)	71	141	0
Measure medicine plastic 30ml	169	338	0
Phenobarbitone Sodium Injection 200mg/ml	567	1,700	0
Sodium Valproate elixer 200mg/5ml	280	560	0
HBV Immunoglobulin Injection 200 - 250iu	107	320	0
Aspirin Tablets 300mg	500,000	1,000,000	0
Hydrochlorothiazide Tablets 25mg	1,600,000	3,200,000	0
Promethazine Elixer 1mg/ml 100ml Bottle	900	1,800	0
Labetalol Injection 100mg/20ml	39	78	0
Griseofulvin Tablets 500mg	267,060	801,180	0
Indomethacin Capsules 25mg	650,000	1,300,000	0
Mebendazole Tablets 100mg	140,000	280,000	0
Promethazine Tablets 10mg	260,000	520,000	0
Propranolol Tablets 10mg	135,000	270,000	0
Ranitidine Tablets 300mg	500,000	1,000,000	0
Trimethoprim Tablets 300mg	85,000	170,000	0
Phenobarbitone Tablets 15mg	23,000	69,000	0
Acetazolamide Tablets 250mg	7,333	22,000	0
Acetazolamide Injection 500mg	30	61	0
Acetylcholine Chloride Injection 20mg	46	91	0
Acyclovir Injection 250mg	600	1,800	0
Allopurinol Tablets 100mg	100,000	200,000	0
Amphotericin B Injection 50mg	6	12	0
Atropine Sulphate eye drops 1%	300	900	0
Benzoin Compound Tincture 50ml	1,800	3,600	0
Betamethasone Cream 0.1% (Valerate as salt)	5,350	10,700	0
Bisacodyl Suppository 10mg	4,500	13,500	0
Bone Wax Ointment 2.5g Packet of 1	15	31	0
Bromocriptine Tablets 2.5mg	2,500	7,500	0
Bupivacaine Plain Injection 0.5%	653	1,960	0
Calamine Lotion 100ml	6,541	19,622	0
Charcoal Activated Solution (500mL)	59	118	0
Chlorambucil Tablets 2mg	100	300	0
Chloramphenicol Suspension 125mg/5ml	160	480	0
Chloroquine Sulphate Tablets 200mg	762	1,524	0
Chlorpromazine Injection 50mg/2ml	1,333	4,000	0
Cisplatin Injection 10mg	67	200	0
Coal Tar Ointment 100g	43	130	0
Colchicine Tablets 0.5mg	4,958	14,875	0
Cyclophosphamide Injection 200mg	23	70	0
Cyclophosphamide Injection 500mg	43	130	0

Item Description	Min Stock	Max Stock	Qty In Stock
Cyclophosphamide Tablets 50mg	1,000	3,000	0
Dapsone Tablets 50mg	255	510	0
Dapsone Tablets 100mg	375	750	0
Dexamethasone Tablets 500mcg	2,305	6,915	0
Droperidol Injection 5mg/2ml	42	83	0
Diphenoxylate/Atropine tablets 2.5mg/25mcg	18,000	36,000	0
Doxepin Capsules 25mg	2,178	6,535	0
Econazole Pessary 150mg Packet of 3	2,000	4,000	0
Edrophonium Chloride Injection 10mg/ml	5	10	0
Ethosuximide Capsules 250mg	550	1,100	0
Fluorescein Eye Drops 2%	100	300	0
Folinic Acid Injection 15mg/2ml	23	70	0
Fullers Earth Kit	91	181	0
Homatropine Eye Drops 2%	150	450	0
Imipramine Tablets 25mg	10,000	30,000	0
Iron Dextran Injection 100mg/2ml	7,000	14,000	0
Isoprenaline Injection 0.2mg/ml	300	900	0
Lignocaine Heavy Injection 5%	555	1,665	0
Lignocaine with Adrenaline Injection 2%/1:200000	481	961	0
Lignocaine Topical Solution 4%	5	10	0
Magnesium Sulphate Paste 50g	4,700	9,400	0
Methotrexate Injection 50mg/2ml	257	770	0
Methotrexate Tablets 2.5mg	18,900	37,800	0
Miconazole Nitrate vaginal Cream 2%	42	127	0
Multivitamin Tablets - Vitamin A - 2500 IU,	764,677	2,294,032	0
Multivitamin Syrup 100ml	3,850	7,700	0
Mydracaine No. 2 eye drops	23	68	0
Neomycin Ointment 0.5%	13,000	26,000	0
Nitrofurantoin Capsules 100mg	40,000	80,000	0
Bag Plastic for Dispensing 100 x 180mm (Box of 1000 Bags)	160	320	0
Nystatin Suspension 100000u/ml	2,530	4,700	0
Paraffin Liquid 500ml	122	244	0
Phenobarbitone Tablets 60mg	22,333	67,000	0
Phenytoin Sodium Chewable Tablets 50mg	4,967	14,900	0
Pilocarpine eye drops 2%	333	1,000	0
Pilocarpine eye drops 4%	380	1,140	0
Neomycin/Gramicidin/Polymyxin B Eye Ointment	268	535	0
Pralidoxime Injection 500mg/20ml	18	37	0
Prednisolone acetate 10mg/Phenylephrine HCl 1.2mg/mL eye	867	2,600	0
Prednisolone Tablets 1mg	1,117	3,350	0
Probenecid Tablets 500mg	18,195	54,585	0
Propranolol Injection 1mg/ml	88	175	0
Protamine Sulphate Injection 1%	7	14	0
Psoriasis Ointment 50g	10	30	0
Pyrantel Tablets 250mg	177	530	0
Quinine Dihydrochloride Injection 600mg/10ml	9	18	0
Rifampicin Capsules 150mg	3,467	10,400	0
Rifampicin Capsules 300mg	13,142	39,425	0

Item Description	Min Stock	Max Stock	Qty In Stock
Rifampicin/Isoniazid Capsules 300mg/150mg	11,333	34,000	0
Streptomycin Injection 1g	380	760	0
Sulphasalazine Tablets 500mg	28,667	86,000	0
Thiamine HCl inj 100mg/2ml	74	147	0
Thioridazine Tablet 50mg	8,350	25,050	0
Thyroxine Tablets 50mcg	48,333	145,000	0
Timolol eye drops 0.25%	167	334	0
Whitfields Ointment 50g	3,927	11,782	0
Whitfields Lotion Strong 100ml	15,015	45,046	0
Tetracosatin inj 250mcg/1ml	2	4	0
Phenylephrine eye drop 10%	500	1,500	0
Quinine Sulphate Tablets 300mg	175	350	0
Cefaclor SR Tablets 375mg	3,850	7,700	0
Daunorubicin Injection 20mg	27	80	0
Primaquine Tablets 7.5mg	50	150	0
Gentamicin eye drops 0.3%	180	540	0
Methylene Blue Injection 50mg/5ml	48	96	0
Rifampicin/isoniazid Tablets 150/100mg	2,947	8,840	0
Bag Plastic for Dispensing 90 x 150mm (Box of 1000 Bags)	1,400	2,800	0
Baclofen Tablets 10mg	1,429	4,287	0
Oxybutinin HCl Tablets 5mg	900	2,700	0
Chlorhexidine/cetrimide aqueous cream 50g	3,750	7,500	0
Trimethoprim Suspension 50mg/5ml	54	108	0
Amiodarone Injection 150mg/3ml	77	154	0
Paracetamol Suppository 125mg	1,633	4,900	0
Medroxyprogesterone Tablets 10mg	10,000	30,000	0
Sodium Chloride Injection 20%	117	350	0
Lignocaine/Prilocaine Patch 2.5%/2.5% (Packet of 20)	28	55	0
Hydroxychloroquine Tablets 200mg	2,700	8,100	0
Ear Wax Removal Drops (carbamide peroxide 6.5%)	2,150	4,300	0
Hydrocortisone Tablets 20mg	718	1,435	0
Formalin BP - 500mls	151	303	0
Paraffin soft bp 1kg	12	31	0
Sodium citrate 1kg	2	3	0
Sodium chloride BP 1kg	21	43	0
Sodium hypochlorite 1% 1L - Hospital Grade	408	817	0
Sodium Hypochlorite 1% 5 Litre - Hospital Grade	307	613	0
Alcohol (svr) 99 % 500mLs	595	1,191	0
Oestrogen Conjugated Cream 42.5g Tube	28	56	0
Phenobarbitone Tablets 30mg	9,217	27,650	0
Bag Plastic for Dispensing 75 x 100mm (Box of 1000 Bags)	5	10	0
Bleomycin Injection 15IU	63	188	0
Prostaglandin E1 Injection 500mcg/ml (Alprostadi)	10	30	0
Acyclovir Tablets 200mg	133	400	0
Fluconazole Capsules 200mg	867	2,600	0
Alcohol Based Hand Gel 240mLs Bottle	330	661	0
Dextrose 10% 100mL for IV use PICU and NICU	100	200	0
Desmopressin Injection 4 microgram/mL (1mL)	50	225	0

Item Description	Min Stock	Max Stock	Qty In Stock
Indomethacin (Sodium Trihydrate) Injection 1mg	2	5	0
Isosorbide Dinitrate Injection 1mg/ml (50mL)	160	500	0
Naphazoline HCL Eye Drops 1% (15mL)	17	50	0
Povidone Iodine Aqueous solution 10%	8	24	0
Morphine Sulphate Tablets SR 30mg	500	1,500	0
Vitamin A (RETINOL) Capsule 100,000 I.U. (USP)	12,000	36,000	0
Betamethasone scalp Lotion 0.1%	14	27	0
Goserelin Acetate Implant 3.6mg	4	15	0
Rifampicin Oral Solution 100mg/5mL - 60mls	20	600	0
Simvastatin Tablets 20mg	250,000	500,000	0
Sodium Chloride 0.9% (10mL) for IV use in PICU and NICU	559	1,118	0
Lamivudine 150mg/Zidovudine 300mg + Efavirenz 600mg Tablets	6,030	24,120	0
Sodium Chloride Irrigation 0.9%	400	1,200	0
Sodium Hypochlorite 12.5%, 20L	5	30	0
Stavudine Capsules 30mg	250	500	0
Didanosine Tablets 200mg	360	1,440	0
Efavirenz Tablets 200mg	180	720	0
Rifampicin 60mg+INH 30mg+Pyrazinamide 150mg Dispersible Tab	0	0	0
Ethanolamine Oleate Injection 100mg/2ml	0	0	0
Microlut (levonogestrel 30 microgram) tablet - cycle/card	10,394	31,183	0
Microgynon 30 ED - Ethinyloestradiol 30mcg/Levonorgestrel 150mcg Tablets (cycles)	15,007	45,021	0
Trinordiol (cycles) Tablets	0	0	0
HBV Infant Injection 10mcg	6,049	18,153	0
HBV Adult Injection 20mcg	916	2,749	0
UNICEF - Safety Box for AD Syringes (Cardboard Box - yellow)	414	829	0
Yellow Fever Vaccine (Single dose)	30	100	0
Feeding Tube 8FG infant	1,609	4,827	0
Endotracheal Tubes Neonatal Size 2.5, uncuffed, x ray detectable (Oral Rae)	33	100	0
Blood Glucose monitoring strips 50 - Advantage Brand	667	2,000	0
Cardiograph Paper for DR LEE 120B machine	8,190	24,570	0
Needle Disposable Sterile 27G x 16mm Packet of 100	1,850	5,550	0
Syringe Disposable 20ml Box of 50	233	700	0
Needle Spinal Pencil Point G 25	1,000	3,000	0
Bag urine drainage, adult with outlet non return valve, 2000ml, longtube, unsterile	10,000	30,000	0
CVP Triple Lumen, 7fg, 16cm	833	2,500	0
Cannula I/V 16G X 57mm, Sterile, Individually wrapped	4,455	13,400	0
Mesh prolene 30 x 30cm Box of 5 Pieces	12	50	0
Needle scalpvein set 23G X 19mm	1,537	4,611	0
Bag Autoclave Code H Size 180 x 95 x 380mm Box of 500	75	300	0
Cannula Epidural Set (thoracic trochal) cannula 16G, Radio-opaque, 915mm	11	22	0
Catheter Urinary OD 1.65mm, Sterile, (Ureteric Blue size 5 Portex 300/520/050	12	36	0
Connector Tubing Adaptor ID 3.0mm, OD 4.0mm (Portex 700/150/630	15	45	0

Item Description	Min Stock	Max Stock	Qty In Stock
Connector Y (Portex 700/140/002)	14	41	0
Nasogastric tube 8FG X Ray Detectable, closed end	163	489	0
Y Type Peritoneal Dialysis Set	6	18	0
Suture silk 3/0 45cm ,23mm rev cut half circle needle Box of 36	30	88	0
Suture Polypropylene 3.0 on 19mm Round Body Needle Box of 36	9	27	0
Mask disposable face(Shaoxing Health Products) Box of 50	61	123	0
Endotracheal tube size 6, cuffed, hi volume/low pressure, x-ray detectable (Normal)	134	400	0
Endotracheal Tubes Neonatal Size 3.0, uncuffed, x ray detectable (Oral Rae)	17	50	0
Blood Glucose Monitoring Meter - (ADVANTAGE)	67	200	0
BC4030 - 10 Nasal Prong	67	200	0
BC4540 - 10 Nasal Prong	67	200	0
BC 5040 - 10 Nasal Prong	67	200	0
BC 5050 - 10 Nasal Prong	67	200	0
BC 5560 - 10 Nasal Prong	67	200	0
BC 6060 - 10 Nasal Prong	67	200	0
BC 6070 - 10 Nasal Prong	67	200	0
Plaster of paris Gypsona brand 10x2.7cm	100	300	0
Plaster of paris Gypsona brand 7.5x2.7	100	300	0
Adult Anaesthetic Circuit	200	600	0
Paediatric Anaesthetic Circuit	167	500	0
(Sony) Printing Paper for Ultrasound Machine 110mm x 18mm UPP110HG	167	500	0
Low Pressure cuffed (LPC) Size 6 - Shiley Brand	67	200	0
Low Pressure Cuffed (LPC) Size 8 - Shiley Brand	67	200	0
Low Pressure Cuffed (LPC) Size 4 - Shiley Brand	67	200	0
Naso Gastric Tube Drainage 14FG	66	200	0
Endotracheal Tube, Size 8.5, cuffed, hi-volume/low pressure, x-ray detectable (Oral Rae)	66	200	0
Endotracheal Tube, Size 8.5, cuffed, hi-volume/low pressure, x-ray detectable (Reinforced)	66	200	0
Endotracheal Tubes, Neonatal Size 4.5, uncuffed, X-Ray detectable (Oral Rae)	66	200	0
Endotracheal Tubes, Neonatal Size 5.5, uncuffed, X-Ray detectable (Oral Rae)	66	200	0
Sharps Container, 10 L, yellow, puncture resistant	100	3,000	0
Chest Drain Tubes, Size 12 Box of 10	18	55	0
Chest Drain Tubes, Size 14 Box of 10	26	52	0
Chest Drain Tubes, Size 16	66	200	0
Underwater Seal Drainage, Disposal Full Sets (ADULTS)	100	300	0
Nylon Monofilament Suture - 5/0 45cm 3/8 reverse 13mm Cutting (Box of 12)	67	200	0
Catheter Tip Syringe (box of 100)	100	300	0
Tubing extension luer lock 55cm	66	200	0
Film Autoclave 8" Individual Packs	11	32	0
Chemosafety Gloves (Box of 100) - Small	100	300	0
Chemosafety Gloves (Box of 100) - Large	67	200	0
Syringe Disposable 5ml Box of 100	3,333	10,000	0

Item Description	Min Stock	Max Stock	Qty In Stock
Syringe disposable 10ml Box of 100	3,333	10,000	0
Feeding Tube 10FG Infant	1,023	3,200	0
Syringe Disposable 50ml	1,783	5,350	0
Gloves surgical,sterile ,latex,size 8 ,pair	19,869	60,000	0
Suture Polyglycolic Acid Coated 2/0 75cm (undyed) 26mm tape Box of 36	160	480	0
Kiwi Omni Cup	0	0	0
Omnipaque [non-ionic monomer] 350 MGL/ML	0	0	0
Disposable Latex Gloves - Large - Box of 100	0	0	0
Blood Glucose monitoring strips 50 - Performa Brand	0	0	0
Port Seals	0	0	0
Azo Wipes	0	0	0
Caution - Cytotoxic' Warning Labels (Purple Coloured)	0	0	0
Sodium Chloride 0.9% 500mls in PVC/Non PVC Bags	0	0	0
Sterile Shoe Covers	0	0	0
Syringe Insulin 10ml	0	0	0
Disposable Apron 80 x 125cm - LDPE Disposable Apron	0	0	0
Composite L/C kit- shade A2,primer,bond&app. tips	10	30	0
Composite L/C kit- shade A3.5,primer,bond&app. tips	3	10	0
Glass Ionomer Cement Silver Capsules Pk 50	63	250	0
Calcium Hydroxide 12g	17	50	0
Fuji 2LC A2 Capsules -box of 50	13	40	0
Ketac Silver Applicap Standard 50/pkt	13	50	0
Glass Ionomer Restorative Material Capsules A3 50/pkt	81	203	0
Articulating Paper Horse Shoe Shape pkt	34	84	0
Dentine Conditioner 25g -bott	10	30	0
Reamers Endo 25mm No.25	8	20	0
Fissure Sealant LightCure pkt	67	200	0
Upper Posteriors Shade A3 Mould 67 (Acry-Rock)	13	37	0



**Appendix 21.6: Excess Stock**

Item Description	Maximum Stock	Quantity In Stock	Quantity of Excess Stock	Total Value of Over Stock (F)
Thromborel S (10ml bottle)	1,050	5,227	4,177	2,192,005.35
Gemini Set 2280-0000 vented (FOR	21,120	32,233	11,113	551,226.33
Trocars 10 gauge for JADELLE - each	0	6,510	6,510	449,430.22
Cannula IV, 14G x 50mm, sterile,	101	5,772	5,671	237,498.30
Levonogestrel Implant 75mg (JADELLE	615	6,250	5,635	228,695.40
Flucloxacillin Capsules 500mg	1,900,000	2,174,100	274,100	213,308.95
Autodisable Syringes - solo shot IX.	1,920	116,600	114,680	160,439.48
Identification bracelet infant Box of 100	847	18,593	17,746	147,397.98
Reaction Cuvette - BS 200 Reagent	48	202	154	141,577.85
Medroxyprogesterone Acetate (MDPA)	34,517	103,175	68,658	131,838.38
Tube 5ml Plastic for Crossmatch bag of LAB	396	1,453	1,057	114,402.82
Cotton Absorbent BP 500g	26,623	27,355	732	101,433.43
Glipizide Tablets 5mg	6,700,000	7,094,000	394,000	92,023.30
Ibuprofen Tablets 400mg	4,000,000	5,381,000	1,381,000	78,552.86
Enalapril Tablets 5mg	4,000,000	5,590,664	1,590,664	71,462.83
Sharps Container, For cytotoxics	2,000	2,223	223	64,468.25
Powdered Free gloves Size - Large	125	605	480	63,321.34
Needle Spinal Pencil Point G 25	3,000	5,000	2,000	57,111.27
Powdered Free gloves Size - Medium LAB	169	536	367	54,691.66
Atenolol Tablets 50mg	2,600,000	3,590,200	990,200	52,765.78
Rubber Cups(latch, webbed,hardwhite)	50	1,380	1,330	47,672.03
Needle Disposal sterile 18G x 38mm	0	9,889	9,889	46,093.50
Norethisterone Tablets 5mg	140,000	492,300	352,300	43,521.30
Nasal Tubing 50mm x 5, BC180-5 for CONSUM	150	655	505	38,838.46
Mouth pieces Disposable for PEFR	223	9,938	9,715	37,719.78
Shandon Embedding Cassettes	51	144	93	37,584.51
Stopcock three way	1,311	56,750	55,439	37,022.37
Hydrochlorothiazide Tablets 25mg	3,200,000	5,389,732	2,189,732	36,057.79
Suture Polyglycolate monofilament 1	29	118	89	34,529.94
Cannula I/V 24G x 25mm, sterile	60,000	71,391	11,391	31,866.52
Phenytoin Suspension 30mg/5ml	510	747	237	31,842.05
Valley Lab Reusable Polythesive	1,300	1,382	82	31,236.64
Ventilator Tubing Circuit Kit - Adult >	2,000	2,067	67	31,069.58
Female Condoms	0	36,000	36,000	25,328.30
Glycine Injection 1.5% 3000ml Bag	33	1,772	1,739	24,178.12
Lamivudine/Zidovudine Tablets	720	47,820	47,100	23,952.34
Nasal Tubing 70mm x 5, BC181-05 for CONSUM	150	431	281	23,631.66
Vicryl Rapid Suture 36 mm 1/2 Circle	0	69	69	23,135.37
	738	1,150	412	23,000.00
Nasal Tubing Universal 100mm x 5,	50	340	290	22,221.85
Polyglycolate Monofilament Suture -	200	258	58	21,505.51
Salbutamol Respirator solution 0.5%	14,000	17,006	3,006	21,028.97
Transfer Swabs Amies with charcoal	30	264	234	20,676.48
Quick - Core Biopsy Set - Coaxial 10MM X-RAY	10	115	105	20,570.19
Diazepam Tablets 5mg	360,000	396,150	36,150	19,708.57
Thermometer Digital	3,496	9,068	5,572	19,165.46

Item Description	Maximum Stock	Quantity In Stock	Quantity of Excess Stock	Total Value of Over Stock ( )
Gauze Absorbent BP 9cm x 5m 40x40 Dressing	9,491	9,619	128	19,098.05
Hypoallergenic Microporous Tape	1,519	3,564	2,045	19,053.44
Mammography Films - KONICA 24 X	4	99	95	18,212.24
Curtain Material Baby Prints	0	3,888	3,888	18,118.08
Potassium Chloride Injection 7.46% &	13,000	14,097	1,097	17,946.22
Digoxin Injection 500mcg/2ml	1,400	1,936	536	17,176.70
Nasal Tubing Universal 70mm x 5,	50	242	192	16,909.60
Hydrallazine Tablets 25mg	220,000	256,800	36,800	16,460.78
Doxycycline Capsules 100mg	240,000	598,700	358,700	16,302.46
Rt Canal Sealant Procosol	20	58	38	16,085.34
Compound Tragacanth Pulv BP 100g	31	111	80	15,968.73
Suture polyglycolic acid coated 0 90cm CONSUM	59	68	9	15,907.01
Laryngeal Mask Airway - 2.5 -	200	434	234	15,890.61
Base Plate Upper	5	189	184	15,617.18
Endotracheal tube size 7, cuffed, hi	200	370	170	15,459.61
Thermal Paper (Sony Superior Density	292	363	71	15,415.41
Catheter Suction Sterile PVC 8FG	30,000	33,931	3,931	14,502.93
Mercaptopurine Tablets 50mg	2,200	2,475	275	14,362.24
Noradrenaline	2,500	3,490	990	14,128.64
Valley Lab Reusable Paediatric	300	780	480	13,633.58
Trachyostomy Tubes, sterile, Size 8.5,	0	1,190	1,190	13,405.34
Endotracheal Tubes Neonatal Size 3.0, CONSUM	100	11,337	11,237	13,297.38
Trachyostomy Tubes, sterile, Size 7.5,	0	1,180	1,180	13,292.42
Capnograph/ECGs/Vital signs - Print	0	2,568	2,568	13,142.75
Endotracheal Tubes, Neonatal Size	100	14,082	13,982	12,900.60
MP9B8004030-Leptospira IgM Dip	55	87	32	12,689.07
Acrylic Teeth(Upper Posterior)	400	1,066	666	12,421.11
Dacarbazine Injection 200mg	81	118	37	12,249.43
Lopinavir/Ritonavir Elixir 60ml	48	60	12	12,155.40
Bag Plastic for Dispensing 50 x 90mm	500	2,045	1,545	12,106.27
Vitamin A (RETINOL) 200,000 I.U.	15,000	162,000	147,000	12,081.73
Konica Film 15 x 30 (Box of 100)	20	114	94	11,868.16
Endotracheal Tube, Adult, Introducer - CONSUM	100	490	390	11,407.20
Endotracheal Tube, Size 8.5, cuffed,	100	8,080	7,980	10,782.85
Suture nylon monofilament 3/0	100	309	209	10,422.55
Total Value of Standard 3			0	10,411.84
Blankets	0	761	761	10,068.03
Chloramphenicol Eye Ointment 1%	3,300	18,175	14,875	9,991.22
GC Fuji1X shade A2	100	117	17	9,948.67
Endotracheal Tubes Neonatal Size 3.5, CONSUM	200	9,992	9,792	9,800.04
Bandage plaster of Paris 5cm x 2.7m	300	496	196	9,783.16
Fissure Sealant Chemical Cure pkt	70	125	55	9,404.24
Bed Pan Stainless Steel - Adult	300	496	196	9,364.92
Drill White	0	2,637	2,637	9,343.66
Mackintosh Rubber	0	1,585	1,585	9,281.06
Tungsten Carbide-Komet Fissure	1,000	1,055	55	9,044.63
Periphery Wax White	36	152	116	8,916.32
Endotracheal Tubes, Neonatal Size	200	9,453	9,253	8,750.62

Item Description	Maximum Stock	Quantity In Stock	Quantity of Excess Stock	Total Value of Over Stock ( )
Catheter Foley Silicon treated 26FG,	1,561	9,849	8,288	8,646.08
Copper II Sulphate Solution sp gr 1.053 LAB	56	58	2	8,638.90
Gentamicin Ear Drops 0.30% (5mL)	590	870	280	8,609.53
Endotracheal tube size 8.0, cuffed, hi	400	5,434	5,034	8,538.96
Syrup BP (4 Litres)	49	148	99	8,329.44
Endotracheal tube size 7.5, cuffed, hi	1,500	4,991	3,491	8,138.33
Mammography Films - KONICA 24 X	4	25	21	8,023.69
Endotracheal Tubes, Neonatal Size	200	8,498	8,298	7,903.26
IUCD (Copper T 380A)	734	1,528	794	7,821.60
Endotracheal tube size 7.0, cuffed, hi	2,000	4,779	2,779	7,759.01
Morphine Sulphate SR Tablets 10mg	11,000	11,820	820	7,004.46
Endotracheal tube size 8, cuffed, hi	200	400	200	6,954.75
Suction Pump - Suction tip set (1	0	68	68	6,846.58
Needles-Longt 1/100pkt	400	452	52	6,513.96
Acetylcholine Chloride Injection 20mg	91	140	49	6,513.04
Identification bracelet for Adults, Snap	1,000	1,050	50	6,332.76
Endotracheal Tubes Neonatal Size 2.5, CONSUM	2,000	6,721	4,721	6,045.32
Acrylic Teeth(Lower Posterior)	525	641	116	5,898.71
Cannula Umbilical 5fg x Arterial,	300	345	45	5,671.95
Lower Posteriors Shade 01 Mould D88	400	480	80	5,637.48
Endotracheal Tubes, Introducer	60	235	175	5,470.80
Coverslip No. 1 22x22mm 1oz (Pk of	30	39	9	5,426.59
Endotracheal Tubes, Neonatal Size	125	5,874	5,749	5,303.94
Catheter Peritoneal Dialysis Set, Adult	24	37	13	5,176.09
Cefaclor SR Tablets 375mg	7,700	8,340	640	5,075.72
Treadmill ECG Paper A4 size	12	82	70	4,991.48
Burs Diamond Finishing, Assorted -	30	120	90	4,805.08
Zidovudine Tablet 300mg	4,500	14,500	10,000	4,726.25
Gloves Nitrile "Small" Box of 100	260	314	54	4,710.00
Lopinavir/Ritonavir Tablets	2,500	5,760	3,260	4,676.06
Endodontic Needles 23G	1	172	171	4,635.40
Suture Silk Blue twisted Virgin 9/0	10	17	7	4,594.26
Bismuth in Iodoform Paste (BIPP)	32	59	27	4,557.40
Gloves Post Mortem size 7"	1,957	3,337	1,380	4,424.66
Gloves Surgical, Sterile, Latex, size 6	14,898	19,882	4,984	4,411.04
348 Sample and Reagent Pump Tubing LAB	6	18	12	4,406.33
Zidovudine Oral Solution 50mg/5ml	6	175	169	4,340.67
Pliers Flat Nose Smooth 13.5cm	10	47	37	4,313.25
Staphyloslide latex Test (1x100test)	10	17	7	4,203.30
Gloves Post Mortem size 7.5"	1,970	3,052	1,082	4,164.96
Test Tube Pyrex 16mm X 15cm	30	12,960	12,930	3,937.55
Autodisable Syringe with 21/22G	24,645	40,290	15,645	3,912.58
Misoprostol Tablets 200mcg	2,240	2,490	250	3,891.18
Litmus paper book Red Packet of 10	0	549	549	3,882.62
Tube 10ml CSF label 1 2box/200sachet LAB	10	200	190	3,723.77
Gloves Post Mortem size 8" (pairs)	1,327	2,996	1,669	3,579.04
Catheter Urinary OD 2.00mm, Sterile,	35	142	107	3,526.19
Heatcure Liquid 275mls	50	79	29	3,424.74

Item Description	Maximum Stock	Quantity In Stock	Quantity of Excess Stock	Total Value of Over Stock ( )
Delivery Kit	0	10	10	3,228.53
Bandage Elastic Cotton Crepe BPC	7,140	8,482	1,342	3,120.89
Dark Green Tetron Material	0	1,748	1,748	3,024.04
Tube Culture 12 x 75mm rimless	51	10,752	10,701	3,010.56
Etchant Kit Stae (blue) 2 x 2mls	0	27	27	2,964.83
Acrylic Teeth(Lower Posterior)	225	264	39	2,936.33
Cotton rolls 12x50 bundles	100	544	444	2,845.97
Isovue	0	130	130	2,843.84
Silver Nitrate Sticks Packet of 1 Stick	2,200	2,998	798	2,786.66
Electrode Chest Infant 31118733	1,305	9,000	7,695	2,696.19
Endotracheal tube size 6.5, cuffed, hi	400	1,917	1,517	2,657.77
744 daily cleaner	5	19	14	2,631.20
Calico u/b Material	0	624	624	2,514.72
Printed Packing Carton (320 x 245 x	0	3,000	3,000	2,490.00
Labsystems Lab Tip Yellow 25,000/box LAB	316	466	150	2,397.65
Malachite Green Oxalate www	5	8	3	2,396.74
Konica OPG Cassettes & Screens 15	0	4	4	2,221.71
Cold Cure Liquid Self Cure	70	95	25	2,178.52
Tube Suction Yankas	1,000	1,012	12	2,175.80
Alcohol Based Hand Gel 1L Bottle	0	129	129	1,824.68
Nevirapine Tablets 200mg	1,000	6,000	5,000	1,811.03
Jet Carbide burs latch, regular round	50	250	200	1,777.93
Polyamide Monofilament Suture - 1	12	29	17	1,772.80
Counting Trays - (NOT TRIANGLE)	0	70	70	1,725.50
Naso Gastric Tube 18FG	1,000	1,454	454	1,695.19
Pillow with Vinyl cover	0	491	491	1,693.95
Abacavir Tablets 300mg	1,000	2,340	1,340	1,631.73
Applicators Wooden for Oral Use	68,305	298,920	230,615	1,594.93
Pillow Case (cloth) White	0	1,884	1,884	1,507.20
Catheter Suction Sterile PVC 5FG	3,198	4,825	1,627	1,470.90
Stress Test Record Paper for Mortara	0	5	5	1,314.36
Chest Drain Tubes, Size 10 Box of 10	50	181	131	1,304.97
Didanosine capsules 400mg	360	960	600	1,257.09
Trisodium orthophosphate 1kg	20	134	114	1,249.38
Redivac Tubes 1800G Perforated	505	1,455	950	1,234.68
Jet Carbide burs latch, Inverted Cone	50	170	120	1,123.41
Catheter Urinary OD 1.65mm, Sterile,	36	63	27	1,110.23
Hand Towel	0	684	684	1,100.85
Chest Drain Tubes, Size 20 Box of 10	120	167	47	1,067.40
Needle holder Mayo 7"	300	315	15	1,060.79
Bed Sheet	0	1,499	1,499	1,049.30
Dapsone Tablet 25mg (Non Formulary)	0	1,000	1,000	1,032.00
Label drug (Refrigerate do not freeze) Drug	103	253	150	1,024.65
Articulating Paper Straight pkt	50	164	114	1,008.15
Chest Drain Tubes, Size 12 Box of 10	55	56	1	980.47
Endotracheal tube size 7.5, cuffed, hi	100	200	100	974.59
Endotracheal tube size 7, cuffed, hi	100	200	100	974.59
Carbide Fissure	1	75	74	966.50

Item Description	Maximum Stock	Quantity In Stock	Quantity of Excess Stock	Total Value of Over Stock ( )
Burs air rotor for cavity prep, TC high	300	390	90	954.26
Reamer 31mm no.25	50	90	40	949.61
Plaster Knippers	5	10	5	928.25
Endotracheal Tubes Neonatal Size 3.5, CONSUM	100	997	897	924.07
Root Elevator-thin point 705/3	10	15	5	903.15
Burs air rotor for cavity prep, TC high	300	365	65	893.09
Upper Posteriors Shade A3 Mould 48	112	119	7	891.09
Dappen Dish	100	937	837	886.41
Lather Ctton Mop ( Hard )	60	108	48	862.01
Methyl hydroxybenzoate pulv 100g	6	37	31	859.14
Ethylene Glycol 500ml	3	11	8	800.42
Catheter Umbilical Arterial 4F	38	100	62	756.22
Periodontal Probe WHO Standard	1	35	34	753.65
Talc Pulv 1kg French Chalk	18	56	38	745.08
Lamivudine Oral Solution 10mg/ml	10	35	25	718.06
Diomond Fiisure burs, size 4	100	150	50	702.98
Potassium Oxalate (AnalaR) 500g	5	33	28	701.20
Lead Aprons with Back Strapping,	0	4	4	689.53
Mosquito Net Adult	0	71	71	687.91
Calico O.T Green Material	0	122	122	665.85
Paper Points Size 45 180points/ box	50	59	9	654.83
Paper Points Size 40- 180points/ box	50	60	10	650.61
Suture Chromic gut 1 75cm 40mm rev CONSUM	77	88	11	617.59
Paper Points Size 30- 180points/ box	50	59	9	599.99
Label drug (Do not take milk, antacids, Drug	49	209	160	583.58
Paper Points Size 25- 180points/ box	50	55	5	562.46
Paper Points Size 20- 180points/ box	50	55	5	561.87
Tablet Counter Plastic (TRIANGLE)	30	80	50	544.69
Needle scalpvein set 21G X 19mm	4,092	10,865	6,773	543.58
Paper Points Size 15- 180points/ box	50	53	3	538.33
Reamer 31mm no.30	50	78	28	526.17
Reamer 31mm no.35	50	78	28	526.17
Endotracheal tube size 6, cuffed, hi	50	98	48	509.56
Pump Tubing - Carelyte 503	6	8	2	499.73
Reamer 31mm no.15	50	63	13	494.76
Paper Points Size 35- 180points/ box	50	58	8	492.89
Propyl hydroxybenzoate pulv 100g	4	60	56	490.86
Endotracheal Tubes, Neonatal Size	200	9,005	8,805	485.11
Reamer 31mm no.50	50	69	19	459.56
Bottle Suction 1.5L (CIG)	15	50	35	435.94
Bandage elastic conforming gauze	3,560	3,655	95	431.21
Label drug (Discard contents after)	97	103	6	417.15
Brain Heart Infusion Broth 500g	1	3	2	407.43
Enalapril Tablets 10mg	100,000	832,200	732,200	344.10
Endotonic Gel Paste	2	4	2	320.84
Forcep Artery Mosquito 3.5"Curved	25	181	156	320.81
Lather Ctton Mop ( Soft)	36	58	22	308.07
Cellulose Strips 100s/pkt	100	440	340	304.33

Item Description	Maximum Stock	Quantity In Stock	Quantity of Excess Stock	Total Value of Over Stock ( )
Bottle MRC glass 500ml	30	46	16	300.38
Nutrient Broth 500g	1	3	2	286.23
Scissors Dressing Sharp/Sharp 5.5"	61	145	84	282.70
Paper Points Size 50 180points/ box	20	22	2	244.17
Spatula Ayres Wooden Cervical	17,527	40,125	22,598	243.59
Trays with lid S/S 270x210x40mm	1	19	18	239.76
Forceps Dissecting Plain 7"	32	108	76	229.71
Straight Handpiece Surgery Burs	40	5,660	5,620	222.00
Wax Carver roach	5	12	7	216.22
Nutrient Agar 500g	1	2	1	215.28
Reamer 31mm no.90	20	55	35	210.47
Wire Cutter-SMOOTH-S/S	30	49	19	188.87
Endo Spreader No:D/11T	10	18	8	180.00
Redivac Apparatus Manometer Stopper APPLIANC	0	40	40	175.25
Crown Forms -peadiatric	20	34	14	168.56
Mannitol Salt Agar 500g	1	2	1	167.96
White Pocket Sulu (small)	0	13	13	149.37
Reamers Endo 25mm No.50	20	45	25	140.78
Percusor (Hammer Patella) 12"	2	29	27	136.88
Kidney Dishes Traditional 25cm	1	10	9	112.62
Gutta Percha Point no.25-pkt	30	62	32	104.29
Rubber Dam Medium	20	21	1	98.07
Scaler Curett No.14	5	22	17	92.63
Football/EGG Diamond Finishing Bur	1	7	6	90.21
-Amalgam Carriers Medium (stainless DENTALP	10	41	31	90.00
Gutta Percha Point no.20-pkt	30	48	18	80.74
Reamers 31mm no.100	20	36	16	72.00
White Stone Acrylic Trimmer w-3	5	46	41	66.00
Buffer tablets ph6.8	3	23	20	62.10
Bonnet Midline ( 25 - 29 cm) for	0	3	3	61.47
Gutta Percha Point no.35-pkt	15	36	21	60.56
Brush Test Tube 16mm x 18cm	30	78	48	56.00
Packer Endodontic No:154	40	220	180	50.00
Lamivudine Tablets 150mg	74	360	286	47.47
BC309-05 Bonnet Midline 29-36cm	0	2	2	42.55
Student NursesTrousers White Drill	0	13	13	27.65
Excavator 672/4	40	76	36	27.07
Wick for Spirit Lamp	26	79	53	24.11
Measles/ Rubella Injection 10 dose	12,172	15,050	2,878	23.24
Plastic Double Ended No:18	100	237	137	17.74
Plastic Double Ended No:6	100	143	43	17.40
Straight Fissure cylindrical square-No.1	50	120	70	15.60
Tungsten Carbide Latch -Komet Round DENTALP	100	580	480	14.75
Skull Cap	0	37	37	13.85
HBV Infant Injection 10mcg	18,153	19,940	1,787	12.88
Slow Speed Burs Round H1/016	50	1,089	1,039	12.58
Endo Spreader No:60	10	26	16	10.00
Straight fissure Slow Speed No. 012	50	910	860	5.00

Item Description	Maximum Stock	Quantity In Stock	Quantity of Excess Stock	Total Value of Over Stock ( )
Flat fissure Slow Speed H21/010	40	630	590	5.00
Distiller Carbon Filter	5	15	10	4.00
Rubber Cups Screw On	50	1,259	1,209	2.75
Tetanus Toxoid Injection 10 dose	11,568	19,642	8,074	2.33
<b>TOTAL</b>				<b>7,006,293.59</b>

**Appendix 21.7: Below Minimum Level**

Item Description	Min Stock	Qty In Stock	Date of PO	Expected Date of Arrival
Ipratropium Bromide solution 0.025% (1mL)	1,000	0	27/02/13	3/30/2013
Amoxycillin Capsules 250mg	1,150,000	0	23/05/13	9/30/2013
Erythromycin Tablets 250mg	800,000	0	27/08/13	11/30/2013
Ranitidine Tablets 300mg	500,000	0	3/12/2013	3/30/2014
Griseofulvin Tablets 125mg	400,000	0	2/9/2013	12/30/2013
Carbamazepine Tablets 200mg	350,000	0	26/04/2	1/30/2014
Propranolol Tablets 40mg	275,000	0	2/9/2013	12/30/2013
Methyldopa Tablets 250mg	250,000	0	13/05/13	10/15/2013
Mebendazole Tablets 100mg	140,000	0	19/11/13	1/30/2014
Haloperidol Tablets 5mg	125,000	0	12/3/2013	3/30/2014
Penicillin G Injection 1mega	120,000	0	9/2/2013	12/30/2013
Paracetamol Mixture 120mg/5ml 100ml Bottle	85,000	0	8/27/2013	11/30/2013
Nifedipine Capsules 10mg	33,500	0	11/7/2013	1/30/2014
Gloves Surgical Sterile Latex Size 7 1/2 , pair	33,333	0	10/31/2013	1/31/2014
Warfarin Sodium Tablets 1mg (MAREVAN BRAND)	31,000	0	8/30/2013	10/30/2013
Dexamethasone Injection 4mg/ml	21,500	0	11/7/2013	1/30/2014
Gloves surgical,sterile ,latex,size 8 ,pair	19,869	0	11/29/2013	2/28/2014
Chloramphenicol Injection 1g	18,667	0	10/8/2013	11/30/2013
Sodium Chloride 0.3% with Dextrose 3% Injection 1000ml Bag	17,926	0	9/2/2013	1/30/2014
Permethrin Cream 5% (30g)	14,000	0	10/23/2013	1/30/2014
Isoniazid Tablets 100mg	12,233	0	10/22/2013	11/30/2013
Amoxycillin/Clavulanic Acid Tablets 500mg/125mg	11,500	0	11/27/2012	9/30/2013
Imipramine Tablets 25mg	10,000	0	12/3/2013	3/30/2014
Beclomethasone Inhaler 100mcg	8,750	0	7/10/2013	12/30/2013
Iron Dextran Injection 100mg/2ml	7,000	0	11/12/2013	12/30/2013
Aminophylline Injection 250mg/10ml	5,850	0	10/8/2013	11/28/2013
Blood Glucose monitoring strips 50	5,806	0	11/19/2013	1/31/2014
Frusemide Tablets 500mg	5,400	0	10/8/2013	11/18/2013
Betamethasone Cream 0.1% (Valerate as salt)	5,350	0	11/19/2013	1/30/2014
Cannula I/V 16G X 57mm, Sterile, Individually wrapped	4,455	0	10/31/2013	1/31/2014
Zinc Oxide Ointment	3,850	0	10/23/2013	1/30/2014
Ergometrine/Oxytocin Injection 500mcg/5iu	3,667	0	7/10/2013	10/30/2013
Methylated Spirit solution 70% (500mls)	3,500	0	5/9/2012	9/30/2013
Lignocaine Plain Injection 1% - FOR IV USE ONLY	3,250	0	10/3/2013	12/30/2013
Syringe disposable 1ml Box of 100	2,468	0	11/29/2012	12/31/2013
Ceftriaxone Injection 250mg	2,333	0	9/6/2013	11/30/2013
Syringe Disposable 3ml Box of 100	2,212	0	11/26/2013	2/26/2014
Theatre Caps Bouffant Box of 100 (or 250)	2,166	0		
Catheter Foley Silicon treated 16FG, Sterile, individually wrapped	2,000	0	11/26/2013	2/26/2014
Ephedrine Nasal Drops 0.5%	1,667	0	10/8/2013	11/25/2013
Catheter Foley Silicon treated 14FG, Sterile, individually wrapped	1,667	0	11/26/2013	2/26/2014
Sharps Container, 5 L, yellow, puncture resistant	1,666	0	11/22/2013	2/22/2014



Item Description	Min Stock	Qty In Stock	Date of PO	Expected Date of Arrival
Feeding Tube 8FG infant	1,609	0	9/26/2013	12/24/2013
Needle scalpvein set 23G X 19mm	1,537	0		
Feeding Tube 10FG Infant	1,023	0	11/22/2013	12/15/2013
Shoe Covers Plastic	1,000	0		
Promethazine Elixer 1mg/ml 100ml Bottle	900	0	12/3/2013	3/30/2014
CVP Triple Lumen, 7fg, 16cm	833	0	10/31/2013	1/31/2014
Syringe Insulin 30ml	800	0		
Tape Autoclave indicator 25mm	778	0	11/22/2013	3/22/2014
Blood Glucose monitoring strips 50 - Advantage Brand	667	0	10/2/2013	10/25/2013
Blood Glucose monitoring Meter - Performa Brand	667	0		
Sodium Chloride 0.9% 100mL for NICU and PICU	613	0	9/2/2013	1/30/2014
Catheter Foley silicone treated 12FG, sterile, individually wrapped	600	0	11/26/2013	2/26/2014
Dextrose 50% inj 500ml Bag	589	0	9/2/2013	1/30/2014
Tropicamide eye drops 1%	500	0	10/8/2013	11/15/2013
Povidone Iodine Scrub solution 7.5%	500	0	10/16/2013	11/30/2013
Dispensing Pins (Codan Spikes)	500	0		
Syringe Insulin 3ml	500	0		
Syringe Insulin 50 / 60ml	500	0		
Suture polyglycolic acid coated 1 90cm ,40mm taper pt half circle Box of 36	287	0	11/6/2013	1/31/2014
Endotracheal Tube, Size 9.5, cuffed, hi-volume/low pressure, x-ray detectable	260	0		
Methotrexate Injection 50mg/2ml	257	0	11/26/2013	12/17/2013
Naso Gastric Tube 12FG	246	0	11/22/2013	12/15/2013
Catheter Suction Sterile PVC 20FG fingertip control	240	0	11/26/2013	2/26/2014
Suture Silk 3/0 75cm, 26mm rev cut half circle Needle Box of 36	220	0	11/6/2013	1/31/2014
Blood Glucose Monitoring Meter	200	0	11/19/2013	1/31/2014
Adult Anaesthetic Circuit	200	0		
Tube Levin D/Ryles (Duodenal Catheter) 10FG-xray detectable	170	0	11/25/2013	2/25/2014
Endotracheal tube size 7, cuffed, hi volume/low pressue, x-ray detectable (Oral Rae)	167	0	11/26/2013	2/26/2014
Paediatric Aneesthetic Circuit	167	0		
Nasogastric tube 8FG X Ray Detectable, closed end	163	0	11/25/2013	2/25/2014
Suture Polyglycolic Acid Coated 2/0 75cm (undyed) 26mm tape Box of 36	160	0	11/6/2013	1/31/2014
Halothane Liquid 250ml	140	0	8/27/2013	11/30/2013
Bag Autoclave Code E Size 190x65x250mm Box of 1000	134	0	11/22/2013	1/22/2014
CATI & III Patient Kit A	130	0	10/22/2013	11/30/2013
Battery for Advantage Meter Lithium	111	0		
Brush Nail Nylon Surgeon, size 10 X 5cm	105	0		
Underwater Seal Drainage, Disposal Full Sets (PAEDIATRICS)	100	0	11/22/2013	2/22/2014
Sharps Container, 10 L, yellow, puncture resistant	100	0	11/22/2013	2/22/2014
Chemosafety Gloves (Box of 100) - Small	100	0		
(Sony )Colour Printing Pack for V10 Ultrasound Machine UP- C21L, GS-128 (PACK OF 4)	100	0		
PLaster of paris Gypsona brand 10x2.7cm	100	0		
PLaster of paris Gypsona brand 7.5x2.7	100	0		
Underwater Seal Drainage, Disposal Full Sets (ADULTS)	100	0		

Item Description	Min Stock	Qty In Stock	Date of PO	Expected Date of Arrival
Catheter Tip Syringe (box of 100)	100	0		
Gags Mouth adult	100	0		
Silicone Tubing Patient Set Connectors	100	0		
3 Piece Anti-Slip Titanium Adaptor	100	0		
Low Pressure cuffed (LPC) Size 6 - Shiley Brand	67	0	11/26/2013	2/26/2014
Low Pressure Cuffed (LPC) Size 8 - Shiley Brand	67	0	11/26/2013	2/26/2014
Low Pressure Cuffed (LPC) Size 4 - Shiley Brand	67	0	11/26/2013	2/26/2014
Blood Glucose Monitoring Meter - (ADVANTAGE)	67	0		
BC4030 - 10 Nasal Prong	67	0		
BC4540 - 10 Nasal Prong	67	0		
BC 5050 - 10 Nasal Prong	67	0		
BC 5560 - 10 Nasal Prong	67	0		
BC 6060 - 10 Nasal Prong	67	0		
Nylon Monofilament Suture - 5/0 45cm 3/8 reverse 13mm Cutting (Box of 12)	67	0		
Chemosafety Gloves (Box of 100) - Large	67	0		
Tubing extension luer lock 55cm	66	0	11/25/2013	6/1/2014
Endotracheal tube size 8, cuffed, hi volume/low pressue, x-ray detectable (Reinforced)	66	0	11/26/2013	2/26/2014
Endotracheal Tube, Size 8.5, cuffed, hi-volume/low pressure, x-ray detectable (Oral Rae)	66	0	11/26/2013	2/26/2014
Endotracheal Tube, Size 8.5, cuffed, hi-volume/low pressure, x-ray detectable (Reinforced)	66	0	11/26/2013	2/26/2014
Endotracheal Tubes, Neonatal Size 4.5, uncuffed, X-Ray detectable (Oral Rae)	66	0	11/26/2013	2/26/2014
Endotracheal Tubes, Neonatal Size 5.5, uncuffed, X-Ray detectable (Oral Rae)	66	0	11/26/2013	2/26/2014
Naso Gastric Tube Drainage 14FG	66	0		
Chest Drain Tubes, Size 16	66	0		
Chest Drain Tubes, Size 22 Box of 10	66	0		
Mask disposable face(Shaoxing Health Products) Box of 50	61	0		
Methylprednisolone Injection 1g	42	0	10/3/2013	12/30/2013
Droperidol Injection 5mg/2ml	42	0	11/19/2013	1/30/2014
Arabinocide-C (Cytarabine) Injection 100mg	40	0	11/26/2013	12/17/2013
Suture polyglycolic acid coated 1 70 cm ,27mm taper pt half circle Box of 36	34	0	11/6/2013	1/31/2014
Endotracheal Tubes Neonatal Size 2.5, uncuffed, x ray detectable (Oral Rae)	33	0	11/26/2013	2/26/2014
Tubing sheeting drainage corrugated 250x30mm radio-opaque	31	0		
Suture silk 3/0 45cm ,23mm rev cut half circle needle Box of 36	30	0		
Suture nylon monofilament 10/0 15cm,5.5mm lancet pt modifile Box of 12	22	0		
Endotracheal Tubes Neonatal Size 3.0, uncuffed, x ray detectable (Oral Rae)	17	0		
Connector Y (Portex 700/140/002)	14	0		
Pessary Ring size Small - 50mm	14	0		
Film Autoclave 8" Individual Packs	11	0	11/22/2013	3/22/2014
Catheter peritoneal dialysis set, pediatric (Tenckhoff) length 37 cm ,20cm to cuff ,5cm distal	9	0		
Suture Polypropylene 3.0 on 19mm Round Body Needle Box of 36	9	0		
Stop TB CAT II Patient Kit A1	7	0	10/22/2013	11/30/2013
Y Type Peritoneal Dialysis Set	6	0		
Laryngoscope set adult 1 set	5	0		

Item Description	Min Stock	Qty In Stock	Date of PO	Expected Date of Arrival
Syringe Disposable 50ml	1,783	1	11/26/2013	3/15/2014
BC 5550 - 10 Nasal Prong	67	2		
BC 6070 - 10 Nasal Prong	67	2		
BC 5040 - 10 Nasal Prong	67	5		
Film Autoclave 6" Individual Packs	11	5		
Mesh Prolene 5x5cm box of 5pieces	67	6	10/31/2013	1/31/2014
Twine post mortem	20	8		
Cuff Less Fenestrated (CFN) Size 6 - Shiley Brand	67	13	11/26/2013	2/26/2014
Film Autoclave 4" Individual Packs	17	13		
Chest Drain Tubes, Size 32 Box of 10	53	19	11/22/2013	2/22/2014
Polypropylene Suture - 0 (3/5) 75cm, half Circle 26mm RBT (Box of 36)	100	30	11/6/2013	1/31/2014
Cuff Less Fenestrated (CFN) Size 4 - Shiley Brand	67	30	11/26/2013	2/26/2014
Suture polypropylene monofilament 5/0 90cm, 16mm dbl arm rev Box of 12	67	30		
Redivac Straight Needle 1800M	36	31		
Mesh Prolene 15x15cm box of 5pieces	67	34	10/31/2013	1/31/2014
Endotracheal tube size 6, cuffed, hi volume/low pressure, x-ray detectable (Normal)	134	39	11/26/2013	2/26/2014
Chest Drain Tubes, Paediatrics	53	40		
Naso Gastric Tube 14FG	324	44	11/25/2013	2/25/2014
Bag Autoclave Code H Size 180 x 95 x 380mm Box of 500	75	46	11/22/2013	2/22/2014
Gloves Nitrile "Large" Box of 100	240	47	11/1/2013	1/31/2014
(Sony) Printing Paper for Ultrasound Machine 110mm x 18mm UPP110HG	167	47		
Suture Polyglycolic Acid Coated 3/0 75cm 26mm Taper Point Half Circle Box of 36	134	60	11/6/2013	1/31/2014
Gloves Nitrile "Medium" (Box of 100)	256	67	11/1/2013	1/31/2014
Tape Masking Autoclave 25mm	489	69	11/22/2013	3/22/2014
Catheter Foley Silicon treated 18FG, Sterile, individually wrapped	1,667	76	11/26/2013	2/26/2014
Syringe Disposable 20ml Box of 50	233	92	11/29/2012	12/30/2013
Naso Gastric Tube Drainage 10FG	166	100	11/25/2013	2/25/2014
Naso Gastric Tube 20FG	250	102	11/25/2013	2/25/2014
Polypropylene Suture - 0 (3/5) 75cm, half Circle 37mm RBT (Box of 12)	220	108		
Suture Catgut Chromic 67cm, 27mm taper pt half circle R/B Box of 36	182	111		
Central Venous Catheter Tripple Lumen 7Fr)	334	146		
Catheter Suction Sterile PVC 16FG fingertip control	1,100	154	11/26/2013	2/26/2014
Catheter Suction Sterile PVC 14FG fingertip control	1,290	161	11/26/2013	2/26/2014
Tube Levin D/Ryles (Duodenal Catheter) 16FG	385	171	11/25/2013	2/25/2014
Uristix Strips 100	1,167	177		
Bag urine drainage, adult with outlet non return valve, 2000ml, longtube, unsterile	10,000	182	11/1/2013	12/15/2013
Suture polyglycolic acid coated 1 90cm ,37mm taper pt half circle Box of 36	234	200	11/6/2013	1/31/2014
Catheter Suction Sterile PVC 12FG fingertip control	1,667	209	11/26/2013	2/26/2014
Infant Delivery SYS-SMCP(10) - (Bubble CPAP)	435	213		
Catheter Foley, Silicone treated 6fg, sterile, individually wrapped	350	228	11/26/2013	2/26/2014
Pessary Ring size Large - 90mm	346	260		
Urine Collectors Paediatric Sterile 100ml	1,227	305	11/22/2013	2/22/2014
Bag Colostomy (Stoma) with Skin Barrier	1,200	359		

Item Description	Min Stock	Qty In Stock	Date of PO	Expected Date of Arrival
Syringe disposable 10ml Box of 100	3,333	367	11/11/2013	1/15/2014
Cardiograph Paper for Motara ELI 50	2,967	385		
Catheter Suction Sterile PVC 18FG fingertip control	872	424	11/26/2013	2/26/2014
Catheter Foley Silicon treated 22FG, Sterile, individually wrapped	833	428	11/26/2013	2/26/2014
Catheter Suction Sterile PVC 6FG Fingertip Control	2,366	526	11/26/2013	2/26/2014
Gloves Disposable Examination, Latex, Amidextrous, Small Box of 100	5,000	552		
Syringe Disposable 5ml Box of 100	3,333	615	11/11/2013	12/30/2013
Feeding Tube 6FG infant	1,863	959	11/22/2013	2/22/2014
IV Chamber (Peadiatrics) 60 drops /ml luer lock 150ml Chamber.	11,667	960	11/29/2013	2/28/2014
Needle Disposable Sterile 21G X 40 mm Box of 100	2,321	984	11/29/2012	12/28/2013
Gloves Surgical Sterile Latex Size 7,pair	23,447	990	10/31/2013	1/31/2014
Catheter Foley Silicon treated 20FG, Sterile, individually wrapped	1,125	1,050	11/26/2013	2/26/2014
Needle Disposable Sterile 27G x 16mm Packet of 100	1,850	1,093	8/30/2012	12/30/2013
Catheter Suction Sterile PVC 10FG fingertip control	2,833	1,194	11/26/2013	2/26/2014
Mucus extractor without filter with extra lid (uno plast - Muco-Sa	1,417	1,262	11/26/2013	2/26/2014
Cervix Brush (Cytobrush) Pack of 10	3,750	1,536	10/16/2013	11/1/2013
Needle Disposable Sterile 23G x 32mm Packet of 100	15,733	2,499	8/30/2012	12/30/2013
Gloves Disposable Examination, Latex, Amidextrous, Medium Box of 100	10,000	3,205	11/6/2013	1/31/2014
Gloves Disposable Examination, Latex, Amidextrous, Large Box of 100	8,333	3,358	11/8/2013	1/31/2014
Needle Disposable Sterile 19G x 32mm Packet of 100	12,175	3,781	11/29/2012	1/28/2014
IV Giving set - 20 drops/ml luer lock (Adult Chamber) 150ml chamber	7,183	4,572	10/10/2013	12/15/2013
Blade surgical Scaple No. 15 sterile individually wrapped	7,140	6,187	10/18/2013	2/15/2014
Medication Plug (Hep-Lock)	26,700	7,083	10/23/2013	1/31/2014
Needle Disposable Sterile 25G x 16mm Packet of 100	13,333	7,638	11/29/2012	10/28/2013
Cannula I/V 22G X 25mm, Sterile, Individually wrapped	17,926	10,043	10/31/2013	1/31/2014

**Appendix 21.8: Sigatoka Tenants Without Bond Payment**

Occupant	Post	EDP No.	Location	Occupation Date	Bond (\$)
Ilaitia Kebubu	Dental Therapist	59903	Keiyasi Health Centre	17/12/2010	300
Ana sauradu	Staff Nurse	32513	Keiyasi Health Centre	23/03/2005	300
Ana Dresia Rokovada	Dental Hygienist	60728	Keiyasi Health Centre	26/01/2010	300
Yashoda Reddy	Staff Nurse	34125	Keiyasi Health Centre	01/08/2010	300
Arieta Tanono	Staff Nurse	32866	Keiyasi Health Centre	17/05/2010	300
Joji Vakadiwaiwai	Medical Officer	92377	Keiyasi Health Centre	22/01/2013	300
Alitia Vialani	Staff Nurse	33229	Keiyasi Health Centre	03/01/2013	300
Viliame Gonewai	Staff Nurse	33418	Nurses Quarters - Lomawai Health Centre	31/07/2010	300
Elvis Zibram	Medical Officer	92395	Lomawai Health Centre	31/01/2013	300
Sulueti Sadranu	Medical Officer	92400	Korolevu Health Centre - Medical Qrts	24/01/2013	300
Laila Cakaunivalu	Staff Nurse	32364	Korolevu Health Centre - Nurses Qrts	09/01/1998	300
Asena Kauyaca	Nurse Practitioner	32227	Medical Qrts - Raiwaqa Health Centre	18/06/2010	300
Loata Marama	Staff Nurse	33516	Nurses Quarters - Raiwaqa Health Centre	23/06/2011	300
Tevita Navuda	Nurse Practitioner	32494	Vatulele Health Centre - Medical Qrts	23/02/2013	300
Unaisi Qasevakatini	Staff Nurse	34114	Vatulele Health Centre	05/06/2011	300
Vasemaca Matai	Staff Nurse	34218	Old Model Qrts - Nukuilau Nursing Station	10/01/2010	300
Adi Vika Bavui	Staff Nurse	33226	Old Model Qrts - Tuvu Nursing Station	01/03/2003	300
Elesi Buloudigi	Staff Nurse	33462	Loma Nursing Station	06/05/2011	300
Vaseva Ratu	Staff Nurse	31944	Cuvu Nursing Station	03/03/2009	300
Setaita Serutabua	Staff Nurse	32578	Medical Officers Qrts - Tau Health Centre	15/08/2011	300
Ilivia Tinaimakubuna	Staff Nurse	33516	Nurses Quarters - Tau Health Centre	02/05/2011	300

**Appendix 21.9: Lautoka Tenants Without Bond Payment**

Occupant	Post	EDP No.	Location	Occupation Date	Bond (\$)
Matavesi Telawa	Medical Officer	92394	Medical Officer's Qrts - Kese H/C	15/05/13	300
Filomena Elo	Staff Nurse	32277	Nurses Qrts - Kese H/C	15/02/13	300
Ratu Patemo V	Medical Officer	91947	Medical Officer's Qrts - Nacula H/C	17/02/12	300
Miliana Naresia	Staff Nurse	34376	Nurses Qrts - Nacula Health Centre	01/04/11	300
Salote Kataiwai	Medical Officer	92397	Medical Officer's Qrts - Malolo H/C	13/02/13	300
Losana Disomi	Staff Nurse	33136	Nurses Qrts - Malolo Health Centre	03/10/08	300
Asenaca Adi	Staff Nurse	33799	Nurses Qrts - Yalobi Nursing Station	07/10/10	300
Salanieta Vavalagi	Staff Nurse	34068	Nurses Qrts - Viwa Nursing Station	11/02/11	300
Luisa Daveta	Staff Nurse	34500	Nurses Qrts - Teci Nursing Station	04/04/11	300
Porsha Lania Foster	Staff Nurse	34209	Nurses Qrts - Yanuya Nursing Station	11/02/13	300
Jotishma Kumar	Staff Nurse	34420	Nurses Qrts - Somosomo Nursing Station	15/02/13	300
Tumen Bayar	Medical Officer	92231	Pluggers Avenue	11/10/11	300
Abhitesh Raj	Medical Officer	91436	Vomo Street	27/01/13	300
Peni Veitogavi	X-Ray Technician	64068	Vunivadra Street	01/07/10	300
Victor Wasson	Medical Officer	64804	18 Tavakubu	09/04/13	300
Kereni Goneyali V	Snr Phr Tech	59332	Lum Street	01/06/05	300
Tieri Konrote Waqanicakau	Medical Officer	90959	38 Marlow Street	01/05/12	300
Gutierrez N C	Phar Sup	48570	49 Malamala Street	01/12/94	300
William Saqusaqu	Dental Hyg	58828	243 Sukanivalu	27/01/13	300
Ilisapei Korovou	Dental Therapist	58823	Vomo Street	30/03/08	300
Deo Narayan	Consult	41417	Pluggers Avenue	12/11/02	300
Kelera Tabuaniqili	Medical Officer	90815	Pluggers Avenue	04/05/08	300
Joeli Kalou	Lab Tech	62211	110 Ajodya Prasad	19/11/10	300
Ravi Krishna Rao	Medical Officer	91425	15 Sugar Ave	12/02/13	300
Mark Rokobuli	Medical Officer	63689	13 Kara Punjas	07/08/05	300
Tamanivalu F	Dental Hyg	45184	Flat 2 Bekana Lane	22/01/04	300
Berenadeta Lutua	Lab Tech	41564	15 Tavakubu Rd	01/09/12	300
Cikanamatana Luisa	MS	53664	Waya Street	24/05/05	300
Mohammed Tariq	Medical Officer	91422	Thmson CR	19/03/13	300
Waisea Kelo	Principal Pharmcst	59250	10 Kara Punjas	17/02/13	300
Losalini Tavitani	Clerical Officer	64342	14 Malamala St	27/08/10	300
Ashna Murthi	Medical Officer	90550	47 Malamala St	22/02/11	300
Arun Krishna Murari	Consult Surg	63882	7 Vunivadra St	16/02/09	300
Anjani Singh	Phar Sup	64457	10 Covuli Street	01/12/09	300
Sangeeta Devi Prasad	Lab Tech	90630	6 Kama St	17/01/13	300
Sapna Prakash	Dental Therapy	4/8/2076	11 Kula St	17/12/12	300
Virisila Sema	Medical Officer	90540	2 Madharin Pl	02/10/12	300
Lusiana Naikawakawavesi	Medical Officer	63114	157 Thomson	12/12/11	300
Viliame Vakacereivalu	Dental Technician	62071	291 Sukanivalu Rd	20/09/13	300
Aliviado Rogelio Jr	PMO	92999	5 Kama Street	17/09/10	300
Arti Kaur	Lab Technician	63135	21 Rifle Range	07/06/13	300
Jona Nabaro	Medical Officer	90963	4 Fultana Place, Lautoka	17/10/13	300

Occupant	Post	EDP No.	Location	Occupation Date	Bond (\$)
Ragni Dayal	X Ray Tech	63097	8 Chameli St	01/04/12	300
Ranishwar Vatukela	Jnr Physio	63962	8 Razak Rd	11/01/14	300
Josateki Vatukela	Dental Officer	92035	24 Waya St	27/01/14	300
Peni Tanadua	Dental Hygienist	58349	53 Chandman St	16/01/14	300
Joana Seru	Physio Therapist	59286	23 V M Pillay Rd	-	300
Priteshni Deo	Dental Hygienist	63180	Kanta St	-	300
Neeraj Sharma	Medical Officer	92396	Golf Link Rd	21/02/14	300
Raphael Malien	Consultant	93882	Golf Link Rd	21/03/14	300
Vilomena Ranadi	Medical Officer	91452	35 Sadalwood Lane	28/03/14	300

**Appendix 21.10: Ba Tenants Without Bond Payment**

Occupant	Post	EDP No.	Location	Occupation Date	Bond (\$)
Adi Kelera Sainiana	Staff Nurse	34304	Namau Nursing Station	01/02/11	300
Shalik Chand	Staff Nurse	33859	Balevuto Health Centre	01/11/07	300
Luisa Lubi	Staff Nurse	32459	Nailaga Health Centre	-	300
Biudole Sokia	Staff Nurse	34234	Ba Hospital Compound	17/01/11	300
Zareena Bibi	Staff Nurse	34450	Ba Hospital Compound	01/01/10	300
Ronila Singh	Staff Nurse	32802	Ba Hospital Compound	01/08/99	300
Sovaia Sataru	Staff Nurse	33863	Ba Hospital Compound	21/03/11	300
Sanjeet Prasad	Temp H/I	59278	Ba Hospital Compound	01/08/11	300
Pratika Wati Singh	Staff Nurse	34583	Ba Hospital Compound	01/01/11	300



## Section 22

# Ministry of Local Government, Urban Development, Housing and Environment

### Role and Responsibilities

The Ministry of Local Government, Urban Development, Housing and Environment is responsible for the formulation and implementation of local government and urban planning policies and the formulation and implementation of housing and integration of programmes to eradicate poverty. It is also responsible for administering the Government Grant for the National Fire Services. In addition, the Ministry is also responsible for the Department of Environment that is mainly responsible for the development of government policy for the protection of the environment and its sustainable use for human resources and policing the use of the environment and ensuring compliance with government policy by economic agents. The Ministry's functions are categorized into the following programme areas:

- General Administration;
- Local Government;
- Department of Town and Country Planning;
- Housing; and
- Environment Department.

The National Fire Authority is also under the Ministry's jurisdiction.

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**PART A: FINANCIAL STATEMENT****22.1 Audit Opinion**

The audit of the 2013 accounts of the Ministry of Local Government, Urban Development, Housing and Environment resulted in the issue of a qualified audit report.

The basis of qualification was that an unreconciled variance of \$358,893 existed in the Department of Environment Main Trust Fund Account bank statement balance and the General Ledger (FMIS) balance.

Management attention was also drawn to that the Ministry did not reconcile the expenditure in the FMIS general ledger as no expenditure ledger was maintained. The Ministry prepared its financial statement from the FMIS general ledger.

**22.2 Statement of Receipts and Expenditure**

The Ministry of Local Government, Urban Development, Housing and Environment's budget was allocated with two separate Heads in 2013.

The Ministry of Local Government, Urban Development and Environment budget was allocated under Head 37 while the Department of Housing was allocated its budget under Head 23.

The Ministry is responsible for the administration and accounting for both the budget heads hence separate Statements of Receipts and Expenditure and Appropriation Statement have been prepared to reflect both Heads 23 and 37.

**Head 23 - Department of Housing**

The Department collected revenue amounting to \$170,283 and incurred expenditure totalling \$15,469,970 in 2013. Details are provided in Table 22.1 below.

**Table 22.1: Statement of Receipts and Expenditure for 2013**

Description	2013 (\$)	2012 (\$)
<b>Revenue</b>		
Miscellaneous Revenue	170,283	4,694
<b>TOTAL REVENUE</b>	<b>170,283</b>	<b>4,694</b>
<b>EXPENDITURE</b>		
<b>Operating Expenditure</b>		
Established Staff	279,143	238,051
Government Wage Earners	15,722	12,774
Travel & Communication	35,236	29,241
Maintenance & Operations	37,418	37,344
Purchase of Goods & Services	18,032	72,428
Operating Grants & Transfers	750,000	1,000,000
Special Expenditure	140,258	173,768
<b>Total Operating Expenditure</b>	<b>1,275,809</b>	<b>1,563,606</b>
<b>Capital Expenditure</b>		
Capital Construction	1,955,234	1,357,010
Capital Purchases	0	0
Capital Grants & Transfers	11,917,235	13,134,799
<b>Total Capital Expenditure</b>	<b>13,872,469</b>	<b>14,491,809</b>

Description	2013 (\$)	2012 (\$)
Value Added Tax	321,692	248,918
<b>TOTAL EXPENDITURE</b>	<b>15,469,970</b>	<b>16,304,333</b>

Total revenue increased by \$165,589 or 3,527.6% in 2013 compared to 2012 due to clearance of stale cheques and overpayment recoveries.

Total expenditure decreased by \$834,363 or 5.1% in 2013 compared to 2012 due to:

- decrease in purchase of goods and services related costs;
- redeployment of funds from operating grants to other Ministries and Departments;
- decrease in Special Expenditure, due to decrease in Housing Policy and Implementation Plan related cost; and
- reduction in Capital Grants and Transfers due to less Sustainable Rural Housing/Income Generating Project carried out in 2013.

### Head 37 - Ministry of Local Government, Urban Development and Environment

The Ministry collected revenue amounting to \$185,954 and incurred expenditure totalling \$11,630,086 in 2013. Details are provided in Table 22.2.

**Table 22.2: Statement of Receipts and Expenditure for 2013**

Description	2013 (\$)	2012 (\$)
<b>Revenue</b>		
<b>State Revenue</b>		
Town and Country Planning Fees	137,027	---
Commission	4,679	---
<b>Total State Revenue</b>	<b>141,706</b>	<b>---</b>
<b>Agency Revenue</b>		
Miscellaneous Revenue	44,248	4,694
<b>Total Agency Revenue</b>	<b>44,248</b>	<b>4,694</b>
<b>TOTAL REVENUE</b>	<b>185,954</b>	<b>4,694</b>
<b>EXPENDITURE</b>		
<b>Operating Expenditure</b>		
Established Staff	2,193,446	1,883,199
Government Wage Earners	132,212	123,840
Travel & Communication	176,141	178,728
Maintenance & Operations	262,395	276,478
Purchase of Goods & Services	156,657	140,962
Operating Grants & Transfers	1,642,026	955,146
Special Expenditures	1,917,027	2,043,157
<b>Total Operating Expenditure</b>	<b>6,479,904</b>	<b>5,601,510</b>
<b>Capital Expenditure</b>		
Capital Construction	1,260,724	22,608
Capital Purchases	300,000	469,836
Capital Grants & Transfers	3,002,500	1,695,800
<b>Total Capital Expenditure</b>	<b>4,563,224</b>	<b>2,188,244</b>
Value Added Tax	586,958	469,490
<b>TOTAL EXPENDITURE</b>	<b>11,630,086</b>	<b>8,259,244</b>

The Ministry's revenue increased by \$181,260 or 3,861.5 % in 2013 compared to 2012 due to increase in Town and Country Planning Fees collected and the clearance of stale cheques.

Total expenditure increased by \$3,370,842 or 40.8% in 2013 compared to 2012 due to increase in staff establishment, overtime costs, travel costs in Local Government and Town and Country Planning Department, maintenance costs, and increase in Operating Grants.

## 22.3 Appropriation Statement

### Head 23 - Department of Housing

The Department of Housing incurred expenditure totalling \$15,469,970 in 2013 against the revised budget of \$27,197,663 resulting in saving of \$11,727,693 or 43%. Details are provided in Table 22.3.

**Table 22.3: Appropriation Statement for 2013**

SEG	Item	Budget Estimate (\$)	Changes (\$)	Revised Estimate (\$)	Actual Expenditure (\$)	Lapsed Appropriation (\$)
1	Established Staff	312,569	---	312,569	279,143	33,426
2	Government Wage Earners	15,722	---	15,722	15,722	---
3	Travel & Communication	36,000	---	36,000	35,236	764
4	Maintenance & Operations	50,000	---	50,000	37,418	12,582
5	Purchase of Goods & Services	24,000	---	24,000	18,032	5,968
6	Operating Grants & Transfers	1,000,000	(250,000)	750,000	750,000	---
7	Special Expenditure	174,000	---	174,000	140,258	33,742
	<b>Total Operating Costs</b>	<b>1,612,291</b>	<b>(250,000)</b>	<b>1,362,291</b>	<b>1,275,809</b>	<b>86,482</b>
	<b>Capital Expenditure</b>					
8	Capital Construction	1,000,000	1,576,324	2,576,324	1,955,234	621,090
9	Capital Purchases	---	---	---	---	---
10	Capital Grants and Transfers	21,000,000	1,830,000	22,830,000	11,917,235	10,912,765
	<b>Total Capital Expenditure</b>	<b>22,000,000</b>	<b>3,406,324</b>	<b>25,406,324</b>	<b>13,872,469</b>	<b>11,533,855</b>
13	Value Added Tax	192,600	236,448	429,048	321,692	107,356
	<b>TOTAL EXPENDITURE</b>	<b>23,804,891</b>	<b>3,392,772</b>	<b>27,197,663</b>	<b>15,469,970</b>	<b>11,727,693</b>

### Head 37 - Ministry of Local Government, Urban Development and Environment

The Ministry of Local Government, Urban Development and Environment incurred expenditure totalling \$11,630,086 in 2013 against a revised budget of \$12,424,292 resulting in saving of \$794,206 or 6%. Details are provided in Table 22.4.

**Table 22.4: Appropriation Statement for 2013**

SEG	Item	Budget Estimate (\$)	Changes (\$)	Revised Estimate (\$)	Actual Expenditure (\$)	Lapsed Appropriation (\$)
1	Established Staff	2,648,947	---	2,648,947	2,193,446	455,501
2	Government Wage Earners	134,737	---	134,747	132,212	2,525
3	Travel & Communication	189,029	---	189,029	176,141	12,888
4	Maintenance & Operations	301,200	---	301,200	262,395	38,805
5	Purchase of Goods & Services	170,505	---	170,505	156,657	13,848
6	Operating Grants & Transfers	1,656,222	---	1,656,222	1,642,026	14,196
7	Special Expenditure	2,074,652	---	2,074,652	1,917,027	157,625
	<b>Total Operating Costs</b>	<b>7,175,292</b>	<b>---</b>	<b>7,175,292</b>	<b>6,479,904</b>	<b>695,388</b>

SEG	Item	Budget Estimate (\$)	Changes (\$)	Revised Estimate (\$)	Actual Expenditure (\$)	Lapsed Appropriation (\$)
	<b>Capital Expenditure</b>					
8	Capital Construction	1,350,000	(50,000)	1,300,000	1,260,724	39,726
9	Capital Purchases	300,000	---	300,000	300,000	---
10	Capital Grants and Transfers	2,710,000	292,500	3,002,500	3,002,500	---
	<b>Total Capital Expenditure</b>	<b>4,360,000</b>	<b>242,500</b>	<b>4,602,500</b>	<b>4,563,224</b>	<b>39,726</b>
13	Value Added Tax	654,000	(7,500)	646,500	586,958	59,542
	<b>TOTAL EXPENDITURE</b>	<b>12,189,292</b>	<b>23,500</b>	<b>12,424,292</b>	<b>11,630,086</b>	<b>794,206</b>

## 22.4 Statement of Losses

There was no loss reported for the Ministry in 2013. A board of survey for the year ending 31 December 2013 was conducted by the Ministry.

## 22.5 Trust Fund Account Statement of Receipts and Payments

### Head 37 - Environment Main Trust Fund Account

The Environment Main Trust Fund Account had \$2,094,231 credit balance for the year 2013 compared to a credit balance of \$1,455,569 in 2012. Refer Table 22.5 for receipts and payments for the year ended 31/12/13.

**Table 22.5: Trust Account Statement of Receipts & Payments for 2013**

Description	2012 (\$)	2011 (\$)
<b>RECEIPTS</b>		
Ozone Depletion Substance (ODS) Fines	506,944	650,859
Waste and Environment Impact Assessment	1,977,707	2,435,402
Environment Trust	919,198	481,128
Convention on International Trade in Endangered Species	69,455	44,699
<b>Total Receipts</b>	<b>3,473,304</b>	<b>3,612,088</b>
<b>PAYMENTS</b>		
Ozone Depletion Substance (ODS) Fines	37,596	753,261
Waste and Environment Impact Assessment	1,802,520	1,120,249
Environment Trust	994,526	641,597
Convention on International Trade in Endangered Species	---	2,249
<b>Total Payment</b>	<b>2,834,642</b>	<b>2,517,356</b>
Net Surplus	638,662	1,094,732
Balance as at 1 January	1,455,569	360,957
Less Adjustment	---	120
<b>Closing Balance as at 31 December</b>	<b>2,094,231</b>	<b>1,455,569</b>

### Head 37 – City Wide Main Trust Fund Account

The City Wide Main Trust Fund under head 23 had a credit balance of \$7,269 as at 31 December 2013 compared to a debit balance of \$1,065 in 2012. Refer Table 22.6 for receipts and payments for the year ended 31/12/13.

**Table 22.6: Trust Account Statement of Receipts & Payments for 2013**

Description	2012 (\$)	2011 (\$)
<b>RECEIPTS</b>		
Main Trust Fund Receipts	243,655	235,263
<b>Total Receipts</b>	<b>243,655</b>	<b>235,263</b>
<b>PAYMENTS</b>		
Main Trust Fund Payments	235,321	236,328
<b>Total Payment</b>	<b>235,321</b>	<b>236,328</b>
Net Surplus	8,334	(1,065)
Balance as at 1 January	(1,065)	---
<b>Closing Balance as at 31 December</b>	<b>7,269</b>	<b>(1,065)</b>

**PART B: AUDIT FINDINGS****22.6 Main Trust Fund Account – Unreconciled Balances**

Each month the trust account must be balanced and reconciled with the trust bank account. The names and balances of each account must be listed and the reconciliation shall be signed by the responsible officer. Unreconciled items must be investigated and resolved promptly.<sup>1</sup>

The Department of Environment's main Trust Fund Account had a balance of \$2,094,230.75 in FMIS general ledger while the bank statement had a balance of \$2,453,123.97 as at 31/12/13 resulting in a variance of \$358,893.22. The Department did not prepare the main Trust Fund account reconciliation for 2013 and the previous years. Refer Table 22.7 below for details.

**Table 22.7: Variances In Environment Trust Fund Account**

Balance as per Trust Fund Bank Statement	Balance as per Trust Fund Ledger (FMIS)	Variance
(\$)	(\$)	(\$)
2,453,123.97	2,094,230.75	358,893.22

The Ministry may not be able to detect misappropriation or theft of Trust Fund money if monthly reconciliations are not carried out. The audit was also not able to ascertain that all receipts and payments had been accurately accounted for in the main Trust Fund account.

**Recommendations**

**The Senior Accounts Officer should ensure that:**

- **Trust Fund account bank balance is reconciled with the Trust Fund FMIS ledger balance on a monthly basis; and**
- **Appropriate action is taken against Officers responsible for not reconciling the Trust Fund account with the general ledger.**

**Management Comment**

*No comment received from the Ministry.*

<sup>1</sup> Finance Instructions 2010, Section 58(3)

## 22.7 Revolving Fund Account

Within 3 days of receiving the monthly general ledger reports from the Ministry of Finance, the Accounts Officer shall reconcile the ledger balances to the general ledger reports and prepare a ledger reconciliation statement.<sup>2</sup>

The audit verification of the Department of Housing Revolving Funds Account (RFA) reconciliation revealed that two of the RFA accounts had credit balances as at 31/12/13. Refer Table 22.8 for details.

**Table 22.8: RFA Accounts with Credit Balances**

Account	Description	Amount (\$)
12310123999570301	Advances – Housing Department	163,694.28
12310123999560203	Accounts Receivable Individuals – Housing Department	215,731.90

The credit balance in the Revolving Funds Account may have resulted from incorrect journal entries passed to these accounts or through misposting.

### **Recommendation**

**The Senior Accounts Officer must investigate and rectify the credit balances noted.**

### **Management Comment**

*No comment received from the Ministry.*

## 22.8 Expenditure Ledger not maintained

All payments, including VAT, must be immediately recorded in the financial management information system and an expenditure ledger<sup>3</sup>. The Accountant is responsible for maintaining ledgers and reconciling balances in such ledgers to ensure the accuracy of financial information and the timeliness of management reports<sup>4</sup>.

The special purpose financial statements of the Ministry of Local Government, Urban Development, Housing and Environment for the year ended 31 December 2013 was prepared from the Financial Management Information System (FMIS) maintained by the Ministry of Finance.

The audit noted that the Ministry did not maintain an expenditure ledger as such the Ministry could not reconcile its records against the FMIS general ledger.

As a result audit was not able to ascertain the accuracy of the amounts stated in the Statement of Receipts and Expenditure.

<sup>2</sup> Ministry of Local Government, Urban Development, Housing and Environment Finance Manual 2011, s16.3.3

<sup>3</sup> Finance Instructions 2010. s15

<sup>4</sup> Ministry of Local Government, Urban Development, Housing and Environment Finance Manual 2011, s16.3.3

**Recommendation****The Ministry should:**

- ensure that an expenditure ledger is maintained; and
- reconcile its expenditure ledger with FMIS general ledger on a monthly basis.

**Management Comment**

*No comment received from the Ministry.*

**22.9 Re-engagement of Senior Technical Officer**

The Government shall pay the Officer in respect of duration of service on an annual basic salary subject to Fiji Tax Condition of \$26,845 in the salary scale of \$26,845 - \$36,038 in the ST02.<sup>5</sup>

A Technical Officer (EDP number 17373) with the Ministry retired from the service with effect from 30/04/09. The Ministry re-engaged the officer on an annual contract as a Senior Technical Officer from 17/01/12 – 16/01/13 and 17/01/13 – 16/01/14. The audit noted the following anomalies in the officer's re-engagement.

- The officer's employment contract dated 01/02/13 only stated the officer's position. The Officers employment contract did not state her annual salary and salary grade on her re-engagement.
- The officer was to be paid salary at \$26,845 per annum in ST02 grade as per the 2012 employment contract agreement. However the audit noted that the officer was paid annual salary of \$28,425 in LB02 grade which was for the Senior Town Planner.

The Ministry realized that the officer was overpaid on incorrect salary grade and the Acting Deputy Secretary, Senior Accounts Officer and Acting Principal Administrative Officer on 05/07/13 approved to change the salary grade and recover the overpaid salary from the officer.

However, no action was taken by the Ministry to correct her salary grade and recover the overpaid salary. As at 31/1/14, the officer was overpaid by \$3,231.69. Refer Table 22.9 for the breakdowns below:

**Table 22.9: Overpayment of Salary**

Year	Actual Pay That Should Have Been Paid (ST02 grade)	Actual Pay That Was Paid (LB02 grade)	Overpayment (\$)
2012	26,845.00	28,425.00	1,580.00
2013	26,845.00	28,425.00	1,580.00
2014	1,216.90	1,288.59	71.69
<b>Total Overpayment</b>			<b>3,231.69</b>

The officer is no longer employed by the Ministry since expiry of her contract on 16/1/14. The Ministry neither corrected the officer's salary scale nor recovered the overpaid salary. Failure by the Ministry to pay correct salary has resulted in overpayment of salary and loss of public funds.

<sup>5</sup> Contract of Service 2012 s8



## **Recommendations**

### **The Permanent Secretary should ensure that:**

- all employment contracts are properly reviewed for errors and omissions before being signed by the parties concerned;
- all employment contracts state the gross annual salary and salary grade for each officer;
- all employees are paid in accordance with the salary stated in the contracts; and
- responsible officers are surcharged for not recovering the overpaid salary.

## **Management Comment**

*No comment received from the Ministry.*

### **22.10 Poor Management of Funds for the 9th Pacific Islands Conference on Nature Conservation and Protected Areas (PICNIC)**

The 9<sup>th</sup> Pacific Islands Conference on Nature Conservation and Protected Areas was hosted by the Fiji Government in collaboration with the South Pacific Region Environment Program (SPREP) and the Pacific Island Roundtable (PIRT).

The Cabinet in its meeting on 20/06/12 agreed that Fiji will host the 9<sup>th</sup> PICNC to be held in November 2013 and funding for the Conference to be sought through the normal budgetary process.

Cabinet again on 24/09/13 approved the request to source additional funding through sponsorship from private and business houses based in Fiji and should there be a shortfall then to vire funds from the Ministry's 2013 budget allocation. It was also agreed by Cabinet that if the Ministry require additional funds, the Ministry to revert to Cabinet for its approval.

The audit noted the following anomalies in the organization and financial management of hosting the conference.

- The Cabinet in its meeting on 24/9/13 agreed that if the Ministry requires additional fund, the Ministry to revert to Cabinet for its approval.

The Ministry was allocated \$200,000 for hosting the conference in the 2013 budget. However, from the review of the payment vouchers and the FMIS general ledger posting, the audit noted that the Ministry paid \$275,138.12 from the operating budget and \$125,455.46 from the Environment Trust Fund Account.

Therefore, total of \$400,593.58 was spent against a budget of \$200,000 resulting in an over expenditure of \$200,593.58 or 100%. The Ministry did not seek Cabinet approval for additional funds and incurred over expenditure without the Cabinet approval.

- The expenditure related to the conference was posted to several incorrect allocations which made it difficult to establish the total expenditure incurred for hosting the conference.

- Trust money is to be kept in a separate bank account and accounted for separately from “public money” and “other money”.<sup>6</sup> All payments from the trust account shall be adequately supported and made only for the purpose of the trust.<sup>7</sup>

The Attorney General and Acting Minister for the Ministry of Local Government, Urban Development, Housing and Environment approved the utilization of funds from the Environment Trust Fund Account. However, as at the date of audit<sup>8</sup>, the Ministry was yet to refund the funds utilized from the Environment Trust Fund Account.

The above indicates poor planning and management of funds by the Ministry resulting in over expenditure.

### **Recommendation**

#### **The Permanent Secretary should:**

- ensure that funds are properly managed to avoid over expenditure;
- ensure that expenditures are posted to correct allocations; and
- ensure to replenish the Environment Trust Fund Accounts;

### **Management Comments**

*The Ministry did not seek Cabinet approval for additional funds which resulted in over expenditure because of the following situation that arose and hurdles that had to be overcome:*

- There were massive changes in services that were to be procured by the Ministry a week before the official opening of the program. These services were some of the most crucial and important expenditures that were incurred such as catering and decoration and event management.*
- The Ministry has consulted comprehensively with the relevant Minister and had undertaken every action based on the Minister's approval and noting since it was the most prudent thing in order to maintain transparency for executing such undue expenses outside the limits set by the cabinet.*
- The last minute changes in arrangement and procurement of services for the conference was based on a strategic decision looking at the huge number of confirmations for delegates that were received few days prior to the commencement of the conference. Furthermore a close scrutiny by the special group appointed by the Minister to oversee the organization of the conference observed irregularities with quotations supplied by some vendors. These irregularities could be explained as in efficiency and capacity to render services for such a large gathering which would have resulted them to further subcontract this service. The quality of service, hospitality of Fijian hosts and reputation was not to be compromised and therefore some additional unexpected expenses were incurred.*
- The Ministry took all necessary precautionary measures to avoid undue expenses and even solicited donations from corporate agencies towards the conference. Their contribution should have offset some over paid expenses by the Ministry. An amount of \$45,000 which was deposited in the Environment Trust Account. Donations/sponsorships were provided by RC Manubhai (\$5K – Rec #373564), Roofing (RPFLO) (\$5K – 373565) Jacks Handicraft (\$5k - 373566), Reddy's group of company (\$10K - 373574), and FEA (\$20k - 373600). This is not reflected in the report.*
- It is essentially important to note that most expenses that were off the mark has been as a result of requests made by the 'events coordinator' that was appointed by Minister's office. The company Rosie Tours was chosen after the position was advertised in the Fiji sun and they liaised directly with Minister's PA and*

<sup>6</sup> Ministry of Local Government, Urban Development, Housing and Environment Finance Manual 2013 s15

<sup>7</sup> Ministry of Local Government, Urban Development, Housing and Environment Finance Manual 2013 s15.2.3

<sup>8</sup> 07/02/14

*reported to the Minister. A number of expenses were incurred by the company which was initially not planned by the organizing committee of the 9<sup>th</sup> Conference.*

- (f) The Ministry wishes to also state that a draft cabinet paper was indeed prepared for additional allocation of \$100,000 that was requested from Cabinet and was submitted to the Minister; however the Ministry was not able to get a response on the paper which forced us to explore the use of the Environment Trust Account.*
- (g) There were refunds expected from some service providers as well which have not been received to date. Mango Café owe the Ministry an amount of \$8,500 and Viti Scaffolding owe us \$36,044.45, totaling to an amount of \$44,544.45.*
- (h) A minute to the Minister requesting an event for sponsorship drive to solicit support from private sector towards the conference. Response was received at a time when the event was deemed inappropriate due to the time limitations.*

## **22.11 Naboro Landfill Design and Construction of Phase 2**

The Government Tender Board (GTB) awarded tender No. CTN 241/2010 to H.G Leach (Fiji) Limited on 26/06/13 for the Naboro Landfill Phase 2 Design and Construction. The total contract price for the project was \$3,155,350 VEP. The project was to be completed in 56 weeks. The project works commenced on 01/07/13.

Our review of the project files and the contract documents revealed the following anomalies.

- The Special Conditions of Contract stated that the Ministry will appoint the Engineer and advice at the commencement of the contract.<sup>9</sup>

Progress payments to the contractor should be made after the Engineers review of the progress of the project, materials used and workmanship. Upon inspection and before payment is effected a progress report and inspection reports should be prepared by the Engineer.

The Ministry failed to appoint the Engineer for the project despite 90% of the project works completed as at 08/04/14. Instead the Ministry appointed Environment Officer, Mr. Rahul Dutt to oversee the project implementation. Mr. Dutt did not have expertise in the project design and construction as he had a Bachelor's Degree in Environment Studies and was an Environment Officer.

Furthermore, the Ministry made 7 progress payments amounting to \$2,848,605.85 (VEP) and these payments were certified by the Ministry's Environment Officer, Mr. Rahul Dutt.

This indicates that the progress of the construction work was not supervised by appropriate personnel. There is a high risk that the contractor may not fully comply with project design and specifications.

- Any variation must be approved by the Permanent Secretary or his nominee in their role as Engineer to the contract and will not be liable to pay any cost if variation is made by the contractor.<sup>10</sup>

The contractor in claim number 4, claimed \$27,060 (VEP) for variations in cost. The payment was approved by the Permanent Secretary even though no prior approval for the variation in works was approved by him. Refer Table 22.10 for details of the variations.

<sup>9</sup> Special Conditions of Contract s6.1.2

<sup>10</sup> Conditions of Contract WSC 241/2012 s2.2.5

**Table 22.10: Details of variations for which prior approval were not obtained**

Item Reference Number	Item being claimed	Amount Claimed (\$)
4.1.5	20T Excavator	4,560
4.1.6	D6 Dozer	2,160
4.1.7	6 Wheel Truck	6,840
4.1.8	Hydraulic Breaker	7,500
5.1.3	Groundwater Drainage	6,000
<b>Total</b>		<b>27,060</b>

- If geomembrane<sup>11</sup> is incorporated in the design, the geomembrane material manufacturer shall provide an enforceable written guaranty prior to construction that the geomembrane material will last for a minimum of 5 years design life under Fiji conditions while covered by untreated municipal solid waste.<sup>12</sup>

The contractor used geomembrane material in the construction of Naboro Landfill Phase 2. However, the contractor provided a written warranty<sup>13</sup> from the manufacturer instead of a guaranty<sup>14</sup> as required by the special conditions of contract.

The findings show that the Ministry does not have project management skills and capabilities and does not perceive the importance of having an Engineer to monitor and supervise the construction of the landfill project. The project may not be carried out up to the standard required by the Ministry in absence of the qualified project Engineer to oversee the work carried out by the Contractor.

### **Recommendation**

#### **The Ministry should:**

- **ensure a qualified Engineer is appointed to monitor, supervise and review progress claims for the construction of such projects in future;**
- **ensure that contract requirements are strictly met; and**
- **ensure the contractor provides an enforceable written guaranty and not the warranty that the geomembrane material will last for a minimum of 5 years design life under Fiji conditions.**

### **Management Comment**

*Environment Officer (Mr. Rahul Dutt) does not certified payments. The officer is tasked to undertake verifications of amount claimed through assessment of works completed and site inspections to the construction site. Report on the verifications of amount claimed and release of payments is approved by the PS following vetting by the Acting Director of Environment and Senior Accounts Officer. The Department of Environment agrees to the recommendations of the Audit report for the appointment of a qualified Engineer to monitor, supervise and review progress claims for design and construction of such projects in the near future.*

<sup>11</sup> A geomembrane is very low permeability synthetic membrane liner or barrier used with any geotechnical engineering related material so as to control fluid (or gas) migration in a human-made project, structure, or system

<sup>12</sup> Special Conditions of Contract WSC 241/2012 s11.5.1

<sup>13</sup> A written agreement in which a company selling something promises to repair or replace it if there is a problem within a particular period of time.

<sup>14</sup> A written promise given by a Company that something you buy will be replaced or repaired without payment if it goes wrong within a particular period.

## 22.12 Operation of Naboro Landfill

On 22/07/2005, the Ministry of Local Government, Urban Development, Housing and Environment entered into a five year contract agreement with H.G Leache & Company Limited for the operation of Naboro Landfill. Consequently, the contract was extended for another term with a contract price of \$5,834,070 (VIP) and the new current contract agreement will expire on 30/06/15.

Our review of the Naboro Landfill project file and the contract document revealed the following anomalies.

- Under the Special Condition of the contract agreement, the Engineer is the Permanent Secretary or their nominee.<sup>15</sup> Progress payments to the contractor should be made after reviewing the progress of the project, materials used and workmanship. Upon inspection and before payment is effected a progress report and inspection reports should be prepared by the Engineer or a qualified officer having knowledge of the project. .

The Ministry made several progress payments to the contractor based on the progress reports prepared by the Environment Officer, Mr. Rahul Dutt who was the Ministry's nominee.

However, Mr. Rahul Dutt does not have the required expertise for the operation and management of an active landfill face (the outline of the landfill) and maintenance of existing landfill assets including weighbridge, aerators, access road and building.

This indicates that operation of the landfill has not been evaluated by a qualified person. The Ministry's nominee may not be able to detect malpractices by the contractor as he is not a qualified person.

The Ministry of Local Government, Urban Development, Housing and Environment will open a nominated bank account for the specific purpose of receiving deposits of all revenue from the gate office operation. The contractor shall deposit in the bank account each day all revenue collected from the gate office operation on that day and part of the previous day where applicable. The contractor will have "enquiry-only" access to the account for the determination of the amount required to top up the balance to meet the Ministry of Local Government, Urban Development, Housing and Environment direct debit or withdrawal requirements each month. The nominated bank account shall remain open until the contract is complete or is terminated and shall be closed only on the written instruction of the Engineer.<sup>16</sup>

The Ministry has opened a separate nominated bank account (Environment Trust Fund Account) specifically for receiving deposits of all revenue from the operation of the landfill.

However, the revenues collected as gate fee was not directly deposited on a daily basis into the nominated bank account as required by the contract. Instead the contractor issued his own receipts and banked all daily collections into its bank account. At the end of the month the contractor then transfers the cash from its bank account to the nominated Environment Trust Fund Account.

In addition the Ministry does not have any of its officers at the Naboro landfill to supervise gate taking and keep a separate record of all gate taking collected and reconcile on a daily basis. Hence the Ministry does not have any control over the gate taking revenues collected by the contractor.

In the absence of separate record keeping and reconciliations, the Ministry is not in a position to ascertain the accuracy of the daily gate fees collected by the contractor and deposited into the nominated bank account at month end.

<sup>15</sup> Special Conditions of Contract s 6.2.1

<sup>16</sup> Conditions of Contract s2.5.1

Payment to the contractor for its services is made from the gate fees collected and is subsidized by the Government if there is a short fall in the monthly gate fees collection. As at 31/12/13, the Ministry had subsidized 34.2% of the claims submitted by the contractor.

In addition 26% of the claims submitted as 31/12/13 were yet to be paid as the Ministry did not have sufficient funds to pay the contractor. This indicates that gate takings are insufficient to meet the contractor's claims submitted. Refer Table 22.11 below for details.

**Table 22.11: Claims paid to the Contractor from the Trust fund and Subsidy.**

Month	Claims (\$)	Amount Paid From Environment Trust Fund Account (\$)	Subsidy 2013 (\$)	Balance To Be Paid In 2014
Nov-12	188,260.48		188,260.48	-
Dec-12	191,762.30	191,762.30		-
Jan-13	215,908.47	215,908.47		-
Feb-13	173,333.92		175,731.73 <sup>17</sup>	-
Mar-13	181,883.50	181,883.50		-
Apr-13	184,457.21	184,457.21		-
May-13	173,649.78	173,649.78		-
Jun-13	189,945.27	189,945.27		-
Jul-13	784,928.59		784,928.59	-
Aug-13	274,625.68		51,000.00	223,625.68
Sep-13	229,258.94			229,258.94
Oct-13	243,173.74	243,173.74		-
Nov-13	236,099.67			236,099.67
Dec-13	238,589.90			238,589.90
<b>TOTAL</b>	<b>3,505,877.45</b>	<b>1,380,780.27</b>	<b>1,199,920.80</b>	<b>927,574.19</b>

- Under the Naboro Landfill Operation Contract dated 01/07/13, between the contractor and the Ministry, the contractor was required to provide the following insurance cover:
  - Contractor's plant insurance for each item of construction machinery on the site owned by the contractor that has a market value of more than \$50,000;<sup>18</sup>
  - Public liability insurance shall be effected for a minimum amount of \$1,000,000;<sup>19</sup> and
  - Motor vehicle third party liability insurance shall be effected for an amount not less than \$1,000,000<sup>20</sup>.

The contractor however did not have the insurance cover for construction machinery on site, public liability insurance and motor vehicle third party insurance in 2013.

The above finding indicates poor monitoring and supervision of the operation of the landfill. In addition, the Ministry failed to ensure that the contractor comply with the requirements of the contract agreement.

<sup>17</sup> Includes underpayment of \$2,397.81

<sup>18</sup> Naboro Landfill Operation Contract Special Conditions clause 19

<sup>19</sup> Naboro Landfill Operation Contract Special Conditions clause 21

<sup>20</sup> Naboro Landfill Operation Contract Special Conditions clause 22

**Recommendations**

**The Permanent Secretary should ensure that:**

- a qualified Engineer is appointed for managing the operation of Naboro Landfill and progress claims are verified by the Engineer before payments are made to the Contractor;
- the Contractor deposits the daily gate fees into the nominated bank account (Environment Trust Fund Account) and not into its own bank account;
- an Officer from the Ministry is based at the gate to keep a separate record of all gate taking which is to be reconciled with the contractors receipts on a daily basis; and
- contractor complies with all aspects of the contract agreement and provide insurance cover as required by the contract agreement.

**Management Comment**

*The Department of Environment agrees to the following recommendations:*

- *Appointment of a qualified engineer for managing the operation of Naboro Landfill.*
- *Progress claims are to be verified by a qualified engineer before payments are made to the Contractor.*
- *Appointment of a Clerical Officer to be based at the Naboro landfill gate to collect and keep a record of gate takings.*
- *Contractor complies with all aspects of the contract agreement which is to be supervised and monitored by the appointed Engineer.*

## **22.13 Fiji National Faith Based Organization Environment Stewardship Summit**

The Fiji National Faith Based Organisation Environment Stewardship Summit was scheduled from 2<sup>nd</sup> – 5<sup>th</sup> April 2013 at Warwick Fiji Resort and Spa. The Project Management Unit (PMU) within the Ministry organized the event.

The objective of the summit was for the Ministry through the Department of Environment to assist heads of Faith Based Organization to fully appreciate/understand holistic environmental stewardship. At the end of the summit, the Ministry hoped to establish an interfaith and Stewardship Action Plan that would serve as framework for Church leaders to preach and strengthen Environment Stewardship within their respective Congregation.

Altogether eleven different faith based organisations in Fiji, Non-Governmental Organizations and private sector personnel participated in the summit. The PMU also engaged with other Ministries and Organizations to seek financial and in-kind assistance for the summit.

The audit noted the following anomalies in the organization and financial management of hosting the summit.

- Each year, the Appropriation Act and Budget Estimates set out details of the appropriations that Cabinet approves for spending by each agency. No officer may incur expenditure, which results in the agency's appropriation being exceeded without the authorization of the Ministry of Finance, pending approval by Cabinet.<sup>21</sup> The Ministry was not allocated any funds for hosting the Fiji National Faith Based Organization Environment Stewardship Summit in its 2013 budget.

<sup>21</sup> Ministry of Local Government, Urban Development, Housing and Environment Finance Manual 2013 Section 2.1.2

However the Ministry organized the summit which cost \$85,220. Out of the total cost incurred the Ministry paid \$81,220 and the balance was \$4,000 was paid by United Nations Development Program.

The Ministry diverted funds totaling \$37,687.50 from various allocations while \$43,532.50 was sourced from the Environment Trust Fund Account to meet the expenses totaling \$81,220 for the summit. Refer Table 22.12 for details of funds diverted.

**Table 22.12: Expenditures Sourced from Different Allocations for the Summit**

Allocation	Description	Amount (\$)
13730137999071299	National Waste Management Strategy	12,560.00
13730137999071224	National Capacity Need Self-Assessment	12,560.00
13730137999079901	National Implementation Plan of Stockholm Convention	12,567.50
93730137999895011	Environment Trust Fund	43,532.50
<b>Total</b>		<b>81,220.00</b>

The Ministry failed to obtain approval from Ministry of Finance to incur expenditure for which funds were not allocated in the budget. In addition, the funds used from the Environment Trust Fund accounts have not been refunded as at the date of audit<sup>22</sup>.

- The Fiji National Faith Based Organization Environment Stewardship Summit was held at the Warwick Fiji Resort & Spa. According to the service agreement signed between the Ministry and Warwick Fiji Resort & Spa the cost of the venue was \$75,375 for the Summit.

However, the Ministry paid total sum of \$85,220 to Warwick Fiji Resort & Spa resulting in an overpayment of \$9,845. The Ministry neither provided reasons nor details of the overpayment. Refer Table 22.13 for details of payments made.

**Table 22.13: Payments Made to Warwick Resort**

Date	Cheque / EFT Number	Amount (\$)
26/03/13	31881	37,687.50
03/05/13	000239	43,532.50
Not provided	UNDP direct payment	4.000
<b>Total</b>		<b>85,220.00</b>

The Ministry did not follow proper procedures for diversion of funds. As a result unauthorized expenses were incurred for hosting the Fiji National Faith Based Organization Environment Stewardship Summit.

Failure by the Ministry to budget for the event has resulted in diversion of funds from other allocations to meet the expenses for the Summit.

### **Recommendations**

#### **The Ministry should:**

- ensure that diversion of funds from other allocations are avoided; and
- ensure that appropriate approval is obtained from Ministry of Finance should the need arises to incur any unbudgeted expenditure during the financial year.

<sup>22</sup> 07/02/14



- **Ministry of Finance should investigate the diversion of funds and take appropriate action.**

### **Management Comment**

*The Project Management Unit (PMU) was directed by the Minister then, through the Director of Environment, to take a lead role in the planning and organization of this Minister's initiative.*

*As per the objective of the Summit rightly alluded to by the Audit Report, the outcome of the Summit was achieved known as the WARWICK OUTCOME, which articulated the National Faith-Based/Inter-Faith Environment Stewardship Action Plan that was envisioned to have served as a framework for all faith-based/church organizations and their leaders to strengthen environmental stewardship sharing to their respective congregations.*

*It was the initial strategy of the Summit to achieve the Outcome Action Plan and then for the Minister to formally inform Cabinet on this achievement and further seek approval to take this Initiative down to Divisional level in 2014-2015. This was NOT achieved, as the Minister resigned – thus the decision of the former Director of Environment to shelve this next phase of the Initiative.*

*Indeed eleven (11) different faith-based organizations gladly and willingly came forth forward to be part of what they termed as "historic Initiative", as it was never done before. The Department, through PMU, did also engage other stakeholders such as UNDP CPAD Programme, IUCN, Pacific Council of Churches and Climate Change Unit of the Foreign Affairs ministry. They also pledged and contribute to the overall costs of the Summit, as stated.*

### **Comments against Audit Statements (bullet point p.14)**

- a) The Director of Environment received Ministerial directive to stage this National Faith-Based Summit for the Department of Environment. The Minister was duly advised of the financial conformance system and requisite regulatory processes, as this was not a 2013 budgeted item.*
- b) It was Minister's prerogative and directive after been advised by the Director of Environment that he can utilize the Environment Trust Fund. After full brief to the Minister of the primary purpose of the Trust Fund, he directed that funding of this Ministerial Initiative was to be sourced from the Fund. The Minister fully understood that this fund is not to be refunded, contradictory to what was stated in the Audit Report.(para 8 (p.14).*
- c) The initial recommended venue was at the Pearl International at Pacific Harbour, which was later recommended by the Acting PS then, to be moved down to Warwick to suit the occasion. This was approved by the Minister.*
- d) In view of the short time that the Ministry was given to book the venue, a Service Agreement to the stated amount was executed to secure the venue. Thus the first amount which was paid to secure the venue. It was also generally agreed between the two parties that any excess, which may arise during the duration of the Summit shall be paid on a user-pay basis, as agreed by both parties before payment. This was done, as agreed which meant that the total payment as appeared in the Agreement mentioned hereunder (\$75,375)) plus the remainder of \$9,845 totaling \$85,220.00.*
- e) There were other stakeholders that did pledged and gave funding contributions also for this Initiative. This was paid to the Ministry.*

### **Concluding Remarks**

*Right from the outset, it was the understanding of the PMU, through the Director of Environment that funding of this Minister's Initiative was to be fully funded by the Minister's blessings and approval from the Environment Trust Fund, as he was briefed about and approved. Thus I am not privy to comment on the internal diversion of funds, as reported by this Audit Report.*

### **Further OAG Comments**

**The Ministry failed to obtain approval from Ministry of Finance to incur unbudgeted expenditure for Fiji National Faith Based Organisation Environment Stewardship Summit.**

## 22.14 Market Shelter for Weekend Vendors

The agency administering a grant must enter into a grant agreement with any organisation or person who either receives a one-off grant or on-going grant assistance in excess of \$5,000.<sup>23</sup>

The recipient of the Grant Assistance shall prepare an acquittal report. The acquittal report shall provide the following information:

- i. Details of grant money expended and unexpended;
- ii. Grant objectives and targets achieved; and
- iii. Financial statement (audited if practicable) for grants of \$20,000 or more<sup>24</sup>.

The Cabinet on 17/12/13 approved the payment of \$450,000 capital grant to Suva City Council for the construction of market shelter for weekend vendors.

The audit noted that a grant agreement was not entered into between the Ministry and Suva City Council for the capital grant provided to Suva City Council totalling \$450,000.

In addition the Ministry did not obtain the acquittal reports from Suva City Council with details of grant money expended and unexpended and whether the grant fund objectives and targets were achieved. The Council failed to submit the audited financial statement to the Ministry.

The finding indicates proper procedures for grants were not followed by the Ministry and poor monitoring and supervision by the Ministry on grants given.

There is a high risk that grants funds may not be properly utilised by the recipients.

### **Recommendations**

**The Permanent Secretary should ensure:**

- that grant agreement is drawn between the Ministry and the grant recipient before grant funds are released;
- proper monitoring and review for release of grant funds;
- that all grant recipients receiving more than \$20,000 grant submit audited annual accounts; and
- take appropriate disciplinary against those responsible for releasing grant funds without grant agreement.

### **Management Comment**

*Please note this project is controlled by the Ministry of Strategic Planning.*

## 22.15 Environment Management Act Allocation

The proper management of expenditure is fundamental to ensuring value-for-money in delivering services to the community. As well, having cost-effective internal controls within the purchasing and payments system plays an important part in ensuring that waste of funds, over-expenditures and corruption do not occur.<sup>25</sup>

<sup>23</sup> Finance Instruction 2010 s16(1)

<sup>24</sup> Ministry of Local Government, Urban Development, Housing and Environment Finance Manual 2013 s3.3.1

<sup>25</sup> Ministry of Local Government, Urban Development, Housing and Environment Finance Manual 2013 Part 2:Expenditure

The Senior Accounts Officer must not certify a payment as correct unless they are satisfied that:

- i. it is in accordance with an LPO, indent, contract, invoice or other authorization
- ii. there is documentation that the goods, services or works has been received
- iii. sufficient uncommitted funds are available for payment of the account
- iv. the account is not fraudulent and has not been previously paid
- v. the expenditure account it is charged to is correct.<sup>26</sup>

The Environment Management Act provides a new framework for national coordination and planning in relation to environmental matters, and provides broad new powers to government agencies to control environmentally harmful activities. Effective implementation of the Act requires the involvement of a wide range of stakeholders.

The Ministry was allocated \$100,000 in its 2013 budget for implementing the Environment Management Act.

The audit noted several instances where the funds from the Environment Management Act allocation were used for procuring goods and services not related to Environment Management Act. A total sum of \$62,086.52 or 62.09% of the budgeted amount was used for other purpose. Refer Table 22.14 for details.

**Table 22.14: Details of Expenditure**

Date	Cheque No. / JV	Particulars	Amount (\$)
01/11/13	034383	Payment of Accountable Advance to Deputy Permanent Secretary for purchase of Gifts that will be presented	2,000.00
05/11/13	034395	Payment of Per Diem allowance to Deputy Secretary to attend the Senior Officials Bilateral Training Programme in China	2,108.59
12/11/13	034466	For refund of GEP National Portfolio Formulation Exercise Funds	3,582.57
08/11/13	48/11/13	Reversal to charges due to misposting. Expenditures were hire f or tents and booths for the 9 <sup>th</sup> Pacific Island Conference for major Conservation and Protected Areas.	30,000.00
15/06/13	15/06/13	Adjustment to misposting – to reduce over expenditure	7,586.00
30/12/13	990	Payment of wages	3,267.48
05/08/13	33726	Purchase of Samsung Galaxy Tablet	1,299.01
27/11/13	34585	Repair to vehicle GN 567	6,574.87
01/01/13	33435	Payment for rubbish collection	5,650.00
<b>Total</b>			<b>62,068.52</b>

The Ministry has not properly used the funds allocated for Environmental Management Act for the purpose it was intended for. The finding indicates misuse of public funds by the Ministry.

### **Recommendations**

#### **The Ministry of Finance should:**

- **investigate why funds allocated for Environmental Management Act were used for other purposes;**
- **surcharge those responsible for diverting funds for other purposes; and**
- **cease providing further funds in the budget for Environmental Management Act unless the Ministry commits to utilize the funds for the implementation of the Environmental Management Act.**

<sup>26</sup> Ministry of Local Government, Urban Development, Housing and Environment Finance Manual 2013 Section 2.8.4

**Management Comment**

*The utilization of budget for the 9<sup>th</sup> Conference or any mechanisms to support DOE's program is justifiable. The conference encompassed a wide range of environmental, conservation and sustainable agendas which all had environment connotations. The outcome of the Conference is a Regional strategy on conservation and protected areas which will guide the implementation of environment management programs in countries. EMA is a tool that will support any strategies on conservation.*

**Further OAG Comments**

**The funds were specifically allocated for the review and implementation of the Environmental Management Act.**

**22.16 Journal Vouchers**

Only the Senior Accountant or Assistant Accountant shall approve journal adjustments.<sup>27</sup> Journal vouchers must be numbered in sequential order. Supporting documents shall be attached to the voucher.<sup>28</sup>

The Senior Accountant or Assistant Accountant must check that:

- i. all relevant details are included on the voucher;
- ii. balances are adequately supported;
- iii. the correct accounts have been debited or credited.<sup>29</sup>

The audit noted that the Ministry raised several journal vouchers during the year. However, the journals either did not have supporting documents attached or were not approved by the Senior Accounts Officer. Refer Table 22.15 for examples of journals raised.

**Table 22.15: Examples of Unapproved Journal Vouchers with no Supporting Documents**

Journal Voucher Date	Journal Voucher Reference	Amount (\$)	Comments
11/13	32	15,894.00	JV not approved
11/13	43	16,011.00	JV not approved
11/13	02	23,716.00	No supporting Documents attached
06/13	17	15,078.00	JV not approved and supporting documents not attached
07/13	01	47,642.00	JV not approved and supporting documents not attached
06/13	15	7,586.00	JV not approved
12/13	55	4,806.00	Supporting documents not attached
08/13	61	1,739.13	Supporting documents not attached
12/13	66	1,321.00	Supporting documents not attached
07/13	01	47,642.00	Supporting documents not attached
11/13	59	9,743.00	Supporting documents not attached

The finding indicates that proper procedures were not followed when adjustments were made to ledger account balances. In addition poor control and lack of supervision by Senior Accounts Officer for journals raised and processed exist.

<sup>27</sup> Ministry of Local Government, Urban Development, Housing and Environment Finance Manual 2013 s16.1.2

<sup>28</sup> Ministry of Local Government, Urban Development, Housing and Environment Finance Manual 2013 s16.1.3

<sup>29</sup> Ministry of Local Government, Urban Development, Housing and Environment Finance Manual 2013 s16.1.4

In absence of supporting documents and unapproved journals there is a high risk of fraudulent adjustments of expenses.

### **Recommendations**

#### **The Ministry should:**

- **investigate all unsupported and unapproved journals passed and take appropriate action;**
- **take appropriate disciplinary action against SAO for poor supervision and monitoring of journal's and the adjustments; and**
- **strengthened controls over use of journal.**

### **Management Comment**

*Your audit finding is noted and our officers are currently verifying the journals highlighted with supporting documents to be attached for verification. Our Accounts officers have been reminded to refer journals to SAO for endorsement with supporting documents attached as recommended.*

## **22.17 Discrepancies on Purchase of Goods and Services**

A local Purchase Order shall be issued when procuring goods, services or works from a business within Fiji, unless a contract or agreement has been entered into.<sup>30</sup>

The Senior Accountant must not certify a payment as correct unless he/she is satisfied that:

- i. it is in accordance with an LPO, indent, contract, invoice or other authorisation;
- ii. there is documentation that the goods, services and works have been received;
- iii. sufficient uncommitted funds are available for payment of the account;
- iv. the account is not fraudulent and has not been previously paid;
- v. the expenditure account it is charged to is correct.<sup>31</sup>

Immediately after payment has been effected, the Assistant Accountant must stamp "PAID" on all vouchers and supporting documentation to avoid any double payments.<sup>32</sup>

Review of payment vouchers revealed the following anomalies in purchase of goods and services:

- Instances were noted where payment vouchers and supporting documents were not stamped 'PAID'. Refer Table 22.16 below for examples.

**Table 22.16: Payment Vouchers and Supporting Documents Were Not Stamped "PAID"**

Date	Cheque Number	Payee	Particulars	Amount (\$)
13/02/13	31093	Jad International	Air tickets for Minister to Nairobi	9,784.00
25/01/13	30838	Marine Drive Motors	Repair of Vehicle GN 304	650.90
20/02/13	31242	Office Products	Purchase of cupboard	2,150.00
20/02/13	31239	Government Printery	Purchase of stationary	858.55
20/02/13	31250	Courts Fiji Limited	Purchase of television	1,918.00
20/02/13	31246	Vinod Patel	Purchase of stationary	660.00
20/02/13	31245	UTECH	Purchase of stationary	1,480.00

<sup>30</sup> Ministry of Local Government, Urban Development, Housing and Environment Finance Manual 2013 Section 2.5.1

<sup>31</sup> Ministry of Local Government, Urban Development, Housing and Environment Finance Manual 2013 Section 2.8.4

<sup>32</sup> Ministry of Local Government, Urban Development, Housing and Environment Finance Manual 2013 Section 2.8.9

Date	Cheque Number	Payee	Particulars	Amount (\$)
20/02/13	31244	Telecom Fiji Limited	Payment of FEA bill	1,045.14
20/02/13	31248	Air Pacific Limited	Payment for Airfare	782.90
06/03/13	31501	Prouds Fiji Limited	Purchase of Video camera	1,499.00
27/02/13	31351	Davui Printing Limited	Payment for printing of Annual Corporate Plan documents	3,300.50

- Several instances were also noted where supporting documents such as invoices, purchase orders and delivery dockets were not attached to the payment vouchers. Refer Table 22.17 for examples.

**Table 22.17: Supporting Documents Not Attached to Payment Vouchers**

Date	Cheque Number	Payee	Particulars	Amount (\$)	Comments
19/12/13	00945	Sophy. Bi	Payment for Overtime	681.37	Supporting documents not attached for overtime hours worked
15/03/13	31693	Jads International	Airfare for Minister to travel to Delhi	20,745.00	No supporting documents could be provided to audit as to what the trip was about.
16/07/13	00138	Fijian Resort & Spa	Accommodation for Minister	3,876.00	No supporting documents attached as to what the payment for accommodation was about.
20/12/13	34746	M.H Suva	Purchase for Christmas Decorations	353.40	<ul style="list-style-type: none"> <li>Invoice not attached</li> <li>Delivery Docket not attached</li> </ul>
02/12/13	34645	PS/ LGUDHE	Allowance payment for 9 <sup>th</sup> Pacific Island Conference	4,032.00	No documentation that the participants had received the cash
06/12/13	34663	PS/ LG	Allowance to participants during 9 <sup>th</sup> Pacific Island Conference	5,494.00	No documentation that the participants had received the cash
14/06/13	33248	Daltron	Purchase of computer	2,215.00	Delivery docket and receipt not attached
16/01/13	30678	Nasinu Town Council	HART garbage fees	12,088.80	Receipt, and invoice not attached
22/02/13	30780	Veera's Kitchen	Payment for catering	1,440.00	<ul style="list-style-type: none"> <li>No quotations</li> <li>No invoice</li> <li>No delivery docket</li> <li>Request memo from the respective Section not attached</li> </ul>
13/12/13	00911	Bondwell	Payment for cartridges	1,764.25	<ul style="list-style-type: none"> <li>Delivery docket not attached</li> </ul>
27/5/13	32852	Ministry of Strategic Planning	Reimbursement of airfare and periderm	20,221.13	No supporting documents attached for periderm payments.
31/12/13	997	Vodafone Fiji	Vodafone charges	1,765.29	Invoice Number.

Date	Cheque Number	Payee	Particulars	Amount (\$)	Comments
					INAT0000013245 was not attached
13/12/13	31093	Jad International	Airfare for Minister	9,784.00	No supporting documents attached for what the trip was about

The finding indicates that proper payment procedures were not followed by the Ministry and adequate internal controls do not exist in the purchase and payments system. The risk of fraud, misappropriation of funds and double payment are high with inadequate internal controls.

### **Recommendations**

**The Senior Accounts Officer should ensure that:**

- payment vouchers together with all supporting documents are stamped “PAID”;
- adequate supporting documents are attached to the payment vouchers; and
- appropriate action is taken against officers responsible for not complying with their finance manual.

### **Management Comment**

*Your audit finding is noted and our officers have been reminded to ensure all vouchers are stamped “**PAID**” as required.*

*In most of the payments highlighted, there were sufficient documents attached to the vouchers that substantiated the payments such as:*

- Minutes requesting payments with approvals by the Permanent Secretary;
- Quotations; and
- Memo from Ministry of Strategic Planning requesting reimbursement of p/diem with amount specified and verified by our Ministry.

*Please note that no financial transaction can be carried out unless there is a request via a Minute which is approved by the Permanent Secretary with 3 quotes attached which is the basic requirement.*

## **PART C: AUDIT FINDINGS**

### **HEAD 23 – DEPARTMENT OF HOUSING**

#### **SQUATTER UPGRADING PROJECT**

The Department of Housing administers the provision of housing grants, national housing policy and squatter policy program with specific emphasis on squatter settlements and resettlements of squatters to newly developed subdivision.

#### **22.18 Expired Consultancy Contract with Ian Macallan & Co (Fiji) Ltd**

The proper management of expenditure is fundamental to ensuring value-for-money in delivering services to the community. As well, having cost-effective internal controls within the purchasing and

payments system plays an important part in ensuring that waste of funds, over-expenditures and corruption do not occur.<sup>33</sup>

The Ministry of Local Government, Urban Development, Housing and Environment awarded the contract for consultancy works for Omkar Squatter Upgrading Subdivision Project to Ian Macallan & Co (FIJI) Ltd on 13/9/10 for a total sum of \$104,279.01 (VIP). The contract was effective from 2/6/2010 to 2/9/12 and was subject to renewal by mutual agreement.

Review of the Omkar Squatter Upgrading Subdivision Project files and the consultancy contract documents revealed that the Department failed to renew the consultancy contract upon its expiry on 02/09/12.

As of the date of audit<sup>34</sup>, the Department continued to engage the consultant for Omkar Squatter Upgrading Project without a valid contract agreement.

The audit further noted that the Department paid total of \$49,148.33 to the Consultant for the period 3/9/12 – 31/12/13. This amount was paid to the Consultant without proper approval from GTB.

The above finding indicates that adequate monitoring and review of the consultancy contracts were not carried out by the Department. In the absence of a valid contract agreement, it may be difficult to resolve any disputes that may arise between the parties.

### **Recommendation**

**The Director of Housing should seek advice from Fiji Procurement Office whether to renew the contract for consultancy works with Ian Macallan & Co, (FIJI) Ltd or call for fresh tenders.**

### **Management Comment**

*The Department totally agrees with the audit as the consultancy contract with Ian Macallan & Company was for two years effective from 02/06/10 to 02/06/12 was not renewed with Fiji Procurement Office. The consultancy contract was not renewed as the Department's Engineer never reminded the Director to apply for renewal of consultancy contract with Fiji Procurement Office.*

*Furthermore, the Department of Housing did not have access to the Omkar Squatter Settlement Upgrading Project file as it was taken by Fiji Island Commission against Corruption for investigation on the splitting of the performance bond from November 2011 to 19 June 2014 when the FICAC cleared the case against the department on the splitting of bond.*

*Lastly the Department of Housing has taken serious note of this anomaly and improve its project filing and information system to ensure that all contracts are renewed on time with the approval of the Fiji Procurement Office.*

*The Department of Housing will apply for Fiji Procurement Office for the renewal of the Consultancy contract for the Omkar Squatter Upgrading Project and to regularize the payment of \$49,148.33 for the work rendered by Ian Macallan Consultancy Limited.*

## **22.19 Administration of Funds for Lagilagi Housing Project**

The Cabinet in its meeting held on 12/10/10 approved the adoption of a housing partnership programme between the Ministry of Local Government, Urban Development, Housing and Environment, the People's Community Network (PCN) and the Asian Coalition on Housing Rights (ACHR).

<sup>33</sup> Ministry of Local Government, Urban Development and Environment Finance Manual 2013, Part 2

<sup>34</sup> 13/02/14



The PCN had obtained a 99 year community lease on a section of the land at Lagilagi (Jittu Estate) for squatter resettlement housing project.

The recipient of the grant assistance shall prepare an acquittal report. The acquittal report shall provide the following information:

- i. Details of grant money expended and unexpended;
- ii. Grant objectives and targets achieved; and
- iii. Financial statement (audited if practicable) for grants of \$20,000 or more<sup>35</sup>.

The Department provided grants of \$642,447.17 to PCN for year 2013. The audit noted that audited financial statements were not provided by PCN for grants received in 2013. Refer to the Table 22.18 for details of fund disbursed to PCN as at 31 December 2013.

**Table 22.18: Fund Provided to PCN**

Year	Source of Funding		Total Paid (\$)
	Fiji Government	City Wide Trust Fund	
2013	636,447.17	6,000.00	642,447.17

In the absence of audited financial statements the Department cannot substantiate whether grants were used for the purpose it was given for.

The finding indicates poor monitoring and supervision by the Department on the activities undertaken by PCN in squatter upgrading projects. There is a high risk that grants maybe be misused.

### **Recommendations**

**The Director for Housing should ensure that:**

- proper monitoring and review process is in place to ensure grant funds are utilized for its intended purpose only,
- all grant recipients receiving more than \$20,000 in grant to submit audited annual accounts; and
- appropriate action is taken against grant recipients who have not submitted the audited annual accounts.

### **Departments Comments**

*The Department of Housing has written to the People Community Network for submission of Audited Financial Statement for the 2013 Government Grant for Lagilagi Housing Project.*

*The Department of Housing will also improve its project management, supervision and monitoring for the Lagilagi Housing Project through fortnightly meeting with PCN, Contractor Fortec Contractor, Service Engineer; Shiri Singh & Associates, Irwin Alsop Pacific Limited and project manager; AAP I Design and Quantity Surveyor; Quantec Pacific Limited in 2014.*

<sup>35</sup> Ministry of Local Government, Urban Development and Environment Finance Manual 2013, s3.3.1

## 22.20 Squatter Resettlement Program at Wailekutu

The Government Tender Board (GTB) in its meeting held on 01/12/12 awarded the contract number WSC220/2012 to HOPE for total contract sum of \$120,372.00 (VIP). The contract sum comprising of \$120,372.00(VIP) was for the construction of 7 low cost houses at Wailekutu Settlement using the Ferro Cement Concept, an alternative building technology introduced by the Department of Housing. As at the date of audit<sup>36</sup> the Ministry paid the contractor total of \$75,600 or 63% of the total contract sum.

The review of the project file pertaining to Wailekutu Squatter Settlement noted the following anomalies.

- The construction shall be completed over the contract period of 13 weeks from the commencement date which shall be the date the construction work begins.<sup>37</sup> The construction work commenced on 18/10/13 and was expected to be completed by 19/01/14

However, as of the date of audit on 7/3/14 the project was incomplete and the construction works were at early stages. The Department failed to provide any reason for the delay in the completion of the project. Refer Figure 22.1 and 22.2 for illustration.



Figure 22.1: Foundation of Houses



Figure 22.2: Foundation of Houses

- The contractor was to build 7 low cost houses. During the site inspection, the audit noted that floor work for all 7 houses began and the work had stopped since then. The houses were to be built on wooden posts. As at the date of inspection on 19/02/14 only floor joist were fixed to the wooden posts.

In addition there was no sign of construction works progressing as the incomplete flooring works with floor joists were covered with overgrown grass. This indicated that construction work had been stopped for sometimes. Refer to Figure 22.3 and 22.4.



Figure 22.3: The grass has overgrown foundation



Figure 22.4: The grass has overgrown foundation constructed

<sup>36</sup> 07/03/14

<sup>37</sup> Clause of the Agreement between the Department of Housing and HOPE Construction  
Ministry of Local Government, Urban Development, Housing and Environment

- Progress payments to the contractor should be made after reviewing the progress of the project, materials used and the quality of workmanship.

From the site inspection on 19/02/14 the audit estimated that only 5% of works may have been completed by the contractor.

However as at 17/12/13 the Department paid total of \$75,600 or 63% of the total contract sum to the contractor which was far much more than the estimated percentage of work completed.

- A penalty of \$100 to \$500 per day is normally included in the contract agreement should the contractor delay the completion of the project.

Review of the contract agreement signed between the Department of Housing and HOPE for the construction of 7 low cost houses at Wailekutu Settlement village revealed that there was no delay damages clause in the contract agreement.

As a result the Department could not impose penalty for delay in the completion of the projects.

The findings indicate that the contractor has left the project incomplete. This may have been due to lack of project supervision and reviews by the Department. It is highly likely that the contractor will not be able to complete the project.

### **Recommendations**

#### **The Director Housing should:**

- **investigate why progress payments to the contractor were made in excess of percentage of work completed;**
- **surcharge officers responsible for excess payments to the contractor;**
- **consider taking legal action against the contractor for not fulfilling its contractual obligation; and**
- **ensure that penalty clause is stated in the contract to avoid delays in completing of projects in future.**

### **Management Comment**

*In light if the recommendation had been made by the audit team, the Department of Housing has noted the recommendation and points raised and would like to clarify that the Department scheduled payments in stages for the construction of seven houses to allow for the work to flow smoothly and to be completed within expected timeframe.*

*Therefore we anticipated three stage payments for the completion of this project namely:*

- *Stage 1: Completion of Foundation, footing bearers and joist;*
- *Stage 2: Prefabrication of wall structure, application of ferro-cement to the wall; and*
- *Stage 3: Completion of roof structures and finishing.*

*The first payment was being made as per the contract signed with the contractor amounting to \$49,000 or 40% for the first stage of construction. After completion of 90% f the first stage of work on the site the contractor made application for the release of the second stage of payments to which after careful considerations and assessment as the money would have been used to do off site prefabrication of wall structures, a submission was made through the Permanent Secretary's office to the Acting Minister for Local Government Urban Development Housing and Environment for approval. The second stage of payment for \$35,000 was released after approval had been obtained from PS and Acting Minister.*

*After the release of the second payment the contractor had difficulties in progressing with the work as anticipated to which the Department tried to remedy through the various meetings constant follow ups and warning letters to which did not turn out to be fruitful at all*

*A submission was being made to the Permanent Secretary for Local Government Urban Development Housing and Environment to seek legal advice on the case and to terminate the contract with the contractor. PS directive was for the contractor to build the first house and then another three for the value of the payment being made to the contractor as we wait for the legal advice from SG's office on the case and advise from the Fiji Procurement Office. The case had been forwarded to SG's office and FPO while the Ministry was still assessing for the contractor to complete the first house. According to FPO they will await SG's opinion on this case before writing to the Ministry.*

*After the directive from PS to complete the first house within two weeks the contractor couldn't comply with the directive. Therefore a second submission to the SG's office was made. There had been two submissions being made for the legal opinion and one submission to FPO on their decision to which the Ministry is still awaiting responses.*

*The Department of Housing will ensure that penalty clause is inserted into Construction Contract to avoid delay in completion of projects. \*

## **22.21 Nativi Income Generating Projects**

The Department engaged HOPE for total contract sum of \$18,212.50 (VIP) for the construction of 2 low cost farm houses at Nativi village in Rakiraki under the Sustainable Income Generating Project. Review of the project revealed the following anomalies.

- Progress payments to the contractor should be made after reviewing the progress of the project, materials used and workmanship.

The construction of 2 low cost farm houses was supposed to be completed over the period of 30 days after signing the contract.<sup>38</sup> The contract agreement was signed on 12/06/13 and works were to be completed by 13/07/13.

However, as of the date of audit<sup>39</sup>, the project was still incomplete and was delayed by 8 months. The project progress report dated 17/08/13 revealed that only the foundation of the houses was constructed. Discussion with the Technical Officer in Charge, Mr. Peni Bakewa revealed that there was no other progress report prepared and the current status of the project was unknown. The project was estimated by audit to be 5% completed based on the progress report dated 17/08/13.

However the Department paid total of \$13,880 or 76% of the total contract sum to the contractor as at 27/08/13 which was far much more than the percentage of work completed.

- A penalty of \$100 to \$500 per day is normally agreed upon should the contractor delay the completion of the project.

Review of the contract agreement signed between the Department of Housing and HOPE for the construction of 2 low cost farm houses at Nativi village revealed that there was no delay damages clause in the contract agreement.

As result the Department could not impose penalty for delay in the completion of the projects.

<sup>38</sup> Agreement between HOPE Construction and Department of Housing – Section 2.1

<sup>39</sup> 07/03/14

The findings indicate that adequate project supervision and reviews were not carried out by the Department. There is a high risk that the contractor will not complete the project.

### **Recommendations**

#### **The Director Housing should:**

- **investigate why the progress of the project was not properly monitored and project not completed on time;**
- **investigate why progress payments were made in excess of percentage of work completed; and**
- **ensure that penalty clause is stated in the contract to avoid delays in completing of projects in future.**

### **Management Comment**

*The Department of Housing agrees with the observation of the audit that project is still incomplete. However, it refutes the audit team claims that progressive payment to the contractor should be made after reviewing the process of the project material used and workmanship as the Department of Housing was legally bounded to pay 80% of the total contracted sum of \$14,570 upon the signing of the service contract.*

*The Department of Housing did not incorporate any penalty clause in the agreement and will make sure to incorporate the penalty clause in future service contracts.*

*The Department of Housing also summons the contractor to complete the construction work on 13/02/14 and submitted the revised work program on 14/02/14. Furthermore, the Department made an immense effort for the contractor to complete the construction works, however he failed to do so despite verbal assurance from him.*

## **22.22 Poor Administration of Grants by National Joint Committee**

For grants approved over \$5,000, a grant agreement must be prepared in accordance with Finance Instruction 16-(1) and signed by the Permanent Secretary or Deputy Permanent Secretary and an authorized representative of the recipient before payment is made<sup>40</sup>

The National Joint Committee consisted of Permanent Secretary (Chairperson), Peoples Committee Network (PCN) Consultant, Director Peoples Committee Network and Director of Department of Housing. The City/Town Joint Committee consisted of members of the community.

- The National Joint Committee paid capital grants totaling \$116,826.44 to two City/Town Committees in 2012. Refer Table 22.19 for details:

**Table 22.19: Details of Grants Paid to City/Town Joint Committees**

Date	EFT <sup>41</sup> Number	Payee	Particulars	Amount (\$)
14/11/12	000007	Lami Town Joint Committee	Payment for Kalekana project upgrading	80,399.00
29/11/12	000009	Lautoka City Joint Committee	Payment for relocation of coastal squatter settlements to Drasa	36,427.44
<b>Total</b>				<b>116,826.44</b>

<sup>40</sup> Ministry of Local Government, Urban Development and Environment Finance Manual 2013, Section 3.1.12

<sup>41</sup> Electronic Fund Transfer

However, grant agreements between the National Joint Committee and the City/Town Joint Committee were not entered into outlining essential particulars, including the purpose of capital grant, duration of the projects and reporting and monitoring processes.

In the absence of the grant agreement between the National Joint Committee and the City/Town Joint Committee, audit could not ascertain whether funds were used for the intended purposes.

- The recipient of the Grant Assistance shall prepare an acquittal report. The acquittal report shall provide the following information:
  - i. Details of grant money expended and unexpended;
  - ii. Grant objectives and targets achieved; and
  - iii. Financial statement (audited if practicable) for grants of \$20,000 or more<sup>42</sup>.

The audit noted that City/Town Committees failed to provide acquittal reports together with the audited financial statement for the funds received from the National Joint Committee.

In the absence of audited financial statements or proper acquittals report, the Department could not substantiate whether grants were used for the purpose it was given for. There is a high risk that grants may be misused.

### **Recommendations**

**The Director should ensure:**

- **that a grant agreement is drawn between the Ministry of Local Government, Urban Development, Housing and Environment and the City/Town Joint Committees before grant funds are released;**
- **that all grant recipients receiving more than \$20,000 grant submit audited annual accounts;**
- **to take appropriate action against grant recipients who have not submitted the audited annual accounts; and**
- **acquittals are submitted by the grant recipients with the supporting documents in absence of audited financial statements.**

### **Management Comment**

*Prior to the implementation of the City Wide informal Settlement Upgrading Project, the Department of Housing has prepared a draft Memorandum of Agreement between the Ministry and recipient municipal councils, however, this agreement was not finalized.*

*The Department of Housing agreed with the audit team that it directly issued the cheques of \$80,399 and \$36,427.44 to Lami Town Council and Lautoka City Council respectively.*

*However the details of grant money given and how the grant should be utilized and submission of acquittals financial and physical development report are clearly stipulated in approval letter dated 08/11/12 send to both municipal councils. The municipal councils were supposed to provide the financial acquittals and physical report of how the grant was utilized.*

*Lastly the Department of Housing has written to the Lautoka City Council and Lami Town Council for submission of Audited Financial Statement for the 2013 Government Grant for the Navutu Squatter Relocations and Kalekana Sanitary Project respectively.*

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<sup>42</sup> Ministry of Local Government, Urban Development and Environment Finance Manual 2013, Section 3.3.1

**Section 23****Ministry of Social Welfare, Women and Poverty Alleviation****Role and Responsibilities**

The Ministry of Social Welfare, Women and Poverty Alleviation shall eradicate poverty through providing welfare support to the poor, empowerment of women and gender mainstreaming and coordination of services to the disabled. The Ministry has four output groups – Ministerial and Corporate Services, Social Welfare Services, Gender Development and Poverty Eradication Unit.

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## PART A: FINANCIAL STATEMENT

### 23.1 Audit Opinion

The audit of the 2013 accounts of the Ministry of Social Welfare, Women and Poverty Alleviation resulted in the issue of an unqualified audit report.

### 23.2 Statement of Receipts and Expenditures

The Ministry collected revenue amounting to \$7,420 and incurred a total expenditure of \$29,837,483 in 2013. Details are provided in table 23.1 below.

**Table 23.1: Statement of Receipts and Expenditures for 2013**

Description	2013 (\$)	2012 (\$)
<b>RECEIPTS</b>		
<b>State Revenue</b>		
Rental for Official Quarters		-
Commission	1,949	10,192
<b>Total State Revenue</b>	<b>1,949</b>	<b>10,192</b>
<b>Agency Revenue</b>		
Miscellaneous Revenue	5,471	25,225
<b>TOTAL REVENUE</b>	<b>7,420</b>	<b>35,417</b>
<b>EXPENDITURES</b>		
<b>Operating Expenditure</b>		
Established Staff	2,901,265	2,578,171
Unestablished Staff	493,431	369,506
Travel & Communication	179,218	148,760
Maintenance & Operations	486,847	377,491
Purchase of Goods & Services	479,576	443,147
Operating Grants & Transfers	24,050,035	22,662,222
Special Expenditures	247,618	403,999
<b>Total Operating Expenditure</b>	<b>28,837,990</b>	<b>26,983,296</b>
<b>Capital Expenditure</b>		
Capital Construction	149,492	226,830
Capital Purchases	-	148,364
Capital Grants & Transfers	629,355	404,025
<b>Total Capital Expenditure</b>	<b>778,847</b>	<b>779,219</b>
Value Added Tax	220,646	218,973
<b>TOTAL EXPENDITURE</b>	<b>29,837,483</b>	<b>27,981,488</b>

The Ministry's revenue decreased by \$27,997 or 79.1% in 2013 compared to 2012 due to decline in Commission and Miscellaneous Revenue.

Total expenditure increased by \$1,855,995 or 6.6% in 2013 compared to 2012 due to the introduction and implementation of New Food Voucher programs and the construction of the Labasa FNCDP building Complex.



### 23.3 Appropriation Statement

The Ministry of Social Welfare, Women and Poverty Alleviation incurred expenditure totalling \$29,837,483 in 2013 against the budget of \$32,859,609 resulting in savings of \$3,022,126 or 9.2%. Details are provided in table 23.2.

**Table 23.2: Appropriation Statement for 2013**

SEG	Item	Budget Estimate (\$)	Changes (\$)	Revised Estimate (\$)	Actual Expenditure (\$)	Carry – Over (\$)	Lapsed Appropriation (\$)
1	Established Staff	2,919,980	(103,280)	2,816,700	2,901,265	---	(84,565)
2	Unestablished Staff	372,104	124,786	496,890	493,431	---	3,459
3	Travel & Communication	163,700	34,000	197,700	179,218	---	18,482
4	Maintenance & Operations	372,276	133,330	505,606	486,847	---	18,759
5	Purchase of Goods & Services	594,800	(44,030)	550,770	479,576	---	71,194
6	Operating Grants & Transfers	33,080,000	(6,410,980)	26,669,020	24,050,035	---	2,618,985
7	Special Expenditure	582,000	(17,391)	564,609	247,618	---	316,991
	<b>Total Operating Costs</b>	<b>38,084,860</b>	<b>(6,283,565)</b>	<b>31,801,295</b>	<b>28,837,990</b>	<b>---</b>	<b>2,963,305</b>
	<b>Capital Expenditure</b>						
8	Capital Construction	150,000	5,391	155,391	149,492	---	5,899
10	Capital Grants and Transfers	700,000	(43,747)	656,253	629,355	---	26,898
	<b>Total Capital Expenditure</b>	<b>850,000</b>	<b>(38,356)</b>	<b>811,644</b>	<b>778,847</b>	<b>---</b>	<b>32,797</b>
13	Value Added Tax	226,900	19,770	246,670	220,646	---	26,024
	<b>TOTAL EXPENDITURE</b>	<b>39,161,760</b>	<b>(6,302,151)</b>	<b>32,859,609</b>	<b>29,837,483</b>	<b>---</b>	<b>3,022,126</b>

### 23.4 Statement of Losses

The Board of Survey for 2013 was carried out for all the sections of the Ministry. The report was in the process of being finalised as at the balance date. The Ministry reported embezzlement of funds totalling \$14,577 in 2013.

## PART B: AUDIT FINDINGS

### HEAD QUARTERS

#### 23.5 Improper Recruitment

Employment decisions in the public service are made without patronage, favoritism or political influence, and appointments and promotions are made on the basis of merit after an open, competitive selection process.<sup>1</sup>

- In 2013 the Ministry had two vacant positions for Senior Women Interest Officer – Convention on the Elimination of all forms of Discrimination against Women (CEDAW) and Senior Women Interest Officer – Research and Policy.

The Ministry engaged two of the National Employment Centre (NEC) Volunteers namely, Ms. Aradhana Sharma and Ms. Timaleti Kalou from 06/02/13 to 05/05/13 and 25/03/13 to 24/06/13 respectively for the Senior Women Interest Officers posts. Both officers were paid \$30 weekly

<sup>1</sup> Public Service Act 1999, Part 2 Section 4(2)

allowance by the Ministry. The Officers did not have any work experience and lacked the required skills for the Senior Women Interest Officers posts.

However the Ministry appointed Ms. Timaleti Kalou to act as the Senior Women's Interest Officer CEDAW with full acting allowance until the position was filled by another officer on promotion in 2014.

- The Ministry later advertised the Senior Women Interest Officer – Research and Policy (vacancy 262/2013) in FPSOC 07/2013 on 15/04/13 which closed on 30/04/13. Ms. Aradhana Sharma was appointed to the position on 21/6/13.

However during the interview the Ministry awarded Ms. Aradhana Sharma with 30 points for the Annual Performance Assessment. As at the date of audit<sup>2</sup> the Ministry was yet to provide the annual performance assessment for our review. As a result the audit could not substantiate the points awarded to Ms. Aradhana Sharma as she had only 4 months of experience on the job.

- Ms Timaleti Kalou's engagement as a volunteer came to an end on 24/06/13 with the Ministry. However, the Ministry re-engaged Ms. Timaleti Kalou as a temporary Relieving Senior Women Interest Officer – (CEDAW) for three months from 18/06/13 to 17/09/13 and later extended her term for another 3 months from 18/09/13 to 17/12/13.

The audit could not ascertain as to why the Ministry did not consider other Officers who were already Women Interest Officer despite having the experience and the knowledge to act on the above position.

The findings reveal that there was clear indication of lack of human resource management skills at the Ministry.

### **Recommendations**

**The Ministry should ensure that:**

- **NEC Volunteers are not appointed on senior positions;**
- **appropriate actions are taken against responsible Officers;**
- **all documents are properly maintained; and**
- **positions are advertised and recruitment are done in a timely manner and based on merit.**

### **Ministry's Comments**

*No comments received from the Ministry.*

## **23.6 Poverty Benefit Scheme**

The Poverty Benefit Scheme (PBS) started in 2013 to replace the Family Assistance Scheme (FAS) as approved in Cabinet decision CP (12) 326. The FAS was an individual benefit. The Ministry used the criteria for eligibility based on a means-test for FAS. However it was often difficult to determine the actual household income and expenditure under FAS.

<sup>2</sup> 16/04/13

The PBS is a household benefit. Eligibility for the PBS is based on a poverty score. This eligibility assessment methodology does not require actual income and expenditure information. The assessment for eligibility is based on:

- The people who live in the household;
- Where they live in Fiji;
- The type of dwelling they live in; and
- The assets they own.

### **23.6.1 `PBS Allocation Utilised for Other Allowances**

All payments made must be accurately charged to its correct ledger account.<sup>3</sup>

The Ministry was allocated \$22,660,000 for PBS, \$3,240,000 for Social Pension Allowances and \$5,990,000 for Care and Protection Allowances in its 2013 budget.

The audit noted that the Ministry used only \$1,770,702 from Social Pension Allowances and \$1,208,923 from Care and Protection Allowances. As at 31/12/13 the Ministry had savings of \$1,469,298 or 45.4%, Social Pension Allowance and \$4,781,077 or 79.8% in Care and Protection Allowance allocations.

Despite having funds available in the Social Pension Allowance and Care and Protection Allowance allocations the Ministry used funds from PBS allocation to pay for Social Pension Allowance and Care and Protection Allowance.

The audit further noted that the Ministry was not able to provide the total amount used from the PBS allocation to pay for Social Pension Allowance and Care and Protection Allowance in 2013.

The finding shows that PBS funds were not fully used for the purpose it was allocated for in the budget. In addition the Ministry failed to provide Social Pension Allowance and Care and Protection Allowance despite having funds available.

### **Recommendations**

**The Ministry should ensure that:**

- **funds are used for the purpose it has been allocated for in the budget; and**
- **investigate why funds from Social Pension Allowance and Care and Protection Allowance allocation were not used to provide social benefit to the people and take appropriate action.**

### **Ministry's Comments**

*No comments received from the Ministry.*

### **23.6.2 Lack of Supporting Documents in the Case Files**

A case file (hard copy) must be opened with the name of the applicant, case number in system, address and contact written on it. All documents provided by the applicant must be kept in the case file. Birth certificates of all members are to be maintained in the file.<sup>4</sup>

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<sup>3</sup> Finance Instructions 2010, Section 14 (1)

<sup>4</sup> Poverty Benefit Scheme Procedures

In assessing recipients, the assessment of their assets should not be more than \$1,400. If the applicant's total assets exceed \$1,400, it becomes a special case. Appropriate justification must be maintained in the file including relevant photos for approval granted for special cases.

The audit reviewed several PBS recipients' case files and noted that appropriate and sufficient details were not obtained and maintained in the case files. Refer to table 23.3 for details.

**Table 23.3: PBS Recipients with Lack of Supporting Documents in the Files**

Name	Reference Number	Monthly Allowance (\$)	Anomalies
Sebastiano Kaunisela	SUV/PBS/005/13	120	<ul style="list-style-type: none"> <li>No PBS application form in the case file – hence no evidence of assessment, recommendation, and approval;</li> <li>No photos taken as it was a special case;</li> <li>No documentation in the file to indicate that a field visit was done;</li> <li>No evidence of approval given by the panel who approves special cases;</li> <li>No bank account details in the file.</li> </ul>
Saliman Bibi	SUV/PBS/011/13	120	<ul style="list-style-type: none"> <li>Only the recipient's birth certificate was in the file. Birth certificates for others living with the recipient were not in the file.</li> <li>No PBS application form in the file – hence no evidence of assessment, recommendation, and approval;</li> <li>No photos taken as it was a special case;</li> <li>No documentation in the file to indicate that a field visit was done.</li> </ul>
Sarojani	SUV/PBS/001/13	120	<ul style="list-style-type: none"> <li>A different recipient, known as Lowani Divavesi's information was in this file;</li> <li>No details about the recipient (Sarojani) in the file.</li> </ul>
Viliame Suka	SUV/PBS/017/13	180	<ul style="list-style-type: none"> <li>Except for the PBS survey form, no other documentation were in the file such as recipient's birth certificate, bank statement, TIN letter, PBS filled application form, Birth certificates of other members in the household receiving allowance, passport sized photo of recipients, pictures on status of recipient, health, house condition, case write up for assessment of the recipient.</li> </ul>
Ranadi Mere Vakaloloma	SUV/PBS/012/13	60	<ul style="list-style-type: none"> <li>Incorrect passport sized photo was attached in the file. The photo attached was of Ms. Esther Miriam Ella Mocevakaca whilst the recipient was Ranadi Mere Vakaloloma;</li> <li>No PBS application form in the file – hence no evidence of assessment, recommendation, and approval; and</li> <li>No details about how many members in the family.</li> </ul>
Timoci Ucuvaloa	SUV/PBS/014/13	60	<ul style="list-style-type: none"> <li>No PBS application form in the file – hence no evidence of assessment, recommendation, and approval;</li> <li>No details about how many members in the family;</li> <li>No evidence of approval given by the panel who approves special cases;</li> <li>No bank statement in the file to show bank account details.</li> </ul>
Richard Lal	PBS/SUV/013/13	30	<ul style="list-style-type: none"> <li>No PBS application form in the file – hence no evidence of assessment, recommendation, and approval;</li> <li>No evidence of approval given by the panel who approves special cases;</li> <li>No bank statement in the file to show bank account</li> </ul>

Name	Reference Number	Monthly Allowance (\$)	Anomalies
			details.
Josese Jiko Salote	PBS/SUV/015/13	90	<ul style="list-style-type: none"> <li>• Incorrect application form (Family Assistance Review) used and not the PBS application form;</li> <li>• No Senior Welfare Officer's decision in the form;</li> <li>• No bank statement in the file to show bank account details.</li> </ul>

The lack of supporting documents in the file indicates poor work performance and laxity in regular supervision by senior officers. This may result in favouritism and ineligible persons provided with government assistance.

### **Recommendations**

#### **The Ministry should:**

- review these files and take appropriate action against officers responsible for poor work performance; and
- ensure that appropriate action is taken to update the files with appropriate information.

### **Ministry's Comments**

*No comment received from the Ministry.*

### **23.6.3 Files Not Provided for Audit**

A case file (hard copy) must be opened with the name of the applicant, case number in system, address and contact written on it. All documents provided by the applicant must be kept in the case file. Birth certificates of all members are to be maintained in the file.<sup>5</sup>

The audit was not provided certain PBS recipient files it requested for review as the Ministry could not locate the files. These files included some recipients that were approved in December 2013 but were to be paid in 2014. The new recipients' monthly allowances were not entered into the PBS recipients register in 2014. Refer to table 23.4 for examples of files not provided for audit review.

**Table 23.4: Poverty Benefit Scheme Recipient Files Not Provided to Audit**

Reference Number	Names	Monthly Allowance (\$)	Yearly Allowance (\$)
SUV/PBS/676	Josaia Ului Ledua	120	1,440
SUV/PBS/007/13	Josefa Bayameyame	120	1,440
SUV/PBS/010/13	Mohammed Saheed	120	1,440
SUV/PBS/006/13	Tulia Kaisau	Unknown	Unknown
SUV/PBS/009/13	Nalini Devi	Unknown	Unknown
SUV/PBS/016/13	Tawake Duri Bogiva	Unknown	Unknown

The finding shows that PBS recipient files were not properly maintained. There is also a risk of fictitious recipients of government assistance.

<sup>5</sup> Poverty Benefit Scheme Procedures

**Recommendations****The Ministry should:**

- investigate the missing files and take appropriate action;
- ensure that PBS recipient's files are properly maintained; and
- investigate and take appropriate disciplinary action against Officers responsible for not performing their task diligently.

**Ministry's Comments**

*No comment received from the Ministry.*

**23.7 Care and Protection Allowance**

The Care and Protection allowance is an assistance given by Government especially to assist underprivileged children so that they can be given the proper care and protection. It is paid to the care giver on monthly basis through electronic banking or vouchers for those areas that do not have access to banking facilities. The minimum amount that could be paid for Care and Protection allowance is \$30 per month. The maximum amount of Care and Protection allowance provided can be \$110 per month, regardless of the number of children.

Care and Protection allowance assistance can be given to underprivileged children below 18 years old, however, 5 years is the maximum time a recipient can be assisted from the date of approval, and after that cases will be reviewed to determine continuing eligibility.

The audit noted the following anomalies when verifying the case files for recipients of Care and Protection allowances:

**23.7.1 Missing files**

The audit requested for Care and Protection allowance recipient files. Out of the total 15 files requested 12 recipients' files could not be found. Refer to Table 23.5 below for details of the files not found.

**Table 23.5: Care and Protection Allowance Recipient Missing Case Files**

Reference	Name	Monthly Amount (\$)	Yearly Amount (\$)
101_0000947	Laisa Sokolomani	220	2,640
101_0003198	Maraia Tauluva	220	2,640
101_0008374	Atueta Navunicagilaba	120	1,440
101-0002630	Litiana Matalau	220	2,640
101-0008648	Maata Veita Qionivok	170	2,040
103_0008824	Karalaini Baleira	200	2,400
101_0000731	Arieta	110	1,320
101_0000940	Fane	110	1,320
101_0000962	Shalini	110	1,320
101_0002430	Petero Vici	110	1,320
101_0002852	Allison Yvonne	110	1,320
101_0004279	Ashni Lata	110	1,320

The lack of proper filing indicates Officers responsible were not performing their tasks properly and lack of supervision by Senior Officers. This may result in fictitious recipients of Care and Protection allowances.

### **Recommendation**

**The Ministry should ensure that all recipients' files are maintained properly.**

### **Ministry's Comments**

*No comment received from the Ministry.*

### **23.7.2 Lack of supporting Documents in Recipient Files**

All documents relating to the recipient's application, assessment, and approval must be filed in the recipient's respective case files.<sup>6</sup>

The audit noted that appropriate and sufficient supporting documents were not always available in the recipients' case files. Refer to table 23.6 for examples.

**Table 23.6: Lack of Supporting Documents in Recipient Files**

Name	Reference Number	Monthly Allowance (\$)	Anomalies
Laisa Taukei Ravouvou	101_0007886	240	<ul style="list-style-type: none"> <li>The Care and Protection application form was filled on 10/01/12. The application form did not have the Ministry's recommendation and approval;</li> <li>Approval date was not stated in the file. The approval date was to be stated in the file (front cover);</li> <li>No details about the recipient available in the file;</li> <li>Children must be attending schools. There were no letters from schools to prove that the child was attending school during the year;</li> <li>There was no documentation in the file to prove that there is no source of income, child maintenance or pension received by the recipient.</li> </ul>
Kaliova Naivalu	104_0007580	120	<ul style="list-style-type: none"> <li>No details about the recipient available in the file;</li> <li>Children must be attending schools. There were no letters from schools to prove that the child was attending school during the year;</li> <li>There was no documentation in the file to prove that there is no source of income, child maintenance or pension received by the recipient;</li> <li>The type of assistance provided was not specified in the file i.e. whether the assistance was for single mothers, deserted spouses, widows, prisoner's dependent, foster parents (guardians), Children under the care of the state;</li> <li>There was review carried on the recipient's change in status in 2013.</li> </ul>

<sup>6</sup> Care and Protection Allowance Procedures  
Ministry of Social Welfare, Women & Poverty Alleviation

Name	Reference Number	Monthly Allowance (\$)	Anomalies
Ana Sovaia Lagi	104_0002775	130	<ul style="list-style-type: none"> <li>The Care and Protection application form was filled on 10/01/12. The application form did not have the Ministry's recommendation and approval;</li> <li>Children must be attending schools. There were no letters from schools to prove that the child was attending school during the year;</li> <li>There was no documentation in the file to prove that there is no source of income, child maintenance or pension received by the recipient;</li> <li>There was no documentation that the family was living in destitution or on the verge of destitution;</li> <li>The type of assistance provided was not specified in the file. i.e. whether the assistance was for single mothers, deserted spouses, widows, prisoner's dependent, foster parents (guardians), Children under the care of the state.</li> </ul>

The lack of proper documentation indicates Officers responsible are not performing their tasks properly and lack of supervision by Senior Officers. This may result in fictitious recipients of Care and Protection allowances.

### **Recommendations**

**The Ministry should ensure that:**

- **Officers responsible perform their task properly;**
- **Supervising Officers review the files properly;**
- **all the necessary documents are properly maintained in the case files; and**
- **investigate and take appropriate disciplinary actions against Officers responsible for not performing their task diligently.**

### **Ministry's Comments**

*No comment received from the Ministry.*

### **23.7.3 Payments Made to Over-Aged Recipients at Dilkusha Home**

Care and Protection allowance assistance can be given to underprivileged children below 18 years old, however, 5 years is the maximum time a recipient can be assisted from the date of approval, and after that cases will be reviewed to determine continuing eligibility.

The audit noted that the Ministry paid care and protection allowance to children at Dilkusha Home who were above the eligibility age of 18 years. Refer to Table 23.7 for examples.

**Table 23.7: Payments Made to Recipients Above 18 Years**

Date	Cheque Number	Recipients Name	Age	Amount (\$)
11/12/13	55318	Romeena Devi	21	100.00
11/12/13	55318	Payal Priti	19	100.00
11/12/13	55318	Sonia Priyanka	18	100.00



Date	Cheque Number	Recipients Name	Age	Amount (\$)
11/12/13	55318	Faith Nazreen	18	100.00
20/08/13	52880	Payal Priti	18	100.00

The finding shows that the Ministry does not review the case files regularly for childrens reaching the age of 18 years when they become ineligible for Care and Protection allowances. As a result allowances were paid to childrens who were above 18 years of age.

### **Recommendations**

#### **The Ministry should:**

- review the recipients regularly and consider the change in the status of the recipients including age;
- have an electronic database on Microsoft Excel for all Care and Protection allowance recipients which would enable easy analysis such as determining all recipients above 18 years of age on a monthly basis; and
- investigate and take appropriate disciplinary action against Officers responsible for not performing their task diligently.

### **Ministry's Comments**

*No comment received from the Ministry.*

## **23.8 Anomalies in Social Pension Scheme**

Social Pension Scheme is one of the major government assistance that is available for the elderly. The Ministry was allocated a total of \$3,240,000 for Social Pension Scheme in the 2013 budget. Out of this, the Ministry used only \$1,770,702 or 54.7% in 2013 to pay Social Pension Scheme recipients.

Social Pension Scheme is for elderly persons who are seventy (70) years and above and have no source of income and are not the beneficiaries of superannuation payments such as FNPf Pension Scheme, Ex-Serviceman or After Care Funds, Government or Insurance. Likewise, recipients of social welfare assistance such as the Care & Protection Allowance and Poverty Benefits Scheme will not be eligible for this assistance.<sup>7</sup>

There are four divisions that look after the Social Pension Scheme and each have their own record regarding the recipient's details. The review of Social Pension Scheme revealed the following anomalies:

- The Ministry must carry out timely reviews and effectively monitor the process regarding the status of the recipients of the Social Pension Scheme to ensure that allowance is paid to the deserving people only.

The Ministry did not have any monitoring process in place to effectively monitor the status of recipients to ensure that government assistance was provided to the most deserving people.

As a result, the Welfare Officers were not aware about the status of the recipient such as whether they are still alive or their financial status has improved.

<sup>7</sup> Social Pension Scheme Procedures, Paragraph 1.3

- The Ministry must maintain individual recipient's files separately and ensure proper filing of every inward and outward correspondence.

The Ministry failed to maintain proper and separate files for the individual recipient of Social Pension Scheme. The documentation for Social Pension Scheme for all recipients were kept in a batch and placed in the cabinet. The individual recipients did not have separate files for record keeping.

- The Social Pension Scheme application form must be filled by the recipient and the Senior Welfare Officer must provide his/her recommendations to Director Social Welfare whether to approve or disapprove the social pension.

The Senior Welfare Officers on several instances failed to provide his/her recommendations in the application form. However the applications were approved by the Director Social Welfare, Mr. Rupeni Fatiaki without the recommendations and Accounts Section of the Ministry made payments to the beneficiaries. Refer to Table 23.8 for details

**Table 23.8: List of Recipients without Senior Welfare Officers Recommendation**

Reference Number	Name	Amount (\$)
Ka/SPS/32/13	Avisalome Uluivutia	30.00
Su/SPS/353/13	Angus G Joy	30.00
Su/SPS/526/13	Banjirati	30.00
Su/SPS/54/13	Gyan Wati	30.00
Su/SPS/544/13	Kesaia Lewaciri	30.00
Su/SPS/216/13	Lemeki Beredavui	30.00
Su/SPS/536/13	Raghubar Mangal	30.00
Su/SPS/288/13	Rota Saukadavi	30.00
Su/SPS/493/13	Maraia V Tabaki	30.00
Su/SPS/495/13	Jone Rabune	30.00
Su/SPS/358/13	Karalaini Bucece	30.00
Su/SPS/356/13	Ou Wai Fun	30.00
Su/SPS/217/13	Filise Cama	30.00
Su/SPS/264/13	Joseva Lasea	30.00
<b>Total</b>		<b>420.00</b>

- One of the requirements of the Ministry is to ensure that necessary documents such as birth certificates and passport size photos are certified correct by a Justice of Peace or District Officers or the Head of Clan for those who domicile in remote areas.

However on several instances the applicant's passport size photos and copies of birth certificates were not certified correct by the authorized officer. Hence the applications were processed without verifying the authenticity of the photos or the birth certificates. Refer to Table 23.9 for examples.

**Table 23.9: Supporting Documents Not Certified Correct**

Date Applied	Reference Number	Name
06/05/13	Su/SPS/493/13	Maraia V Tabaki
11/02/13	Su/SPS/288/13	Rota Saukadavi
31/01/13	Su/SPS/216/13	Lemeki Beredavui

Date Applied	Reference Number	Name
19/02/13	Su/SPS/353/13	Angus G Joy
28/05/13	Su/SPS/32/13	Avisalome Uluivutia
24/01/13	Su/SPS/157/13	Tirotume E Pau'u
18/02/13	Su/SPS/356/13	Ou Wai Fun

The findings show that the Officers responsible for receiving the applications, reviewing for completeness and accuracy, making recommendations and approving did not perform their tasks properly.

Hence proper procedures were not always followed in processing the application for payment of Social Pension. This may result in fraudulent payment of Social Pension.

### **Recommendations**

**The Ministry should ensure:**

- **recommendations and approvals/disapprovals for each applicant is stated in the application forms;**
- **individual recipient of social pension have separate files for record keeping; and**
- **supporting documents are certified correct by authorised persons.**

### **Ministry's Comments**

*No comment received from the Ministry.*

## **23.9 Anomalies in Grants given to NGO**

Acquittal reports must be prepared by the recipient of the grant and submitted to the agency that paid the grant.<sup>8</sup> The recipient shall prepare an acquittal report. The acquittal report shall provide the following information:

- details of grant money expended and unexpended,
- grants objectives and targets achieved,
- financial statement (audited if practicable) for grants of \$20,000 or more.<sup>9</sup>

Our review of the grants provided by the Ministry revealed the following anomalies:

- The Ministry paid quarterly grants of \$25,000 to Global Compassion totalling \$100,000 for the year 2013.

Global Compassion did not submit audited financial statements to the Ministry for the grant funds received from the Ministry. The Ministry did not take any action for non-submission of audited financial statements.

Global Compassion submitted acquittal reports for 1<sup>st</sup> and 2<sup>nd</sup> quarter to the Ministry with supporting documents attached. However the acquittal report for 3<sup>rd</sup> quarter grants to the Ministry did not have supporting documents. Hence the audit could not substantiate the expenses in the

<sup>8</sup> Finance Instructions 2010, Part 3 16 (8)

<sup>9</sup> Ministry of Social Welfare, Women & Poverty Alleviation Finance Manual, Section 3.1.17

acquittal report. The Ministry did not follow up with Global Compassion to submit supporting documents for 3<sup>rd</sup> quarter grants.

In addition the acquittals and the supporting documents for 4<sup>th</sup> quarter grant were not received from Global Compassion. The Ministry again did not take any action for non-submission of acquittals and the supporting documents for 4<sup>th</sup> quarter.

- A grant of \$15,000 was given to the Methodist Church for Dilkusha Home. The grant was disbursed to the Methodist Church in two instalments of \$7,500 each.

The Methodist Church provided the acquittals and the supporting documents for the first grant instalment of \$7,500. However the supporting documents were loose and it was difficult to substantiate whether the acquittals were provided for full \$7,500.

In addition, the Ministry disbursed the second grant instalment of \$7,500 to Methodist Church even though the supporting documents for first grant of \$7,500 were not properly verified.

- A grant of \$10,000 was given to Fiji Vocational and Technical Training Centre for 2013. The grant was disbursed in two instalments of \$5,000 each.

However the acquittal report and supporting documents were submitted to the Ministry for the second half yearly grant of \$5,000 only. The Centre did not submit acquittal report or supporting documents for the first half yearly grant of \$5,000.

The Ministry did not follow up with Fiji Vocational and Technical Training Centre on the acquittals report and supporting documents for the first half yearly grant. In addition despite no acquittal report and supporting documents provided by the Centre the Ministry provided second half yearly grant of \$5,000.

- A grant of \$10,000 was given to the Fiji Crippled Children's Society in 2013.

The Fiji Crippled Children's Society did not submit the acquittal report and the supporting documents for the grant they received.

In addition the Grant Agreement signed between the Fiji Crippled Children's Society and the Ministry was not dated.

- Total grant of \$15,000 was provided to Saint Christopher's Home in 2013. The grant was paid half yearly amounting \$7,500 each.

The grant agreement between Saint Christopher's Home and the Ministry was not dated.

In addition the acquittal and supporting documents for first half yearly grant of \$7,500 was not received by the Ministry from Saint Christopher's Home. For the second half only the acquittal report for the grant amount of \$7,500 was submitted and no supporting documents was provided.

The Ministry did not follow up for the supporting documents for second half yearly grant.

The findings indicate that the Ministry was not vigilant in reviewing the acquittal reports and following up with grant recipients which did not submit acquittals or supporting documents. In the absence of adequate supporting documents the audit was not able to establish whether the grant funds were properly utilised by the grant recipients. In addition there is risk of misuse or misappropriation of grant funds.

### **Recommendations**

#### **The Ministry should:**

- ensure that acquittals received from the recipients have adequate supporting documents to clearly indicate how the funds were used;
- review the acquittals and the supporting documents to ensure grants funds are properly used;
- ensure that organisations receiving more than \$20,000 grants submit audited financial statements; and
- cease to provide further grants to organisations that fail to submit proper acquittals with supporting documents.

### **Ministry's Comments**

*No comment received from the Ministry.*

## **23.10 Grants Approved in 2013 without Acquittals Submitted in 2012**

Acquittal reports must be obtained before the next monthly or quarterly grants are paid out.<sup>10</sup>

The audit noted that although some NGO's did not fully submit their acquittals for the grant given in 2012 they were still given grants by the Ministry in 2013.

For example the Methodist Veilomani Boys Home was provided total grant of \$15,000 in 2012. The Home did not provide acquittals and supporting documents for the grants amounting to \$7,500 received in 2012. Even though the acquittals and supporting documents for \$7,500 were not provided the Ministry continued to provide further grant of \$12,500 in 2013.

The Ministry did not take any follow up action on the outstanding acquittals.

In another instance, Saint Christopher's Home was provided with grants totaling \$15,000 in 2012. Out of this amount, the Saint Christopher's Home did not provide acquittals for \$7,500. The Ministry did not follow up on the outstanding acquittals but provided grants totaling \$15,000 in 2013.

This indicates that the Ministry did not follow proper procedures when providing grants to NGO's. It is highly likely that government grants may not be used for the purposes it was given for.

### **Recommendations**

#### **The Ministry should:**

- investigate and take appropriate disciplinary actions against Officers responsible for not following up with acquittals and approving further grants without verifying how the funds was used in previous years;
- ensure that proper acquittals are submitted by the grant recipient's before providing further grants; and
- review the acquittals submitted to ensure grants were properly used and accounted for by the recipients.

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<sup>10</sup> Finance Instructions 2010, Part 3 Section 16.8

**Ministry's Comments**

*No comment received from the Ministry.*

**23.11 Welfare Graduation Program**

The Welfare Graduation Program followed a cabinet decision<sup>11</sup> on the subject of graduating recipients of Care and Protection Allowances after 5 years of being under state assistance. The Ministry engaged Department of Prisons and Correctional Services through the Fiji Prisons Services, and National Center for Small and Micro Enterprises Development (NCSMED) for the Welfare Graduation Program.

**23.11.1 Department of Prisons and Correctional Services**

The Cabinet<sup>12</sup> endorsed the deployment of \$100,000 annually from the Poverty Alleviation Program budget provision to the Department of Prisons and Correctional Services for the rehabilitation of ex-offenders under the existing Yellow Ribbon initiative.

In 2013, annual grant of \$100,000 was provided to the Department of Prisons and Correctional Services on a quarterly basis. The audit noted the following discrepancies:

- Acquittal reports with supporting documents must be obtained before the next monthly or quarterly grants are paid out.<sup>13</sup>

The Department of Prisons and Correctional Services submitted 3<sup>rd</sup> quarter and 4<sup>th</sup> quarter acquittals to the Ministry together on 28/02/14. However the Ministry disbursed the 4<sup>th</sup> quarter grant on 05/12/13 before receiving the acquittals for the 3<sup>rd</sup> quarter.

- The administering agency must ensure that each grant has been used only for the purpose for which it was provided.

There was no report provided by the Ministry to substantiate that it has verified that the grant was utilised for the purpose it was given for to the Department of Prisons and Correctional Services.

- A standardised monitoring template for submission of acquittals and Overall Quarterly Reporting is given to the grant recipient for reporting purpose by the Ministry when the grant recipient signs the grant agreement.

However the Department of Prisons and Correctional Services did not provide any report in accordance with the standard monitoring template. The Ministry did not follow up with the Department of Prisons and Corrections Service for not complying with the standard reporting requirement.

The findings indicate that the Ministry was not vigilant in reviewing the acquittal reports. In the absence of acquittal reports the audit was not able to establish whether the grant funds were properly utilised by the grant recipients. In addition there is risk of misuse or misappropriation of grant funds.

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<sup>11</sup> Cabinet Decision No. 254 [SWD 9/1 CP (10) 206]

<sup>12</sup> Cabinet Decision on 6<sup>th</sup> October 2009

<sup>13</sup> Finance Instructions 2010, Section 16.8

**Recommendations****The Ministry should:**

- ensure that acquittals are received from the recipients in time;
- take appropriate action against the recipient if they do not comply with the requirements of the grant agreement; and
- stop providing further grants to organisations that do not comply with the grant agreements and fail to submit acquittals.

**Ministry's Comments**

*No comment received from Ministry.*

**23.12 Lack of Monitoring and Evaluation in Women's Projects**

The Ministry received proposals from various women's clubs requesting for funds to carry out income generating projects that would enhance the livelihood of the rural women and their families. The Ministry received a total of 20 proposals of which 4 were from the Western Division, 3 from the Northern and Eastern Division whilst 10 were from the Central Division.

The project proposal were reviewed and approved by the Ministry. The Ministry disbursed funds to various suppliers for supply of materials for each of the project. Refer to Table 23.10 for details of different projects undertaken and also the costs involved.

**Table 23.10: Details of Projects Undertaken**

Division	Club	Project	Amount (\$)
Western	Talaiya Multi – Racial Women's Club	Beekeeping Project	3,938.35
Western	Navolau No. 1 Women's Group	Beekeeping Project	3,892.30
Western	Matokana Women's Group	Canteen Project	2,232.72
Western	Tavualevu Soqosoqo Vakamarama	Bakery Project	2,732.88
Northern	Sailoama Women's Group	Canteen Project	2,718.98
Northern	Warikaba Women's Group	Vegetable Farming & Beekeeping Project	4,819.00
Northern	Nabunikavula Women's Group	Canteen Project	4,911.49
Central	Naceva Women's Group	Handicraft Stall	5,019.00
Central	Nabunikavatu Women's Club	Fuel Project	776.60
Central	Nakorokoroyawa Women Club	Canteen Project	869.91
Central	Waisavusavu Women's Club	Brush Cutter Project	899.00
Central	Nuku Women's Group	Bakery Project	4,803.50
Central	Waibogi Women's Group	Watermelon Farming Project	2,111.00
Central	Nakavu Women's Group	Screen Printing Project	1,650.00
Central	Seinijiale Disability Women's Group	Screen printing Project	1,650.00
Central	Nasavu Women's Group	Screen Printing Project	1,650.00
Central	Masi Women's Group	Ginger Farming Project	5,151.00
Eastern	Wailevu Women's Group	Canteen Project	2,251.42
Eastern	Leba Ni Wai Vuvu Group	Fencing for Masi/ Voivoi Plantation	2,683.00
Eastern	Naicabecabe Women's Group	Sewing Project	5,000.00
<b>Total</b>			<b>59,760.15</b>

The audit noted that the Ministry did not require these project owners to submit progress reports stating the progress of the projects.

In addition no project inspection was carried out by the Ministry to review how the projects were progressing and assess whether funds were properly utilized. Furthermore payments were made to several vendors for the supply of different materials to various women's group, for instance, timber, iron and seedlings. However, there was no monitoring and evaluation done by the Ministry to ensure that the materials purchased by the Ministry were used for the specific projects.

In absence of project progress reports and inspection reports the Ministry could not ascertain whether the materials provided were used for the projects and funds were properly used.

The finding shows that the Ministry lacks project management skills and knowledge. Hence the projects were not properly followed up and monitored.

Due to lack of monitoring some projects may fail and result in waste of public funds.

### **Recommendations**

#### **The Ministry should:**

- **request the projects owners to submit project progress reports;**
- **inspect the projects for its progress; and**
- **monitor the projects and provide guidance to ensure it progresses well and is successfully completed.**

### **Ministry's Comments**

*No comment was received from the Ministry.*

## **23.13 Accountable Advance Not Cleared on Time**

A travelling officer shall recoup the travel advance within seven days of completing travel by submission of an acquittal report with supporting documents. If an advance has not been fully expended, the travelling officer must repay the balance within seven days of completing travel.<sup>14</sup>

Where an advance has not been acquitted within seven days of travel, the Accounts officer shall effect recovery action through a salary deduction after having obtained the approval of the Senior Accounts officer.<sup>15</sup>

The audit noted that several Officers who were given advances for official travel in 2013 did not retire their advance within 7 days upon returning from official tours. The days advance not cleared ranged from 186 days to 4 days.

However the Ministry did not commence salary deductions for the Officers whose advances were not cleared within 7 days. Refer to **Appendix 23.1** for details.

This indicates laxity of senior officer supervising retirement of advances. This may result in advance not cleared, particularly when officers resign, retire or terminated from the service.

<sup>14</sup> Ministry of Social Welfare, Women & Poverty Alleviation Finance Manual Section 10.1.11& 10.1.12

<sup>15</sup> Ministry of Social Welfare, Women & Poverty Alleviation Finance Manual Section 10.1.14



**Recommendation****The Ministry should:**

- ensure that Accountable Advance is cleared within 7 days from the date officers return to their station from official tours; and
- take appropriate action against Senior Accountant for not commencing salary deductions for long outstanding advances.

**Ministry's Comments**

*No comment received from the Ministry..*

**23.14 Other Anomalies in Payments**

The Senior Accounts Officer and Accounts Officer must not certify a payment as correct unless they are satisfied that:

- It is in accordance with an LPO, indent, contract, invoice or other authorization;
- There is documentation that the goods, services or works have been received;
- The expenditure account it is charged to be correct.<sup>16</sup>

Payments should be made on original documents.

The audit noted several instances where adequate supporting documents were not always attached to the payment vouchers. In some instances, documents attached were not the original documents. Refer to table 23.11 for examples.

**Table 23.11: Details of Other Payment Anomalies**

Date	Cheque Number	Payee	Amount VIP (\$)	Payment Description	Remarks
4/12/2013	55121	Cargo Care Freights (Fiji)	3,385.00	Payment for 20ft container for shelving.	• Payment made on proforma invoice.
21/06/13	51603	Niranjan Autopart Limited	1,762.78	Payment for general servicing and mechanical repair of GM 957.	• Invoice and LPO were photocopied.
16/09/13	53344	Joes Farm Produce Ltd	1,462.52	Payment for the supply of food items.	• LPO and food request form were photocopied.
13/08/13	52698	Fresh'et International Limited	1,369.13	Payment for supply of food items.	• Request form was photocopied.
8/5/2013	50983	Brijlal & Co Ltd	6,999.00	Payment for supply of Toshiba 55 smart TV LED.	• No request form attached; • No approval sought from the IT Department.
6/8/2013	52568	Cargo Care Freight	4,850.00	Payment for purchase of 20ft container.	• No invoice attached; • No delivery docket attached.
31/12/13	55643	Daltron	17,578.00	Payment for purchase of	• No delivery docket

<sup>16</sup> Ministry of Social Welfare, Women and Poverty Alleviation Financial Manual Section 2.8.3

Date	Cheque Number	Payee	Amount VIP (\$)	Payment Description	Remarks
				server for database & backup.	attached.
15/01/13	48559	R.B.Patel	353.04	Payment of office supplies for western division.	<ul style="list-style-type: none"> <li>• No Invoice;</li> <li>• No receipt for payments made for office supplies to the vendor.</li> </ul>
4/12/2013	55132	Janta Tek Ltd	580	Payment of Toner for Labasa Office.	<ul style="list-style-type: none"> <li>• No request form attached to the payment voucher;</li> <li>• No delivery docket attached to the payment voucher;</li> <li>• Invoice was photocopied.</li> </ul>
18/09/13	53505	Office Products	845	Payment of Dell 1213 * laserjet toner 113 for Civic Towers.	<ul style="list-style-type: none"> <li>• LPO was not attached to the payment voucher.</li> </ul>
8/1/2013	48496	Redox Limited	1,985.00	Payment for printing of 200 copies of ACP 2013.	<ul style="list-style-type: none"> <li>• No invoice attached;</li> <li>• Payment made on quotation.</li> </ul>
23/04/13	50470	Office Products	3,826.00	Payment of Toners.	<ul style="list-style-type: none"> <li>• Receipt not attached to payment voucher;</li> <li>• Quotation not attached to payment voucher.</li> </ul>

Due to poor supervision and monitoring adequate supporting documents were not attached to payment vouchers. The anomalies highlighted increases the risk of unauthorized purchases or double payments.

### **Recommendation**

**The Ministry should ensure that adequate supporting documents are attached to all payment vouchers before payments are authorized and made.**

### **Ministry's Comments**

*No comments received.*

## **23.15 Aid in Kind**

The Ministry receives Aid in Kind through funding of projects, equipment or personnel.

The Ministry's budget for the year 2013 indicates that they were to be provided aid in kind from various international agencies totaling \$1,204,335. Refer to Table 23.12 for details.

**Table 23.12: 2013 Aid in Kind**

Project	Sponsor	Amount (\$)
Civil Society Support for Social Services and Economic Opportunity	NZAID <sup>17</sup>	671,088
Sustainable Development Fund – Rotary Water for Life Foundation	NZAID	318,280
Grass Roots Human Security Projects	JICA <sup>18</sup>	189,935
Gender Equality and Reproductive Rights	UNFPA <sup>19</sup>	25,032
<b>Total</b>		<b>1,204,335</b>

However the audit noted that the Ministry was not aware of the aid in kind and did not receive any such aid in kind during the year 2013. In addition the Ministry did not follow up with Ministry of Finance on the aid in kind.

The finding shows the Ministry's Officers were not familiar with what was provided for in their 2013 budget. As a result they may have lost the opportunity to access the aid in kind.

### **Recommendations**

#### **The Ministry should:**

- be aware of its budget including aid in kind provisions; and
- follow up with Ministry of Finance for the aid in kind provided for in their budget.

### **Ministry's Comments**

*No comments received.*

## **23.16 Family Assistance Scheme/Allowance**

The Family Assistance Scheme has been described as a method of providing small amounts of financial assistance to families in destitute conditions. The scheme is an affirmative action programme that is legislated under the Social Justice Act 2000. It is a form of assistance given temporarily to a family/household whose livelihood depends on an inadequate source of income. The Ministry of Social Welfare paid out a total sum of \$19,899,741.97 under the Family Assistance Scheme for the year 2014.

### **23.16.1 Same Reference Number Allocated to Recipients**

Each recipient should have a unique identifier of the client's reference number prefixed with their cost centre and suffixed with the month and year that the voucher is valid for.<sup>20</sup>

Review of payments of Family Assistance Allowance revealed the following anomalies:

- Several instances were noted where same reference number was allocated to more than one Family Assistance Allowance recipients. As a result audit could not establish whether the Family Assistance Allowance was paid to the bona-fide recipients. Refer to **Appendix 23.2** for examples of recipients with same reference number.

<sup>17</sup> NZAID – New Zealand Government International Aid Program

<sup>18</sup> JICA – Japan International Cooperation Agency

<sup>19</sup> UNFPA – United Nations Population Fund

<sup>20</sup> Ministry of Social Welfare, Women and Poverty Alleviation Finance Manual Section 4.1.17

- Several instances were noted where recipients of Family Assistance Allowance had only their first name included in the list of payments submitted to the banks. As a result audit could not establish if the payments of Family Assistance Allowances were made to valid recipients. In addition it would be difficult for the Ministry to identify who the payment of Family Assistance Allowance was made to. Refer to **Appendix 23.3** for examples.

There was no evidence to indicate that the Family Assistance Allowance payment list was checked by a Senior Officer before it was uploaded for payment.

The finding shows lack of reviews of monthly Family Assistance Allowances listing by Senior Officers before these are submitted to the banks for payments. There is a high risk of double payments.

### **Recommendations**

#### **The Ministry should:**

- ensure that every recipient should have a unique reference number;
- ensure that the recipient's full name is stated in the payments listing submitted to the banks;
- ensure that monthly allowance list is reviewed by a Senior Officers before payment is processed; and
- take appropriate disciplinary actions against responsible Officers.

### **Ministry's Comments**

*No comments received.*

## **23.16.2 Double Payments of Family Assistance Allowance**

The proper management of expenditure is fundamental to ensuring value-for-money in delivering services to the community. As well, having cost effective internal controls within the purchasing and payments system plays an important part in ensuring that waste of funds, over – expenditure and corruption do not occur.<sup>21</sup>

The audit noted upon review of the payment listing of Family Assistance Allowance submitted to the banks for payments that several recipients had dual bank accounts. In addition the Ministry was paying the Family Assistance Allowance to both bank accounts. Refer to **Appendix 23.4** for examples.

The findings indicate that Ministry's officials were not vigilant in checking, reviewing and updating the Family Assistance Allowance recipients' files and the database. As a result the Ministry made double payments of Family Assistance Allowance to several recipients.

### **Recommendations**

#### **The Ministry should:**

- identify recipients who were paid allowances twice and take appropriate action;
- cease payment of allowances to recipients who have defrauded the Ministry and refer these cases to the Police for investigation for further action;
- develop systems to identify double payment of allowances to recipients before releasing allowance data to banks; and
- take appropriate disciplinary actions against responsible Officers.

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<sup>21</sup> Ministry of Social Welfare, Women & Poverty Alleviation Finance Manual Part 2  
Ministry of Social Welfare, Women & Poverty Alleviation

**Ministry's Comments**

*No comment received from Ministry.*

**WESTERN DIVISION****23.17 Anomalies in Poverty Benefit Scheme (PBS)**

Welfare Officers take their laptops into the field and interview applicants to assess their eligibility. They input the data gathered, take pictures where relevant and other supporting documents, and return to their Office. The Poverty Benefit System (PBS) form is an electronic template where after filling the relevant data, it automatically gives final score for the assessment. They bring the laptops to the Senior Welfare Officer (SWO) who determines whether an application should be approved or declined.

The PBS system was developed by the World Bank after a review on the Family Assistance Scheme in 2012. Funding for the scheme was through Aus-Aid to the World Bank.

The audit noted the following anomalies in the PBS system:

- The PBS system was not interlinked with all the other PCs that has PBS database installed and in all the divisions. All computers or laptops operate on their own which means that the SWO has to review the applications on individual computers or laptops.

In addition when there was a change in the PBS system, the change would have to be made by individually logging into the different computers. This method of assessing the applicants is time consuming, ineffective and inefficient;

- The PBS system could not print the decisions made by the Senior Welfare Officer once an assessment was completed;
- The PBS system did not have adequate capacity to load more than 1 picture. In most cases, only the photo of one recipient was loaded, even if there are 3 or 4 in a household that receives the allowance. Hence the pictures taken by Welfare Officers during their field visit as evidence of the state of welfare of the recipients were not stored in the system;
- The space provided for Welfare Officers to write their recommendations on each assessment form was inadequate to a few words only. Hence they could not provide full recommendations.

The findings indicate some of the deficiencies in the PBS system which may contribute to delays in assessing applications.

**Recommendation**

**The Ministry should ensure that the PBS system is upgraded and linked with all the other PCs that has PBS database installed and in all the divisions.**

**Ministry's Comments**

*No comment received from Ministry.*

### **23.18 Anomalies in Poverty Benefit Scheme (PBS)**

A case file (hard copy) must be opened with the name of the applicant, case number in the system, address and contact written on it. All documents provided by the applicant must be kept in the case file, including birth certificates. The case officer will also advise the applicant on the relevant information that he/she will need to know regarding the application. This included the conditions of the assistance, the need to look for other avenues of income and the annual reviews that will be conducted. This counseling process is recorded in the casework write up and is kept in the case file.

The PBS started in 2013. The approval on the assessment of PBS recipients was made in late 2013. For any new scheme or program implemented, proper documentation should be maintained.

During the review of the case files in the Western Division the audit noted that adequate records were not maintained in the PBS recipients' case files. Refer to ***Appendices 23.5 to 23.8*** for examples.

The missing supporting documents indicate the lack of regular supervision by the Senior Welfare Officer which could result in unauthorized payments made to PBS recipients without proper verification.

#### **Recommendation**

**The Ministry should ensure that Welfare Officers maintain complete record of recipients in the case files.**

#### **Ministry's Comments**

*No comment received from the Ministry.*

## APPENDICES

### Appendix 23.1: Accountable Advance Not Cleared On Time

Name	Official Duty End Date	Seven Days Due Date	Date Advance Cleared	Amount (\$)	Number of Days Overdue
DSW [M.Simpson]	19/06/13	28/06/13	31/12/13	2,805.20	6 months, 6 days.
Vijay Kumar	31/07/13	7/8/2013	31/12/13	100.00	4 months, 26 days.
Luisa Bainikoro	24/07/13	13/08/13	31/12/13	3,214.00	4 months, 25 days.
Luisa Bainikoro	22/05/13	20/06/13	08/11/13	8,709.10	4 months, 21 days.
DSW [S.Tuiwasa]	31/07/13	14/08/13	31/12/13	464.00	4 months, 19 days.
DSW [V.Uqeueq]	30/07/13	21/08/13	31/12/13	1,502.65	4 months, 12 days.
Semi Bukarau	30/07/13	21/08/13	31/12/13	5,644.00	4 months, 12 days.
Laisani Bainivalu	22/04/13	5/5/2013	13/09/13	1,680.00	4 months, 11 days.
Inoke Loganimoce	15/08/13	30/08/13	31/12/13	1,925.00	4 months, 2 days.
Salote Karikaritu	5/9/2013	19/09/13	17/01/14	2,363.80	4 months.
DSW [T.Gavidi]	14/06/13	28/06/13	17/10/13	1,282.65	3 months, 21 days.
Semi Bukarau	14/05/13	31/05/13	13/09/13	712.00	3 months, 15 days.
Samuela Waqairamasi	5/3/13	29/03/13	17/07/13	1,096.00	3 months, 14 days.
DSW [T.Gavidi]	23/05/13	7/6/2013	13/09/13	472.30	3 months, 12 days.
Salote Biukoto	5/3/13	22/03/13	17/07/13	440.00	3 months, 7 days.
Susana Delailomaloma	17/09/13	27/09/13	31/12/13	456.00	3 months, 5 days.
Josefa Ratawake	13/09/13	1/10/2013	31/12/13	1,274.00	3 months, 1 day.
DSW [S.Galuvakadua]	27/09/13	4/10/2013	31/12/13	507.00	2 months, 28 days.
Salanieta Galuvakadua	30/09/13	8/10/2013	31/12/13	1,220.00	2 months, 24 days.
Madhwi Lata	30/09/13	8/10/2013	31/12/13	1,611.00	2 months, 24 days.
John Khan	30/09/13	8/10/2013	31/12/13	1,510.00	2 months, 24 days.
Gordon Bingwor	24/09/13	9/10/2013	31/12/13	5,278.00	2 months, 23 days.
Qorio Naitoqiniwa	30/09/13	8/10/2013	28/11/13	1,086.00	2 months, 21 days.
DSW [S.Lewatoga]	14/06/13	28/06/13	13/09/13	259.80	2 months, 17 days.
Teresia Matewai	18/06/13	28/06/13	13/09/13	2,236.00	2 months, 17 days.
Arieta Tagivetaua	30/09/13	17/10/13	31/12/13	9,150.00	2 months, 15 days.
Laisani Bainivalu	4/10/2013	17/10/13	31/12/13	1,625.00	2 months, 15 days.
DSW [S.Waqairamasi]	9/10/2013	17/10/13	31/12/13	1,977.70	2 months, 15 days.
Semi Bukarau	9/10/2013	7/11/2013	17/01/14	2,950.00	2 months, 11 days.
DSW [T.Gavidi]	15/10/13	7/11/2013	17/01/14	3,781.50	2 months, 11 days.
Sovaia Qalokivuya	15/10/13	22/10/13	31/12/13	36.00	2 months, 10 days.
Samuela Waqairamasi	23/04/13	10/5/2013	17/07/13	1,190.00	2 months, 8 days.
Kilioni Tuitubou	5/8/2013	28/09/13	11/11/2013	308.00	2 months, 2 days.
Osea Vatubuli	3/10/2013	18/10/13	18/12/13	351.00	2 months, 1 day.
DSW [M.Simpson]	13/11/13	25/11/13	17/01/14	1,787.70	1 month, 23 days.
Jone Melekini	30/09/13	8/10/2013	25/11/13	5,242.50	1 month, 18 days.
Gordon Bingwor	29/10/13	13/11/13	31/12/13	3,000.00	1 month, 18 days.
Anne Sarote	26/08/13	5/9/2013	25/10/13	1,059.00	1 month, 16 days.
Ela Tukutukulevu	25/10/13	5/12/2013	17/01/14	3,988.30	1 month, 13 days.
Jeremaia Moce	27/11/13	6/12/2013	17/01/14	1,733.00	1 month, 12 days.
Litiana Tabucala	3/9/2013	19/09/13	30/10/13	4,810.00	1 month, 11 days.

Name	Official Duty End Date	Seven Days Due Date	Date Advance Cleared	Amount (\$)	Number of Days Overdue
DSW [M.Simpson]	10/9/2013	20/09/13	31/11/12	2,652.85	1 month, 11 days.
Laisa Namela	29/10/13	7/11/2013	18/12/13	1,410.00	1 month, 11 days.
Laisani Bainivalu	22/02/13	20/03/13	30/04/13	1,688.50	1 month, 10 days.
Anne Sarote	26/03/13	12/4/13	23/05/13	3,889.80	1 month, 10 days.
Semi Bukarau	5/4/2013	19/04/13	29/05/13	450.00	1 month, 10 days.
Salote Karikaritu	5/4/2013	19/04/13	29/05/13	1,415.00	1 month, 10 days.
Arieta Tagivetaua	9/4/2013	18/04/13	29/05/13	150.00	1 month, 10 days.
Malinda Tugaga	12/11/2013	21/11/13	31/12/13	650.00	1 month, 10 days.
Luisa Bainikoro	13/11/13	21/11/13	31/12/13	100.00	1 month, 10 days.
Semi Bukarau	6/9/2013	2/10/2013	8/11/2013	6,914.00	1 month, 7 days.
DSW[T.Matewai]	13/09/13	25/09/13	31/12/13	669.50	1 month, 6 days.
Raijeli Erasito	5/11/2013	12/11/2013	18/12/13	270.00	1 month, 6 days.
Maria Cagimaivei	13/11/13	21/11/13	18/12/13	315.00	1 month, 6 days.
Jone Melekini	15/11/13	25/11/13	31/12/13	2,000.00	1 month, 6 days.
Arieta Tagivetaua	18/11/13	25/11/13	31/12/13	140.00	1 month, 6 days.
DSW [B.Naulumatua]	13/11/13	26/11/13	31/12/13	2,237.20	1 month, 5 days.
DSW [A.Disewasewa]	15/11/13	26/11/13	31/12/13	2,849.20	1 month, 5 days.
Timaleti Lewanavanua	28/03/13	19/04/13	23/05/13	250.00	1 month, 3 days.
DSW[V.Uqeuqe]	2/7/2013	13/07/13	16/08/13	633.50	1 month, 3 days.
Malinda Tugaga	15/11/13	28/11/13	31/12/13	1,280.00	1 month, 3 days.
Litiana Tubucala	12/4/2013	26/04/13	29/05/13	665.00	1 month, 2 days.
Raijeli Erasito	1/10/2013	10/10/2013	11/11/2013	1,552.00	1 month, 2 days.
Jone Melekini	13/09/13	27/09/13	25/10/13	1,881.70	28 days.
Malinda Tugaga	21/11/13	4/12/2013	31/12/13	955.00	27 days.
Laisa Namela	26/03/13	4/4/13	30/04/13	582.00	26 days.
Melaia Simpson	1/5/2013	10/5/2013	5/6/2013	339.00	26 days.
DSW [B.Naulumatua]	21/05/13	2/6/2013	27/06/13	751.50	25 days.
Jotishma Mishra	10/6/2013	22/06/13	17/07/13	300.00	25 days.
Jeremaia Moce	4/10/2013	17/10/13	11/11/2013	2,200.00	25 days.
Leela Naicker	27/11/13	5/12/2013	30/12/13	225.00	25 days.
Jotishma Mishra	18/02/13	26/02/13	21/03/13	90.00	23 days.
Litiana Tubucala	22/02/13	12/3/13	4/4/13	1,698.00	23 days.
Salote Karikaritu	27/05/13	6/6/2013	27/06/13	493.00	21 days.
Clement Dari	10/7/2013	1/8/2013	22/08/13	280.00	21 days.
Luisa Bainikoro	27/09/13	4/10/2013	25/10/13	137.50	21 days.
Arieta Tagivetaua	23/08/13	7/9/2013	27/09/13	3,424.00	20 days.
Malinda Tugaga	29/10/13	8/11/2013	28/11/13	1,530.00	20 days.
Sarote Anne	20/06/13	28/06/13	17/07/13	80.00	19 days.
Malinda Tugaga	29/11/13	12/12/2013	31/12/13	1,220.00	19 days.
Laisa Namela	27/11/13	13/12/13	31/12/13	1,375.00	18 days.
Sarote Anne	5/12/2013	13/12/13	31/12/13	324.00	18 days.
DSW [V.Uqeuqe]	22/05/13	7/6/2013	22/06/13	965.50	15 days.
Gordon Bingwor	1/5/13	23/05/13	5/6/13	2,080.00	13 days.
Litiana Tabucala	8/5/2013	23/05/13	5/6/2013	994.00	13 days.
Laisa Namela	4/6/2013	14/06/13	27/06/13	2,883.90	13 days.
Salote Biukoto	23/01/13	1/2/2013	13/02/13	147.20	12 days.
Laisa Namela	10/12/2013	19/12/13	31/12/13	698.90	12 days.



Name	Official Duty End Date	Seven Days Due Date	Date Advance Cleared	Amount (\$)	Number of Days Overdue
Anne Sarote	29/07/13	5/8/2013	16/08/13	45.00	11 days.
Kilioni Tuitubou	10/12/2013	20/12/13	30/12/13	242.00	10 days.
Raijeli Erasito	13/08/13	22/08/13	30/08/13	243.00	8 days.
Luisa Bainikoro	1/10/2013	17/10/13	25/10/13	711.00	8 days.
Moana O'connar	16/05/13	23/05/13	29/05/13	130.00	6 days.
Clement Dari	29/07/13	16/08/13	22/08/13	300.00	6 days.
Laisa Namela	2/8/2013	10/8/2013	16/08/13	223.20	6 days.
Jone Melekini	5/7/2013	13/07/13	17/07/13	150.00	4 days.
Jotishma Mishra	11/12/2013	27/12/13	31/12/13	158.00	4 days.
Dilitiana Baleinabuli	13/12/13	27/12/13	30/12/13	370.85	4 days.
Raijeli Erasito	11/12/2013	27/12/13	31/12/13	280.00	4 days.

**Appendix 23.2: Recipients With Same Reference Numbers**

Number	Bank Number	Account	Name Of Recipient	Amount (\$)	Reference Number
1	009803411124		Maya Wati	60.00	101_3005367
	009803410183		Veniana Naivalu	70.00	101_3005367
2	009803347278		Narayan Samy	60.00	101_3005675
	008903347732		Suruj Wati	180.00	101_3005675
3	009803643676		Tota Ram	60.00	101_3005688
	009803571034		Daya Wati	60.00	101_3005688
4	009803789610		Avarusi Mataloa	60.00	101_3008143
	009803716522		Pita Ratuveitulele	60.00	101_3008143
5	009802990458		Daya	60.00	101-101128
	009802983461		Daya Wati	60.00	101-101128
6	009803007633		Kesaia	60.00	101-101728
	07851206		Teresia Bogi	60.00	101-101728
7	009802978214		Taina	60.00	101-103645
	208497		Mitieli Tikotani	60.00	101-103645
8	009803142109		Mereani Marama	60.00	101-104394
	009803141366		Teresia Draucala	60.00	101-104394
9	009803014647		Vineeta Pabha	60.00	101-105513
	009803013706		Prabha Wati	60.00	101-105513
10	009803707091		Haliman Bi	60.00	101-106323
	009802994963		Doreen Anjani	60.00	101-106323
11	009803011684		Amalaini Adireki	60.00	101-107328
	009803011320		Minachi Minachi	60.00	101-107328
12	009804586239		Epeli B. Matea	60.00	102_3008589
	009804055458		Phul Kumari	60.00	102_3008589
13	009802982588		Mere	60.00	101-108222
	009802982596		Seveci Turaga	60.00	101-108222
14	009803864314		Anasa Basaga	60.00	102_3007769
	009802943085		Tevita Siga	60.00	102_3007769
15	009803800722		Imla Wati	60.00	102_3007989
	009803732800		Makereta Basei	60.00	102_3007989
16	009804586239		Epeli B. Matea	60.00	102_3008589
	009804055458		Phul Kumari	60.00	102_3008589
17	009803427708		Dhurup Raji	60.00	103_3005705
	009803427237		Jasma Wati	60.00	103_3005705

Number	Bank Number	Account	Name Of Recipient	Amount (\$)	Reference Number
18	009803831263		Abhiman Chand	60.00	301_3006280
	009803814111		Wesly John Chetty	60.00	301_3006280
19	009803778241		Basilio Natuilotu	60.00	301_3008402
	009803714691		Chandra Nath	60.00	301_3008402
20	009803766782		Mohammed Kasim	60.00	301_3008819
	009803762146		Miriama Tabeti	60.00	301_3008819
21	009803761973		Ilisapeci Butukiviti	60.00	301_3009372
	009803751305		Jag Ram	60.00	301_3009372
22	009803783902		Sanaila Drecola	60.00	301_3009832
	009803763110		Sam Ryland	60.00	301_3009832
23	009803738054		Makereta Cabealawa	60.00	301_3009848
	009802879941		Maria Arieta	60.00	301_3009848
24	009803780510		Harish Chand	60.00	301_3009872
	009803762583		Gopal Krishna	60.00	301_3009872
25	009803819607		Anand Wati	60.00	301_3010040
	009802895863		Alanieta Diniu	60.00	301_3010040
26	009803808188		Sayled Answar Ali	60.00	301_3010296
	009802897752		Shamkumari	60.00	301_3010296
27	009803786368		Taniela Poka	60.00	301_3010828
	009802875501		Taraivosa Vakatuvoli	60.00	301_3010828
28	009802906397		Ram Sewak	130.00	301-101171
	009802885344		Hem Raji	65.00	301-101171
29	009802892944		Lila Wati h	85.00	301-101494
	009802892993		Loasana Valai	120.00	301-101494
30	009802892134		Merahabhan	86.00	301-101587
	009802892175		Pollaiya	60.00	301-101587
31	009802892761		Ratu Manoa Dugulele	60.00	301-101615
	009802892720		Dewanamma	60.00	301-101615
32	009802893868		Premila Devi	60.00	301-101666
	009802893884		Ram Kumari	75.00	301-101666

**Appendix 23.3: Recipients With Only One Name**

Number	Bank Account Number	Name Of Recipient	Amount (\$)	Reference Number
1	009802945767	Virisila	60.00	201-105829
2	009802851916	Vishnu	60.00	201_0004049
3	009802935727	Vishnu	60.00	401-104099
4	009803006130	Vishwa	70.00	301-104727
5	009803002014	Vishwa	60.00	201-104792
6	009802910936	Vishwa	60.00	201-105180
7	009802936188	Vishwa	60.00	101-103581
8	009802952706	Vishwa	80.00	101-109552
9	009802976945	Vitalina	90.00	301-100502
10	009803006031	Vitalina	90.00	301-102903
11	009803013656	Vitalina	90.00	301-106262
12	009802872995	Vitalina	60.00	301-107633
13	009802926080	Vitalina	60.00	201-100585
14	009803002196	Vitorina	60.00	201-101904
15	009802998261	Vitorina	60.00	201-103965
16	009803003426	Vitorina	60.00	201-105060
17	009802984535	Vitorina	70.00	201-105411
18	009802874363	Vitorina	80.00	201-106190
19	009802961160	Vonivate	70.00	201-106533
20	009802958885	Vonivate	60.00	201-106866
21	009802990201	Vuli	60.00	201-107354
22	009802988932	Vuli	60.00	201-109175
23	009803020404	Vuli	60.00	401-107204
24	009802995267	Wainikiti	100.00	201-103325
25	009802968108	Wainikiti	90.00	301-100113
26	009803214940	Wainikiti	90.00	301-103846
27	009802998006	Waisake	60.00	301-104820
28	009802991555	Waisake	110.00	301_0005897
30	009802985425	Waisake	64.00	301-107783
31	009803184598	Waisake	60.00	502-105367
32	009802865247	Waisake	60.00	201-104036
33	009802933425	Waisake	70.00	201-107541

**Appendix 23.4: Recipients With Two Bank Accounts**

Number	Bank Number	Account	Name Of Recipient	Amount (\$)	Reference Number
1.	4885422		Sera Vula	60.00	101-108084
	8067310		Sera Vula	60.00	101-108084
2.	9803015701		Tokasa Samanunu	60.00	101-106558
	8940219		Tokasa Samanunu	60.00	101-106558
3.	9803834564		Laisiasa Salu	95.00	104 -101593
	6847019		Laisiasa Salu	95.00	104 -101593
4.	9803127258		Sophia Lallu	75.00	104-106869
	9803239129		Sophia Lallu	75.00	104-106869
5.	9803239129		Ilisapeci Temo	90.00	104-106969
	7048796		Ilisapeci Temo	90.00	104-106969
6.	9804434058		Laisana Vunibola	40.00	501_0008326
	9804434059		Laisana Vunibola	40.00	501_0008326
7.	9802866042		Leba Senirosi	60.00	301-103723
	9802860420		Leba Senirosi	60.00	301-103723
8.	4885422		Sera Vula	60.00	101-108084
	08067310		Sera Vula	60.00	101-108084
9.	9802878794		Ana Maria	110.00	301_0007490
	9802875794		Anamaria Dicaui	110.00	301_0007490
10.	9803301576		Bidiyawati	61.00	201-102790
	9803301572		Bidiyawati	60.00	201-102790
11.	9804431592		Mohammed Hussein	60.00	503-101936
	6246109		Mohammed Hussein	60.00	503-101936
12.	9804443134		Ram Rati	60.00	503-101923
	09405952		Ram Rati	60.00	503-101923
13.	9803868836		Mitla Wati	60.00	401-107226
	09406478		Mitia Wati	60.00	401-107226
14.	9803320895		Siteri Marama	60.00	401-108632
	10378322		Siteri Marama	60.00	401-108632
15.	009803015701		Tokasa Samanunu	60.00	101-106558
	08940219		Tokasa Samanunu	60.00	101-106558

**Appendix 23.5: Sigatoka PBS Case Files – Missing Supporting Documents**

Name	Monthly (\$)	Reference	Missing Documents
Bimla Wati	30	SG/PBS/31/13	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient).
Munsami	60	SG/PBS/35/13	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient).
Shiu Prasad	60	SG/PBS/36/13	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient).
Isei Vatumino	90	SG/PBS/45/13	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient).
Adi Vula Batiribalavu	30	SG/PBS/62/13	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient).
Ramesh Kumar	30	SG/PBS/KS/03/13	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient).
Jovilisi Lotawa	120	SG/PBS/KS/16/13	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient).
Prabha Wati	30	SG/PBS/KS/17/13	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient).
Unaisi Lewa	90	SG/PBS/KS/27/13	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient).
Mosese Qauqauwaqa	60	SG/PBS/KS/29/13	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient).

**Appendix 23.6: Nadi PBS Case Files – Missing Supporting Documents**

Reference	Name	Monthly (\$)	Missing Documents
NA/PBS/MK/77/13	Kamachiammal	30	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient).
NA/PBS/FN/24/13	Anand Kumar	30	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient).
NA/PBS/FN/36/13	Taraivosa Marama	30	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient).
Na/PBS/FN/38/13	Gopal Sami	30	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient).
NA/PBS/FN/42/13	Pushpa Mani	30	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient).
NA/PBS/FN/46/13	Mini Adiceva	90	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient).
NA/PBS/FN/77/13	Kamachiammal	90	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient). BC not certified.
NA/PBS/FN/81/13	Sheik Mohammed Rasid	90	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient).
NA/PBS/FN/92/13	Gajraj	60	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient).

**Appendix 23.7: Lautoka PBS Case Files – Missing Supporting Documents**

Reference	Name	Monthly (\$)	Missing Documents
LU/PBS/244/13	Vamarasi Kaituu Manueli	90	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient).
LU/PBS/246/13	Krishna Kanti	30	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient).
LU/PBS/AM/141/13	Devi Chand f/n Suicharan	30	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient).
LU/PBS/AM/184/13	Shamsuddin F/N Nasruddin	30	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient).
LU/PBS/AM/186/13	Ropate Elder	120	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient).
LU/PBS/AM/204/13	Nilesh Kumar	120	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient).
LU/PBS/AM/233/13	Serupepeli R	60	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient).
LU/PBS/AM/236/13	Mahesh Prasad f/n Budh Ram	60	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient).
LU/PBS/AM/237/13	Matereti Vugakoto	120	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient).
LU/PBS/AM/273/13	Pratap Singh	60	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient).



**Appendix 23.8: Ba PBS Case Files – Missing Supporting Documents**

Reference	Name	Monthly (\$)	Missing Documents
Ba /LN/PBS/538/13	Roshni Lata	30	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form and counseling report on in file (held with recipient).
Ba//LN/PBS/157/13	Renuka Devi	30	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form, counseling report held with recipient.
Ba/LK/PBS/07/13	Gangawati	30	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, TIN, Address verification form, counseling report held with recipient.
Ba/LK/PBS/103/13	Sipiriano Tunakauvadra	90	Filled PBS form including SWO approval, birth certificate, TIN, pictures to show welfare state of recipients, bank statement, Address verification form, counseling report held with recipient.
Ba/LK/PBS/210/13	Shakuntala Devi	60	Filled PBS form including SWO approval, birth certificate, TIN, pictures to show welfare state of recipients, bank statement, Address verification form, counseling report held with recipient.
Ba/LK/PBS/213/13	Jone Sokia	60	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, TIN, Address verification form, counseling report held with recipient.
Ba/LK/PBS/215/13	Pushpa Kumari	60	Filled PBS form including SWO approval, Pictures to show welfare state of recipients, bank statement, TIN, address verification form, counseling report held with recipient.
Ba/LK/PBS/244/13	Solomone Tiko	60	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, TIN, address verification form, counseling report held with recipient.
Ba/LK/PBS/245/13	Hari Narain	30	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form, counseling report held with recipient.
Ba/LK/PBS/246/13	Sepesa Galuvakadua	90	Filled PBS form including SWO approval, pictures to show welfare state of recipients, bank statement, address verification form, counseling report held with recipient.

## Section 24 Ministry of Youth and Sports

### Role and Responsibilities

The Ministry of Youth and Sports is responsible for:

- The formulation and implementation of policies and programs aimed at enabling youths to meet challenges of their generation and create a better future through informed choices; and
- The promotion and development of sports and its infrastructure both in the urban and rural areas in recognition of the important role of Sports in nation building, and to create a vibrant and highly competitive sports industry which will be economically beneficial to Fiji.

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## PART A: FINANCIAL STATEMENT

### 24.1 Audit Opinion

The audit of the 2013 accounts of the Ministry of Youth and Sports resulted in the issue of an unqualified audit report. Management attention however was drawn to that the Ministry did not reconcile its expenditure in the FMIS general ledger as no expenditure ledger was maintained. The Ministry prepared its financial statements from the FMIS general ledger. As a result the audit was unable to ascertain the accuracy of the amounts stated in the Statement of Receipts and Expenditure.

### 24.2 Statement of Receipts and Expenditure

The Ministry collected revenue totalling \$54,157 and incurred a total expenditure of \$5,384,394 in 2013. Details are provided in Table 24.1.

**Table 24.1: Statement of Receipts and Expenditure for 2013**

Description	2013 (\$)	2012 (\$)
<b>RECEIPTS</b>		
<b>State Revenue</b>		
RBF Revaluation Reserve Account	-	2
Commission	755	304
OPR in Previous Years	-	89
<b>Total State Revenue</b>	<b>755</b>	<b>395</b>
<b>Agency Revenue</b>		
Sales of School Farm Produce	51,159	34,061
Miscellaneous Revenue	2,243	29,847
<b>Total Agency Revenue</b>	<b>53,402</b>	<b>63,908</b>
<b>TOTAL REVENUE</b>	<b>54,157</b>	<b>64,303</b>
<b>EXPENDITURE</b>		
<b>Operating Expenditure</b>		
Established Staff	1,326,774	1,175,879
Unestablished Staff	179,416	165,387
Travel & Communication	102,449	103,067
Maintenance & Operations	176,716	154,046
Purchase of Goods & Services	561,719	561,958
Operating Grants & Transfers	1,384,844	470,685
Special Expenditures	982,265	428,977
<b>Total Operating Expenditure</b>	<b>4,714,183</b>	<b>3,059,999</b>
<b>Capital Expenditure</b>		
Capital Grants & Transfers	446,769	109,324
<b>Total Capital Expenditure</b>	<b>446,769</b>	<b>109,324</b>
Value Added Tax	223,442	183,005
<b>TOTAL EXPENDITURE</b>	<b>5,384,394</b>	<b>3,352,328</b>

Total revenue declined by \$10,146 or 15.7% in 2013 compared to 2012 as a result of decrease in miscellaneous revenue.

Total expenditure increased by \$2,032,066 or 60.6% in 2013 compared to 2012. The increase was mainly due to the payment of \$1,000,000 operating grant to Fiji National Sports Commission and the increase in special expenditure.

### 24.3 Appropriation Statement

The Ministry incurred expenditures totalling \$5,384,394 in 2013 against the budget of \$5,569,622 resulting in a saving of \$185,228 or 3.3%.

Details of expenditures against the budget estimates are provided in Table 24.2.

**Table 24.2: Appropriation Statement for 2013**

SEG	Item	Budget Estimate (\$)	Changes (\$)	Revised Estimate (\$)	Actual Expenditure (\$)	Lapsed Appropriation (\$)
1	Established Staff	1,377,211	(26,353)	1,350,858	1,326,774	24,084
2	Unestablished Staff	163,974	26,353	190,327	179,416	10,911
3	Travel & Communication	117,300	---	117,300	102,449	14,851
4	Maintenance & Operations	194,120	---	194,120	176,716	17,404
5	Purchase of Goods & Service	597,400	(22,100)	575,300	561,719	13,581

SEG	Item	Budget Estimate (\$)	Changes (\$)	Revised Estimate (\$)	Actual Expenditure (\$)	Lapsed Appropriation (\$)
6	Operating Grants & Transfers	1,490,000	(105,100)	1,384,900	1,384,844	56
7	Special Expenditure	1,048,793	29,200	1,077,993	982,265	95,728
	<b>Total Operating Costs</b>	<b>4,988,798</b>	<b>(98,000)</b>	<b>4,890,798</b>	<b>4,714,183</b>	<b>176,615</b>
	<b>Capital Expenditure</b>					
8	Construction	---	---	---	---	---
9	Purchases	---	---	---	---	---
10	Grants & Transfers	470,000	(22,008)	447,992	446,769	1,223
	<b>Total Capital Expenditure</b>	<b>470,000</b>	<b>(22,008)</b>	<b>447,992</b>	<b>446,769</b>	<b>1,223</b>
13	Value Added Tax	230,832	---	230,832	223,442	7,390
	<b>TOTAL EXPENDITURE</b>	<b>5,689,630</b>	<b>(120,008)</b>	<b>5,569,622</b>	<b>5,384,394</b>	<b>185,228</b>

## 24.4 Statement of Losses

There was no Loss of money recorded for the year ended 31 December 2013. However, items worth \$12,721.50 were written off, following the Ministry's board of survey conducted on 31 December 2013.

## PART B: AUDIT FINDINGS

### 24.5 VAT Reconciliation

Subject to the provisions of this Decree, the tax shall be charged in accordance with the provisions of this Decree at the rate of fifteen percent on the supply (but not including an exempt supply) in Fiji of goods and services on or after the 1<sup>st</sup> day of July 1992, by a registered person in the course or furtherance of a taxable activity carried on by that person, by reference to the value of that supply.<sup>1</sup>

Output VAT is payable to the Commissioner of Inland Revenue for the supply of all goods and services with the exception of zero rated and exempted supplies. Payments effected by government departments for goods and services are thus subjected to VAT<sup>2</sup>.

The audit noted that the Ministry did not prepare VAT reconciliations during the year. Review of VAT returns and total expenses revealed a variance of \$467,394.66 between the taxable supplies as per VAT Returns and total expenditure/income subject to VAT as per Statement of Receipts and Expenditure. Refer Table 24.3 for details.

**Table 24.3: Un-reconciled Vat Variance**

Details	Amount (\$)
Total expenditure/income as per Expenditure Statement	5,384,394.20
Less: Expenditure not subject to VAT – SEG 1,2, 6 and 10	3,337,803.63
Total expenditure/income subject to VAT	2,046,590.57
Less: Total taxable supplies as per VAT Returns	1,579,195.91
<b>Un-reconciled variance</b>	<b>467,394.66</b>

In addition, a variance of \$168,367.94 was noted between the actual VAT paid for the year 2013 and the balance disclosed in the general ledger (FMIS). Refer Table 24.4 below for details.

<sup>1</sup> Value Added Tax Decree 1991 revised to 4th March 2011 – s15 (1)

<sup>2</sup> Finance Circular No 9/95

**Table 24.4: Variance in VAT Paid Amount in FMIS**

Details	Amount (\$)
VAT payments (VAT payments to FRCA and VAT Input) as per General ledger (SEG 13)	223,441.53
VAT payments (VAT payments to FRCA and VAT Input) as per VAT Returns for 2013	55,073.59
<b>Un-reconciled variance</b>	<b>168,367.94</b>

No explanation was provided by the Ministry for the variances.

The non-reconciliation of VAT and poor monitoring by the Ministry may have resulted in the differences highlighted above. The Ministry may be paying incorrect VAT to FRCA.

### **Recommendations**

#### **The Ministry should:**

- ensure that VAT paid to FRCA is reconciled on a monthly basis;
- take necessary steps to identify the error and reconcile the records to avoid such variances in future; and
- ensure supervisory checks on the preparation of VAT Returns are improved to ensure that balances reflected in the VAT Returns reconcile with the GL.

### **Ministry's Comments**

*We admit no VAT reconciliation was carried out in 2013 but please note Vat returns are prepared and submitted to FIRCA on a monthly basis. We will ensure this is carried out in future.*

*However the following may have also contributed to the variances highlighted:*

- VAT on farm produce included in the payment
- Payments done on seg 3 which are subsistence and meal claims do not include vat whereas VAT provision is provided in the budget. This has implications in the expenditure figure.

## **24.6 Expenditure Ledger Not Maintained**

All payments, including VAT, must be immediately recorded in the financial management information system and an expenditure ledger<sup>3</sup>. The Accountant is responsible for maintaining ledgers and reconciling balances in such ledgers to ensure the accuracy of financial information and the timeliness of management reports<sup>4</sup>.

The special purpose financial statement of the Ministry of Youth and Sports for the year ended 31 December 2013 was prepared from the Financial Management Information System (FMIS) maintained by the Ministry of Finance.

The audit noted that the Ministry did not maintain an expenditure ledger that could be used to reconcile its expenditure with that recorded in the FMIS general ledger.

<sup>3</sup> Finance Instructions 2010, s15

<sup>4</sup> Ministry of Youth and Sports Finance Manual, s15

As a result, audit was not able to ascertain the accuracy of the amounts stated in the statement of Receipts and Expenditure.

### **Recommendations**

#### **The Ministry should:**

- **ensure that an expenditure ledger is maintained; and**
- **reconcile its expenditure ledger with FMIS records on a monthly basis.**

### **Ministry's Comments**

*We admit error on our part in not maintaining Manual Expenditure ledgers due to limited man power. The vacant CO post is now being filled and this will be part of her activity. Monthly reconciliation will also be carried out against FMIS GL.*

## **24.7 Performance Review of the Consultant**

There shall be a review of the work done on a monthly basis, the first being on September 1<sup>st</sup> 2012.<sup>5</sup>

The Ministry on 01/08/12, appointed Mr James Henry Giles Smith as a Consultant for a period of one year with a gross annual fees of \$50,000.

The Consultant was to provide strategic direction and advice on the implementation of the sports policy and was specifically appointed to:

- i) Facilitate preparation of a Strategic Plan of Action on the approved National Sports Policy that included the establishment of a National Sports Commission;
- ii) Consolidate comments on the Plan of Action through stakeholder consultation and submit to the Permanent Secretary;
- iii) analyse, assess and advise on the concept to establish a National Sports Commission, its structure and related laws;
- iv) Consolidate stakeholder comments on the National Sports Commission and submission to the Permanent Secretary for Youth and Sports; and
- v) Recommend innovative strategies for improving sports development in Fiji with particular attention to participation in minority sports<sup>6</sup>.

Furthermore the consultant was to achieve the following tasks and associated outputs:

- i) To understand the documents in place which had gone through consultation with stakeholders;
- ii) Design consultation structure;
- iii) Consultation with the major players in both major and minor sports;
- iv) Consultation with the Principal Sports Officers and the Sports Unit Staff; and
- v) Produce and submit report to the Permanent Secretary on a monthly basis.<sup>7</sup>

The Ministry paid consulting fees totaling \$30,163.10 to Mr. James Henry Giles Smith since his appointment on 01/08/12 until 11/03/13 after which he was transferred to the National Sports Commission. The audit however could not substantiate the task completed by the Consultant as no reports or evidence of the task completed was made available as stated in the consultancy agreement.

<sup>5</sup> Consultancy Agreement dated 01/08/12 – Clause 3.2

<sup>6</sup> Consultancy Agreement dated 01/08/12 – Clause 2 (Duties of the Consultant)

<sup>7</sup> Consultancy Agreement dated 01/08/12 – Clause 2.5 (Task and Associated Outputs)

As such, the audit was not able to ascertain whether the consultant performed the tasks as stated in the consultancy agreement. The audit also noted that the performance review of the Consultant was not carried out by the Ministry on a monthly basis as stipulated in the consultancy agreement.

The finding indicated poor supervision and monitoring of the consultants performance by the Ministry.

### **Recommendation**

**The Permanent Secretary should immediately carry out the performance review of the consultant and assess whether the desired outputs have been achieved.**

### **Ministry's Comments**

*The Ministry notes the recommendations in place. However, there are certain circumstances where the Ministry despite all odds facilitates the desires of the authorities.*

*The Consultant however did compile a strategic plan of action on the approved National Sports Policy and a copy recorded for further verification. He had also coordinated series of stakeholder meetings and relevant information gathered assisted in drawing up of the plan and Safety in Sports Policy.*

*Mr Giles is now with the Fiji National Sports Commission as a Sports Development Manager looking after new programs such as "Give it a Go Program" and Sports Outreach Programs. Review and assessment of his performance will be handled by the FNSC Chief Executive.*

## **RURAL SPORTS FIELD**

The Rural Sports Field Development Program is one of the assistance provided by the Ministry for ensuring development and promotion of sports at all levels. This involves the provision of proper sports field for schools and communities in rural areas to offer opportunities and encourage more active participation of all citizens.<sup>8</sup>

### **24.8 Pending Construction of Rural Sports Field**

The proper management of expenditure is fundamental to ensuring value-for-money in delivering services to the community. As well, having cost-effective internal controls within the purchasing and payments system plays an important part in ensuring that waste of funds, over-expenditures and corruption do not occur.<sup>9</sup>

The Ministry maintains a list for all the requests received for the development of rural sports field from various stakeholders.

Our review of the request for rural sports field development and the pending sports field development noted an increasing trend over the 5 year period from 2009 – 2013 despite the availability of funds.

In 2013, the Ministry proposed to develop 8 rural sports field. It however managed to develop only 1 sports field while 7 projects were still outstanding with \$84,997 unused in the Ministry's budgetary allocation. Refer to Table 24.5 for details of rural sports field development projects over a 5 year period.

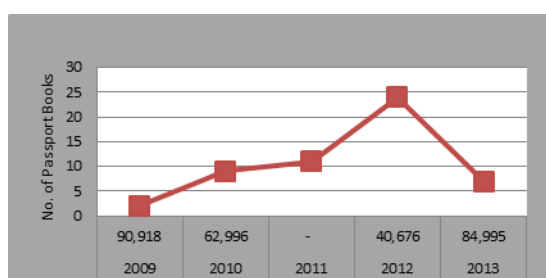
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<sup>8</sup> Ministry of Youth and Sports – 2012 Annual Report Page 70

<sup>9</sup> Ministry of Youth and Sports Finance Manual 2011 – Part 2

**Table 24.5: Pending Rural Sports Field Development From 2009 – 2012**

Year	No of Sports Field Pending Development	Savings in Allocation in FMIS
2009	2	90,917.80
2010	9	62,996.22
2011	11	0.00
2012	34	40,676.13
2013	7	84,998
<b>Total</b>	<b>56</b>	<b>279,588.15</b>



The Ministry was not able to develop the sports field in a timely manner and savings were noted in the Ministry's budget. The finding indicates poor planning and development of sports field by the Ministry.

### **Recommendation**

**The Permanent Secretary must ensure that sports field development projects are properly planned and executed to utilise the funds provided and provide the rural community with better standard of sporting fields.**

### **Ministry's Comments**

*There was delay in the implementation at the beginning of the year but by 31/12/2013, budget utilized was 98%. The other 2% was due to non-payment of contractor who did not complete one of the projects.*

## **24.9 Diversion from Proposed Plan**

Each year the Ministry identifies those sports field that will be developed during the year. The Sports Officials shall carry out site visits to determine the need to construct sports field.<sup>10</sup>

The Ministry proposed 8 rural sports field for development in 2013. Only one playing field was completed while two were still in progress as at the date of audit. Refer to Table 24.6 for the status of the playing fields.

**Table 24.6: Status of the Proposed Sports Field Development**

Division	Province	Ground Development	Location	Status
Eastern	Lau	Cricket Pitch	Kabara	Pending, no works undertaken
		Multi-purpose concrete base court	Vanuavatu	Pending, no works undertaken
		Cricket Pitch	Moce	In progress
		Cricket Pitch	Ono I Lau	In progress
Western	Ra	Nakorotubu Primary School sports ground	Nakorotubu, Ra	Pending, no works undertaken
	Nadroga	Navosa Central College, multi-purpose complex	Keiyasi, Navosa	Pending, no works undertaken
	Ba	Tavua District Primary & Secondary sports ground	Tavua	Pending, no works undertaken

<sup>10</sup> Ministry of Youth and Sports Staff Manual 2013, Section 16  
Ministry of Youth & Sports



Division	Province	Ground Development	Location	Status
Central	Tailevu	Turagabeci Primary School sports ground	Nasau, Tailevu	Completed. Awaiting inspection report from Commissioner Central

The audit noted that the Ministry deviated from its approved projects and carried out different projects which were not identified by the Sports Official and approved by the Ministry. The unplanned projects were undertaken upon the directive from the Minister for Youth and Sports. Refer to Table 24.7 for details.

**Table 24.7: Details of Unplanned Projects Implemented**

Province	Project	Cost (\$)
Rewa	Lami High School	25,000.00
Naitasiri	Fencing of Matainasau Ground	9,554.94

The finding indicates that rural sports field projects were not undertaken as planned.

### **Recommendations**

**The Permanent Secretary must ensure that:**

- **rural sports field projects are properly identified and planned;**
- **any deviation from the plan is properly justified; and**
- **projects are selected based on predetermined selection criteria.**

### **Ministry's Comments**

- *Nakorotubu Primary School ground was initially planned and not undertaken due to the non-receipt of EOI from contractors for the ground.*
- *Navosa Central College project is deferred to 2014.*
- *Wrong information from the Lau Trade Show report resulted in putting the cricket pitch and multipurpose court for Kabara and Vanuavatu when in fact they only requested for sports equipment.*

*The projects undertaken upon Ministerial directive covered up for these shortfalls and are within the approved budget*

## **24.10 Contractual Agreement**

All Government contracts must be prepared by the organization and should be vetted by the Solicitor General.<sup>11</sup> The contract must clearly outline all the necessary terms and conditions of the agreement.

The Ministry engages Contractors for the construction and development of rural sports field whereby contractual agreement are signed between the Contractors and the Ministry.

Our review of the contract documents noted that the following terms and condition were not outlined.

<sup>11</sup> PSC Circular No 23/2001  
Ministry of Youth & Sports

**i) Penalty for late completion of projects**

A penalty of \$100 to \$500 per day is normally agreed upon should the contractor delay the completion of the project.

**ii) Retention Amount**

A retention amount of 5% to 10% of all payments made to the contractor is retained and is paid out 1 to 3 months after the project is completed. The purpose of retention sum is to ensure that unsatisfactory work by the contractor could be rectified.

The findings indicate that government's interest are not fully protected which may result in substantial loss of public funds.

**Recommendation**

**The Permanent Secretary should ensure that rural sports field contract agreements are amended to include Penalty for late completion of projects and Retention amount clauses.**

**Ministry's Comments**

- *This clause is noted and will be included in all Contract Agreements for 2014 i.e. Penalty for late completion.*
- *Also an agreed project period to be discussed with contractors to also take into consideration factors such as natural, mechanical, etc.*

**24.11 Anomalies in Construction of Sport Field – Adi Elieani Primary School**

The proper management of expenditure is fundamental to ensuring value-for-money in delivering services to the community. As well, having cost-effective internal controls within the purchasing and payments system plays an important part in ensuring that waste of funds, over-expenditures and corruption do not occur.

The Contractor shall complete the project within 35 days from the date of the start of the development works within the budget of FJ\$37,000.<sup>12</sup>

The Ministry had initially engaged Tabua Power for constructing the sports field at Adi Elieani Primary School at a cost of \$37,000. However, Tabua Power declined the contract due to the excavator and trucks having engine problem.

Consequently, the Ministry on 19/08/13 engaged Rashid's Bulldozing Works for constructing the sports field at a cost of \$37,000 with an expected completion date of 24/9/13. As at the date of audit<sup>13</sup> the Ministry has paid \$18,500 or 50% of the contract sum. The audit noted the following anomalies:

- Competitive quotations were not obtained for engaging Rashid's Bulldozing Works to construct the sports field. Rashid Bulldozing Works was appointed based on the recommendation from the Divisional Commissioner Northern.

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<sup>12</sup> General Condition of Contract Section 5.3

<sup>13</sup> 07/11/13

- The expected completion date of the project was 24/9/13. However as at the date of audit<sup>14</sup>, the contractor was yet to complete the construction works. Hence the project had been delayed by 44 days.
- There was no progress report produced for audit verification, as a result audit could not determine the current status of the project.

The above findings indicate that the Ministry failed to properly monitor the project. As a consequence, the project was delayed and is yet to be completed.

### **Recommendations**

- **The Permanent Secretary should:**
  - ensure that quotations are obtained for all payments exceeding \$1,000 and less than \$50,000;
  - consider getting the village and school committees to be part of the project for monitoring purposes in remote areas; and
- The Project Monitoring Unit should ensure to monitor the projects on a regular basis and advice the Permanent Secretary to take appropriate action against the contractor in case of delays.

### **Ministry's Comments**

- *The previous contractor who declined the contract had quoted \$37,000, the amount we had committed in our budget for 2013.*
- *Quotes were obtained but all were above the committed amount of \$37,000 except for Rashid's.*
- *The Head Teacher was our monitoring man on the ground with log book confirming progress of work.*
- *The month we manage to engage another contractor it was into the rainy period for the area of "Wainunu" which is loosely translated in the i Taukei language as always under water thus the project has been delayed by this factor considering the filling of the playground needs to be done on dry ground to avoid unnecessary loading and unloading of soil for filling which we are paying per load.*
- *Project completed on 24 December 2013.*

## **UPGRADING OF YOUTH TRAINING CENTRES**

The Northern Division has two training centres for the provision of youth skills training. The Naleba Youth Training Centre provides boarding facilities with training programme in basic agriculture. Whereas, the Naqere Youth Training Centre provides day scholar programmes with training in Carpentry and Joinery works.

The National Youth Band (NYB) program provides theoretical and practical training in music, physical education, and Art & Craft

### **24.12 Upgrading Works at Naleba and Naqere Training Centre**

The proper management of expenditure is fundamental to ensuring value-for-money in delivering services to the community. As well, having cost-effective internal controls within the purchasing and

<sup>14</sup> 07/11/13

payments system plays an important part in ensuring that waste of funds, over-expenditures and corruption do not occur.<sup>15</sup>

As part of the youth training program, the Ministry carried out upgrading work of the training facilities at Naleba and Naqere training centre. The upgrading work was mainly carried out by the students as part of the training program in basic agriculture, carpentry and joinery works.

According to the third quarter progress report submitted by Divisional Youth Officer Northern, Mr Iowane Soko, and the following upgrading work was carried out. Refer Table 24.8 for details.

**Table 24.8: Details of Work Done at the Northern Training Centre**

Centre	Details of Works Done	Budgeted Amount (\$)	Actual Expenditure (\$)
Naleba	Upgrading of feed storage house, piggery and chicken shed	80,000	62,465
Naqere	Construction of boat shed and maintenance of joinery workshop	40,000	25,933

The audit noted that the Divisional Youth Officer, Mr Iowane Soko failed to provide the scope of works and breakdown of the total cost incurred in terms of labour costs, materials and plant hire.

As the scope of work and cost breakdown for the upgrading work was not provided, the audit cannot ascertain whether funds were properly used.

### **Recommendations**

#### **The Ministry should:**

- review the work carried by the Divisional Youth Officer Northern to ensure funds were properly used; and
- ensure to maintain the scope of work and detailed breakdown of the cost for the upgrading works.

### **Ministry's Comments**

*Our scope of work was defined under our PSIP paper submission and detailed further with our RIE submission.*

## **24.13 Upgrading Works at National Youth Band**

The proper management of expenditure is fundamental to ensuring value-for-money in delivering services to the community. As well, having cost-effective internal controls within the purchasing and payments system plays an important part in ensuring that waste of funds, over-expenditures and corruption do not occur.<sup>16</sup>

The upgrading works for National Youth Band (NYB) commenced on 18/02/13 and was completed on 03/05/13. This included the refurbishment of office space, renovation of buildings and storage room. The total cost for the upgrading works was \$50,374.31.

<sup>15</sup> Ministry of Youth and Sports Finance Manual 2011 – Part 2

<sup>16</sup> Ministry of Youth and Sports Finance Manual 2011 – Part 2

According to the officer in charge at NYB, Ms. Masi Matinapa, the upgrading work was carried out by students from Naqere Training Centre as part of their practical learning. The students were supervised by instructors from Naqere Training Centre.

Site inspection carried out by audit on 05/12/13 noted that following defects in the upgrading work:

- There was no plan for the upgrading work which included new shower block and veranda. Hence the construction work was not approved by Nasinu Town Council and Town and Country Planning Office.
- The wooden top plate was not fixed to iron post supporting the structure. In addition the iron post was also not properly fixed to the footing.
- The veranda outside the NYB office was not properly constructed and had a height of 5.7 feet or 1.7m only instead of standard 2.4 – 2.6m height.
- The newly constructed shower blocks were not in operation as tiling and plumbing works were not completed.
- Excessive materials were purchased for the upgrading works which was stacked in the premises. The cost of materials was estimated to be \$600.
- The rafters were not joined properly and were supported by one bolt and nut only.
- There was no completion certificate or inspection report from a qualified building engineer.

Refer to the pictures below for illustration.



**Figure 24.1: Incomplete tiling work**



**Figure 24.2: Excess material purchased**



**Figure 24.3: The rafter not properly fixed**



**Figure 24.4: Iron post not mounted to the rafter**



**Figure 24.5: Wooden post not properly mounted to the foundation**



**Figure 24.6: Showing low height on the Veranda**

The above findings indicated that the upgrading work was not supervised by an experienced builder. In addition, the Ministry did not comply with the requirement of Town and Country Planning and Municipal Council for building constructions.

### **Recommendations**

**The Permanent Secretary should ensure that:**

- **all construction works are properly designed and approved by relevant authorities; and**
- **appropriate technical people from the Public Works Department are engaged in the upgrading works so that the work carried out is of high quality and meets the national building standards.**

### **Ministry's Comments**

*Comments noted. It was renovation in lieu of construction. Works only involve replacing old walls etc. and no new building was constructed. Manager YYC was the Supervisor and lead Carpenter. The Ministry acknowledges that no one experienced in this field apart from Manager YYC was involved. The Ministry is not sure whether the wooden building has its own plan.*

*From 2015 Renovation works will be inspected by the PWD Building Section to inspect.*

