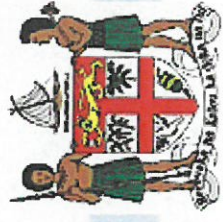


2014 Whole of Government
Vol 3



Ministry of Education, Heritage and Arts



Presentation to Standing Committee on Public Accounts 2014 & 2015 Audited Reports

Presenter: Iowane P Tiko (PS)
Wednesday 5th April
Parliament Committee Room (East Wing)

Introduction



- Our Vision – “Quality Education for Change, Peace and Progress”
- Our Mission – “To provide a holistic and empowering education system that enables all children to realize their inheritance and potential contributing to peaceful and sustainable national development”

2014 Financial Statement



● Audit Opinion -

- In 2014 the Ministry of Education was issued a qualified audit report due to incomplete Board of Survey as the correctness of the Statement of Losses submitted by the Ministry could not be verified.
- The Board of Survey was only conducted for the District Office's, Sections and Head Office. The 13 Government School's did not submit their Annual Board of Survey Reports.

2014 Financial Statement



23.2 Statement of Receipts & Expenditure

The statement of Receipts shows that Ministry was able to generate more revenue in 2014 compared to 2013. The percentage increase was 98% which was mainly due to increase in Teacher Registration Fees.

The expenditures of the Ministry also increased by 36% as more capital works were carried out by the Ministry and also increased grants were paid to Schools.

23.3 Appropriation Statement

The Ministry incurred expenditures totalling to \$377,117,473 in 2014 against the revised budget of \$370,034,038 resulting in an over spending of \$7,083,435 or 2%

The table below shows details of expenditures:

2014 Financial Statement



MINISTRY OF EDUCATION, NATIONAL HERITAGE, CULTURE AND ARTS APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

SEG	Item	Budget Estimate (S)	Appropriation Changes (S)	Revised Estimate (S)	Actual Expenditure (S)	Carry- Over (S)	Lapsed Appropriation (S)
1	Established Staff	247,841,082	(2,346,594)	245,494,488	255,225,192	--	(9,730,704)
2	Government Wage Earners	2,400,804	--	2,400,804	2,880,587	--	(479,783)
3	Travel & Communications	1,291,225	190,131	1,481,356	1,379,019	--	102,337
4	Maintenance & Operations	1,287,284	(204,217)	1,083,067	1,016,742	--	66,325
5	Purchase of Goods & Services	9,383,160	1,144,757	10,527,917	8,822,520	--	1,705,397
6	Operating Grants & Transfers	95,716,070	(1,354,858)	94,361,212	94,125,616	--	235,596
7	Special Expenditure	1,339,000	2,425,700	3,764,700	3,724,835	--	39,865
	Total Operating Costs	359,258,625	(145,081)	359,113,544	367,174,511	--	(8,060,967)
	Capital Expenditure						
8	Construction	3,200,000	22,081	3,222,081	3,039,871	--	182,210
9	Purchases	880,000	110,000	990,000	951,465	--	38,535
10	Grants & Transfers	4,094,813	12,400	4,107,213	3,502,228	--	604,985
	Total Capital Expenditure	8,174,813	144,481	8,319,294	7,493,564	--	825,730
13	Value Added Tax	2,600,600	600	2,601,200	2,449,398	--	151,802
	TOTAL EXPENDITURE	370,034,038	--	370,034,038	377,117,473	--	(7,083,435)

2014 Financial Statement



23.4 Statement of Losses

Ministry of Economy approved a write-off of \$6,834,145.33 as unsubstantial variance between the Drawings Account and the General Ledger. \$4,033 worth of items were lost due to theft and \$19,182 was written off following the Board of Survey.

2014 Financial Statement



23.5 Over – Expenditure

Audit noted that Ministry had over spent its budgetary allocations for SEG 1 and SEG 2 in 2014

Ministry has reviewed and verified the P2P listings in accordance to the requirements. Furthermore, the Ministry's budget has been prepared in accordance to the revised P2P. This ensures that we do not incur any over-expenditure in SEG 1 & 2. Ministry has also looked into the calculation of Location Allowance and this has been reviewed and increased in the 2016 Budget.

23.6 Statement of Losses

Audit noted that Ministry did not carry out the Board of Survey for all sections and stations and as a result the correctness of the statement of losses could not be verified.

As of 2015 proper and timely Board of Survey's have been done for all sections, stations and Government Schools to ensure that our losses and write-offs are accordingly accounted for.

2014 Financial Statement



23.7 Substantial Variance in Drawings Account

Audit noted that non-reconciliation of the Drawings Account resulted in the variances. As a result audit was not able to ascertain whether all payments were properly recorded in the General Ledger.

The necessary adjustments have been done by Ministry of Economy and the Agency's Bank Reconciliation is still done by the FMIS unit at Ministry of Economy.

23.8 Revolving Funds Account with Credit Balance

The credit balance of the Revolving Funds Account resulted from incorrect journal entries passed to these accounts. As a result Audit could not ascertain the accuracy for RFA balance as at 31/12/2014

Necessary adjustments were done to rectify the problem. Correct JV's were passed.

2014 Financial Statement



<p>23.9 Significant balances in Operating Trust Fund Account</p> <p>A significant balance in the Trust Fund Account indicates that monies kept in trust fund were not paid to relevant authorities on time.</p>	<p>The above balances were rectified in January 2015 and the Accounts Officer is closely monitoring the balances now. Timely reconciliations are done to ensure compliance.</p>
<p>23.10 Uneconomical Purchases</p> <p>The findings indicate that the Ministry's procurement officers did not carry out proper price comparison before purchasing goods and services.</p>	<p>The matter was investigated by the Internal Audit team at Ministry of Education and they informed the Ministry that there was no breach of the Procurement Process and the purchases made by the Ministry were fully supported with the required documentations.</p>
<p>23.11 Envelops Purchased but not delivered by the Supplier</p> <p>The findings indicate that the A/PAO did not follow proper procurement processes. There is a high risk of fraud and collision between A/PAO and the supplier.</p>	<p>The envelopes were received by the Storeman but were not recorded accordingly. The envelopes were recorded into the inventory register later and the storeman did confirm receiving the envelopes.</p>

2014 Financial Statement



23.12 Fraudulent Amendment of request to favour Supplier A

The findings show that A/PAO's deliberate attempt to provide business to Supplier A when same products were provided by Company 1 for the same price.

The Internal Audit Highlighted that there were no amendments done to favour a particular supplier. Their findings also state that the A/PAO at that time was not engaged in getting quotes or selecting suppliers, he just approved the LPO's upon request.

23.13 Unwarranted purchase of Stationery

The findings indicate deliberate circumventing of controls in procurement of stationeries and office equipment. It is highly likely that the Ministry's Officers may have colluded with the supplier to defraud the government through excessive purchases.

Internal Audit highlighted that the purchases were done upon requests. Ministry now has stringent its procurement processes to ensure compliance. Ministry has a separate Procurement team which facilitate the purchases of all sections and ensure compliance.

2014 Financial Statement



23.14 Purchase of items from

Unauthorized Suppliers

The findings show that Ministry did not follow the proper procurement process when purchasing desktop computers and office stationeries resulting in extravagant expenditure.

The matter was investigated by the Internal Audit team and the respective staff were cautioned and transferred out of accounts. Ministry is now strictly following the procurement process with the establishment of the new procurement team.

23.15 Items received but Undated

Invoice and Delivery Docket

The findings show that the items received from Supplier A were not properly recorded and the invoices and delivery dockets did not have the dates

The matter was investigated by the Internal Audit team and the respective staff were cautioned and transferred out of accounts. Ministry is now strictly following the procurement process with the establishment of the new procurement team.

2014 Financial Statement



23.16 Invoice issued in Sequential Order
Significantly large number of invoices issued in sequence to the Ministry from Supplier A.

The Internal Audit Team investigated the matter and highlighted that the Supplier had kept a separate invoice book for Ministry of Education and that was the only reason as to why the numbers were in sequence.

23.17 No Segregation of Duties
The transport officer was mostly involved in facilitating the purchases of goods and services from supplier A.

This issue was rectified in 2015 as new Procurement team was setup to ensure compliance in the procurement and payment process.

2014 Financial Statement



23.18 Free Education Grant loaned to a University Audit noted that the school management levied 5% interest to the University for total outstanding loan amount as at 31/12/14. The school management earned \$34,140 as interest on grants fund loan to the University.	The loan amounts were refunded to the respective schools and the case was also referred to FICAC. Also note that all APS schools are centralised and their grant funds are controlled by the Grants team at Ministry of Education.
23.19 Poor Conditions of Schools	School infrastructure has been upgrade.

2014 Financial Statement



<p>23.20 Payment of Management Fees</p>	<p>The school reimbursed all management fees. Matter has also been reported to FICAC</p>
<p>23.21 Variance in Cash Book and FEG Account for School Registration Number 9787 – School had an unreconciled balance of \$34,255.60 between the FEG cashbook and bank account.</p>	<p>All school's are required to update their financial transactions in FMIS which is monitored by the Primary and Secondary Sections respectively.</p>
<p>23.22 Poor Record Keeping for Utilization of Free Education Grant Audit noted that there is poor monitoring by the Divisional Education Officer to ensure that schools maintain proper records for the expenses incurred.</p>	<p>Ministry would like to inform PAC that Ministry only monitors the Bank Reconciliations of the Government Schools on a monthly basis. For the Non-Government School's Ministry receives the Audited Financials on a yearly basis.</p>

2014 Financial Statement



23.23 Tender not called for Contracts exceeding \$50,000	<p>Awareness training has been provided to the School Head's and Managements highlighting the procurement processes and guidelines.</p> <p>The internal Audit Team also has an oversight on FEG utilization</p>
23.24 Land Development for the New School Registration Number E7/2395	<p>The issue was resolved by TLTB as the land survey was carried out by them.</p>
23.25 Unaccounted Laptops – One Laptop Per Child (OLPC) Program	<p>Both directors have retired and Ministry was not able to get any documentation on this.</p>

2014 Financial Statement



<p>23.26 Laptops not verified when received</p>	<p>Both directors have retired and Ministry was not able to get any documentation on this.</p>
<p>23.27 Audited Accounts not submitted by Grant Recipient</p> <p>Audit noted the Fiji Museum, National Trust and Fiji Arts Council did not submit their Audited Financials.</p>	<p>Ministry is still in the process to get things sorted and yet to receive the Audited Accounts for the grant recipients.</p>
<p>23.28 Unbudgeted Expenditure</p>	<p>Ministry would like to inform PAC that proper virements were done to transfer funds and approved by Ministry of Economy. Funds were utilised accordingly once virements were approved.</p>

MINISTRY OF HEALTH & MEDICAL SERVICES

PAC MEETING RESPONSE – 06th APRIL 2017

PART A – Consolidated Financial Statements (General Comments)

The audit recommendations and finding is acknowledged. Ministry of Health and Medical Services has put in appropriate practices to address the issues raised by the Audit as per the qualification stated therein the Audit report. For Trust accounts, the Ministry of Health and the FMIS team (Ministry of Economy) has posted the variances from 2012 to 2015. The current GL balance is now matched with the Bank Statement.

PART B – Audit Findings Update

Issue 24.5 – Variances in FNPF Figures

The Ministry of Health and the FNPF office had met and reconcile all the anomalies which caused the variances which were sitting in suspense account. All the amounts sitting in suspense account with FNPF is posted to the individual members accounts. MOH FNPF Trust account has been reconciled and all payments are sent to FNPF. Currently our contributions schedules is sent electronically to FNPF and has been updated till February 2017.

Issue 24.6 .1 & 24.6.2– Drawings Accounts

The issue with the Drawings reconciliation is currently in progress with FMIS (Ministry of Economy). Improvements that government has brought in a new format of doing drawings reconciliations which has helped Ministries and Departments carry out timely reconciliations. This is work in progress.

Issue 24.7 – Unpresented Cheque List

Government introduced EFT payment processing in order to reduce Unpresented cheques. However, the banks system and the FMIS do not synchronize. FMIS and the Banks will need to find an amicable solution.

Issue 24.8 – VAT Reconciliation

The Ministry is still liaising with Ministry of Economy to identify an appropriate solution.

Issue 24.9 – Over Expenditure

The Over expenditure was due to increase in services (extended opening hours of hospitals and health center's), and overtime payment(which incurs time and a half and double time payment).

Issue 24.10 - Unauthorized Journal Voucher

The Ministry has ensured that only authorized officers are signing the Journal vouchers now.

Issue 24.11 – Anomalies in Operating Trust Fund Account

The Operating trust fund account has been reconciled with the bank and updated in the FMIS general ledger system in 2016.

Issue 24.12 – Main Trust Fund Account not maintained for Retention Sum

The Ministry of Health had written to Ministry of Economy to open a trust account for retention sum which was declined. However, in our follow up email to Ministry to economy we were advice to use FPO Trust fund.

Issue 24.13 – Trust Fund Account Not in the FMIS General Ledger

The General ledger Account for Trust Fund Account was reactivated in FMIS from July 2016

CWMH TRUST	GL ACCOUNT
FIJI CHILDREN OVERSEA TREATMENT FUND	922101-22002-520201 922101-22002-899918
CWM HOSPITAL STAFF	922101-22002-520301 922101-22002-899920
CARDIAC TASK FORCE	922101-22003-520201 922101-22002-899919

Issue 24.14 – Trading & Manufacturing Account

BPS TMA has done reconciliations of the FMIS ledger and fund out that the credit postings was incorrect since it was not making credit sales. Upon clarifications FMIS is corrected the postings and is reflected in 2016 accounts.

This was discussed with the Auditors.

Issue 24.14.2

Again this posting was only in FMIS and the TMA was prepared in accordance of the balances in the TMA General ledger.

Improvements are taken in to account to create specific ledger to post correct charges.

All adjustments were updated in 2016 financial year.

Issue 24.14.3

Audit comments are acknowledged.

TMA operators are more trained and better equipped in the operations of TMA, regular checks are in place with TMA heads at FMIS to correct postings on a monthly level.

24.14.4 Anomalies in TMA Bank Reconciliations

TMA operator has written to the various vendors to confirm if there was a deposit of the same. Our request has been unsuccessful.

Issue 24.15 – Refurbishment and Extension of Operating Theatre Complex at CWM Hospital – Contract Number WSC 200/2012

The project has been completed. However retention sum was withheld due to defects of the new construction. Once this is rectified by contractor, retention sum will be released.

Issue 24.16 – Delay in installation and Commissioning of Operating Theatre Equipment

There was a delay in the site preparation. However, the equipment has been installed, commissioned and now in operation.

Issue 24.17 – Sigatoka Maternity Unit Extension – Contract Number WSC 98/2014

The contract document was vetted by SG's office before signing. The project has been completed and the new extension is in operation. As improvement, Ministry of Health does not carry out any project without signing the contract documents, current contracts are in line still submitted to SG's office for vetting and in line with the GTB approvals.

Issue 24.18 - New Ba Hospital Project Management – Failure to Deduct Provisional Tax

For current contracts, all contractors are deducted 5% provisional tax on VEP amounts. The tax deducted is paid promptly to FRCA.

Issues 24.19 – Exterior Painting Works of Lautoka Hospital – Contract Number WSC 64/2014

The project has been completed. With GTB having the authority to approve this type of tender, the Ministry of Health did not think of it being wise to question the authority and approval system of the GTB. However, as improvement, the Ministry of Health calls for tenders and quotations for its purchases and evaluates in a committee making recommendations to GTB. Ministry of Health also sends members to attend GTB meetings for any clarification. Any variations to the cost of the project are submitted to GTB for approval before processing payments.

Issue 24.20 – Anomalies in General Maintenance of South Wing CWM Hospital – Contract Number WSC 38/2014

The project has been completed. The Ministry of Health had advertised for clerk of works, however there hasn't been interest shown from the public. Clerk of Work for maintenance is not cost effective as

several maintenance project is taken for one financial year. For maintenance project, Ministry of Health its own staff to monitor the works. Clerk of works for construction projects is advertised.

Issue 24.21 – Anomalies in the Construction of Quarters at Bagasau Nursing Station

The project has been completed. All the contracts are vetted with SG's office before signing. Majority of maintenance and construction works are now done through private contractors.

Issue 24.22 – Maintenance and Refurbishment of Nurses Home at Tamavua – Contract Number 117/2014

The project has been completed. The Ministry agrees on the Estimate by the Ministry of Infrastructure and Transport being somewhat overstated. During the tender meeting this was also discussed. Estimate was based on scope of works without visiting the site. The contractor that was recommended had visited the site before submitting their bid. It is also to note that some contractors quote lower cost just to penetrate into the Government/Health market to get a few contractor under their belt. The Ministry will discuss this further with MOIT (DBGA) that project cost estimates are prepared properly.

Issue 24.23 – MRI Machine Room Maintenance Works at CWM Hospital

The MRI machine being the only one in Fiji serves the entire nation and the need to immediately restore the services was of highest priority. Therefore the rationale of selecting the contractor who installed and commission the machine is justified because of they are best qualified to look into this unexpected event. The machine having stopped service had put the lives for Local and regional patients at risk. Costs of transfer of patients overseas would accumulate and be greater than the repair cost (50+ patients being on waiting list).

The contractor had demanded for advance payment to be made in order for works to commence and arrangement was made to GTB and Chief Accountant with regards to this.

Issue 24.24 Supply and Installation of CAT 6 Structure Cabling – CWM Hospital

The work is still not completed and the Ministry had referred the case to ITC. Ongoing dialog between the contractor, ITC and the Ministry is currently undertaken to ensure that the work is completed.

Issue 24.25 – Anomalies in Contracts for Supply and Installation of CAT 6 Structure Cabling – Lautoka and Labasa Hospital

The works has completed for Lautoka and phase one for Labasa. The current contract that exists contains a warranty clause as per ITC's requirements.

Issue 24.26 – Anomalies in Project Management

Whilst engagement of Clerk of Works is supported, it is very difficult to practice for each and every project in terms Finances (Salaries) and Recruitment (HR). All major construction projects however does have a designated Clerk of Works.

For maintenance projects, currently Ministry staffs based at the station are tasked to supervise works with weekly or fortnightly inspections by Headquarters team with assistance of MoIT.

Issue 24.27 – Fresh Tenders not Called

Lessons have been learnt from past projects which has been a basis of improvement for our current and future projects. Pre-tender site meeting are now held to ensure that all interested bidders are aware of the scope of works and raise their issues. This will assist to avoid any unnecessary variations to the project.

Contingency is part of the contract signed for a project and variations are carried out with this provision. All variation works are scrutinized by MoIT to avoid any unnecessary costs.

Calling for fresh tenders will further delay any project as the entire tender processes need to be followed and another contractor appointed. It will also be quite difficult to supervise and monitor multiple contract at one site.

Issue 24.28 GTB Approval is not obtained for Variations, waiver of performance bond and reductions in Contingency Sum

GTB approvals for the variation has been sort. Officers involved in signing of the contract for WSC 200/2012 are no longer employed by the Ministry.

Performance Bond for services contract (Cleaning Services) was waived by Ministry of Finance. Performance Bond has also not been sort through GTB approval letters to other services tenders. For Services Tenders, actual payment is made to contractor after desired services has been performed to our satisfaction.

This Ministry ensure in current contracts that the GTB terms of approval are complied with. A copy of GTB approval is attached to contract to ensure the terms and conditions are followed.

Issue 24.29 – No Valid Indemnity Cover

The Ministry does not have a specialized person to look after contract management. However, this requirement has been incorporated as part of the contract where a separate clause is inserted for Contractor obtain insurances and to keep them valid for the duration of the contract.

Issue 24.30 - Poor Planning of Capital Construction

The issue still exists with all of the capital budget being under R. This will need to be discussed with Ministry of Economy for the next financial year.

Issue 24.31 – Outsourcing of Security Services

Issue 24.32 – Outsourcing of Cleaning Services

Issue 24.33 – Anomalies in Charter of Aircraft

Charter of Aircraft contract was issued on CTN 84/2014 (1). All evacuations are approved by Medical Superintendent. Our role here is to facilitate medical treatment to any patient. The patient is assessed by the Medical Officer at the stations and if referred to treatment at the Divisional Hospital, a Medical Evacuation is organized. The Purchase Order will only be issued once the vendor invoices the Ministry because it depends on the distance and the duration of the evacuation.

Issue 24.34 – Missing Payment Vouchers

The Ministry is making every effort to ensure properly filing is done at all times.

Issue 24.35 – Outstanding Contribution for Overseas Medical and Consultancy Service

The Ministry will pursue all other avenues to recover from the patients.

Issue 24.36 - Local Purchase Order (LPO) Raised after the Date of Invoice

Mercy Evacuations transfer of high risk person being transfer from sub divisional hospital , Health center and Nursing stations to Divisional Hospital or National Referral Center who are specialized .The contract was issued CTN 84/2014 for different routes.

Issue 24.37 – Invalid Memorandum of Understanding

Issue 24.38 Performance Bond

The PB was not paid because the awarded period to supply the pharmaceuticals has expired without the contract agreement finalized. It is to be noted that the Ministry has engaged the supplier to supply the goods because the stock level at the warehouse is at a critical level and further delay can lead to stock outs at the hospital.

Contractual Agreement was been enforced by the Fiji Procurement Office around 2010/2011 however there are lot things need to be learned. FPBS has found a position to monitor the contract arrangement process from award to signing.

Issue 24.39 Delay Site Preparation

Delay of the infrastructure – AMU has provided response as per 24.16

Issue 24.40 Advance Payment without contract agreement

The advance payment was carried out without the contract agreement because delay in the arrival of the goods would lead to delay in the project completion of the infrastructure. The contract was not finalized because the supplier was not in agreement to certain terms and conditions of the government. However the equipment was supplied in full and used.

Issue 24.41 Delays in Supply of Medical Imaging

The delay of supplies from overseas is due to manufacturing processes delays. The products on the table on page 56 were withdrawn [value of around \$3,000] due to technical specification issues.

Issue 24.42 Anomalies in Purchase of Medical and Imaging Consumables – CT 155/14

To be noted that the correct CTN number is CTN 132/14 instead of CTN 155/14.

Again this is another case of contract agreement finalization delays and stocks at the warehouse are at critical level. Ministry while allowing the finalization of the contract to be completed, a request for quotation was called as contingency plan as stock in the warehouse is at critical level. Stock outs would mean no x-ray services for all hospitals. Quotation prices is usually expensive than the tender price due to the need of securing immediate stock.

FPBS has noticed that since the introduction and enforcement of the contract agreement for all suppliers by Fiji Procurement Office, we have experience delays in raising the orders as we have to wait for the contract to be signed. This posed a risk of delay supply and more costs for quotations to be sought.

Issue 24.43 Purchase and Supply of Vaccines – No reconciliation of the cost sharing

FPBS have noted on the variation on the payment. However to be raised that there was a pre-arrangement that was agreed by FPBS management with the donor upon their request that the Ministry to cover a portion of the payment as they are experiencing financial constraints. They were waiting for their new fiscal year to begin [July] where they will pay additional amount to the supplier which is the amount paid by the Ministry.

Issue 24.44 No GTB Approval for change in Contract Sum for CTN 121/13 – Contract for the provision of Essential Medicines

This is noted by FPBS and the contract template has been adjusted. Further to this, the current agreements have the schedules or annexures which contains the list of products, the approved unit price, the quantity, and total cost.

Issue 24.45 Delay in Supply of Drugs and Consumables

The report on the EPICOR cannot differentiate the following:

1. Split shipment of the supply goods to the Ministry to manage space in the warehouse. Split shipment can be of two to four times a year.

2. Advance order because of the lead time of four to 6 months. These items are mostly high volume, order to make batch with reasonable shelf life and send via sea freight.

Currently considering reviewing the information system being used through a consultant.

Issue 24.46 Discrepancies in Stock Card Record and Actual Stock

The discrepancies in records is of multifactorial causes –

1. High work demand in the warehouse to meet the targets
2. HR constraints that resulted in the high work load
3. Error in posting the record in the card

HR numbers have been increased in 2016 and consultant is currently in carrying out assessment and recommend improvement.

Issue 24.47 Open Contract for Supply of Essential Medicines – contract number 121/13

The issue in this item and our Response is the same as 24.44 above.

Issue 24.48 Anomalies in Supply of Emergency and Accident Equipment – CTN 84/13

Still waiting for the response

Issue 24.49 Poor Monitoring and Supervision of Stores

FPBS has yet to complete investigation of the case and following up with the missing two units.

Issue 24.50 Losses due to tender Bids in different currencies

Globally for international commerce transactions the most used currencies are the US dollars, Euro dollars, British pounds, Japanese Yens. Majority of our suppliers are overseas based and would use these currencies for bidding.

The other option we have approached the Ministry of Economy with is 'hedging' because it protects variations of currencies when payments are done 4 to 7 months from the date the indent is raised to them.

Issue 24.51 Delay in Contract Signing

The underlying cause of delay in contract signing is the process of finalizing the contract as stated on page 58 of our response to the OAG report. As you noted that the maximum lead time to finalise a contract on the table page 69 was 11 months. Contract finalization mostly involved between the suppliers legal team and the Solicitor General's Office in Fiji and disagreement to a clause or word can take a long period to mitigate.

FPBS however ensures the services at the hospital should be not disrupted due to stock outs hence purchases are carried out without the contract readiness. However we have put in place processes to ensure that supplies performed to expectation while at the same time improving contract management.

Issue 24.52 User Guide and other documents not provided by the supplier – CTN 3/14

This finding is acknowledged. We usually have documents provided by suppliers and we have overlooked in ensuring this documents were in place. Processes have now been put in place to ensure vital checklists are in place.

Issue 24.53 Poor Inventory Management

FPBS have now a system of keeping old stock cards in the warehouse and review of stock levels is carried out yearly. For this year, review of stock level will be due in June 2017.

Issue 24.54 Variance between EPICOR and Actual Stock Count

Currently we have a consultant who is reviewing our warehouse operation management and information system and recommend solutions to the Ministry.

Issue 24.55 Increases in the Value of Expired Stock

Expiry for medical goods is always unavoidable because it has a shelf life and use after shelf life can be risk to the services. However we always set a target to keep the expiry to an acceptable level and currently we use 5% of the expenditure/budget as per World Health Organization reference. 2014 wastage rate was 1.9%.

Issue 24.56 Nil Stock for drugs and consumables

Current Information System at FPBS, EPICOR, is a challenge with the variation of stock level in EPICOR and physical stock as reported in 24.54.

Currently we have a consultant who is reviewing our information system and will recommend solutions to the Ministry.

Issue 24.57 Stocks below Predetermined Minimum Level

All standard items have a pre-determined maximum [the maximum stock level should be kept in the warehouse] and minimum [lowest stock level to be in the warehouse where re-ordering will need to be decided] stock level.

FPBS was in the process of reviewing the minimum and maximum level for the warehouse.

However it is to be noted that this report is further analyzed and decision for ordering will be carried out by the management in consultation with the users. This is just to ensure that prudent use of scarce fund and resources.

Currently we have a consultant who is reviewing our information system because of reports of variation of EPICOR stock level and physical stock level also can lead us to inappropriate ordering.

Issue 24.58 Stocks in Excess of Predetermined Maximum Level

All standard items have a pre-determined maximum [the maximum stock level should be kept in the warehouse] and minimum [lowest stock level to be in the warehouse where re-ordering will need to be decided] stock level. FPBS was in the process of reviewing the minimum and maximum level for the warehouse. Currently we have a consultant who is reviewing our information system because of reports of variation of EPICOR stock level and physical stock level also can lead us to inappropriate ordering.

MINISTRY OF HEALTH & MEDICAL SERVICES

Follow up of 2014 Audit Issues – PAC MEETING (09.05.2017)

1. Issue 24.6.1 – Drawings Account

Write offs was carried out by FMIS as a clean up of government financial reports for Whole of Government which was approved by Honourable Minister for Finance.

Reasons for having a variance of \$6,615,243.33 between Ministry's reconciliation and FMIS ledger is as follows:

- Incorrect input postings by the Ministry;
- FMIS users failing to pass FMIS postings even though the cash transactions has taken place to settle obligations or receivables;
- Several accounts in general ledger could not be substantiated as no supporting documents were provided.

Refer to Appendix 1 for further information/details regarding the issue.

2. Issue 24.8 – VAT Reconciliations

The unreconciled variance was due to the differences in amounts entered in worksheet which differed in the General ledger amount.

3. Issue 24.11

The Operating trust fund accounts has been reconciled with the bank and updated in the FMIS general ledger system in 2016.

4. Issue 24.14.4 – Anomalies in TMA Bank Reconciliation

The unposted receipts relates to some of the previous year's receipts that have not been posted. Amounts banked but not posted in General ledger (GL). All adjustments have been posted in 2016 FMIS general ledger.

Appropriate correspondence had been sent to various vendors where receipts were raised but deposits were not tracked. Refer to Appendix 2 for further information/details regarding the issue.

5. Issue 24.19 – Exterior Painting Works of Lautoka Hospital – Contract Number WSC 64/2014

The Government Tender Board had approved a contract of \$756,888.00(VIP) as per GTB approval 07/2014. The Ministry has to date paid \$689,311.00 with a retention sum of \$67,577.00. After payment of the retention, the Ministry will still pay within the GTB approved rate. Refer to Appendix 3.

6. Issue 24.19 – This is for the committee.

7. Issue 24.20 – This is for the committee.

8. Issue 24.23 - MRI Machine Room Maintenance Works at CWM Hospital

The copy of the correspondence to Solicitor General is appended in Appendix 4.

9. Issue 24.24 - Supply and Installation of CAT 6 Structure Cabling – CWM Hospital

The copy of the correspondence to ITC is appended in Appendix 5.

10. Issue 24.30 - Poor Planning of Capital Construction

The Ministry will work closely with the Construction Implementation Unit (MOE) and Office of the Auditor General to bring about improvements in the management of Capital projects.

Issue 24.31 – Outsourcing of Security Services

The Ministry has adhered to the terms of agreement at all times and at no time it has gone beyond the scope of the agreement. The timesheet for the claims submitted by the security service providers has now been approved by the SDMO (Sigatoka) or the Executive Officer in the absence of the SDMO.

Issue 24.32 – Outsourcing of cleaning services

The Ministry will ensure that ensure that future contracts will be in accordance with Fiji Procurement Regulations and Government Tender Board Compliance.

Issue 24.37 – Invalid Memorandum of Understanding

All future contracts will be vetted by Solicitor General and endorsed by the parties.


11. Demographic statistics of patients travelling Overseas.

The copy of the correspondence to Solicitor General is appended in Appendix 6.

Approved as recommended.
B. 7/3/15

Thanks
6/9/3

A/DSF (FAM) Sir, for you approval to write off. Tis. ~~for~~ 9/3

DFMIS  Sir, humbly submitted for your consideration, endorsement and further advice.

Re: Proposal FMIS General Ledger (GL) Adjustment

1.1 Sir, the purpose of this paper is to present and update on the Whole of Government (WoG) financial reporting issues, highlight some of the measures that may be explored to curb the issues highlighted as well as to seek your endorsement on the proposed way forward. All in all, the purpose of this paper is to provide you reasonable assurance and recommend an overall adjustment of **(\$20,130,944.29)** from the Financial Management Information (FMIS) System Masterpiece General Ledger (GL) Module in light of the Ministry of Finance (MoF) book cleaning exercise earmarked to take place by 31st December 2014.

- 2.1 Section 45(4) of the Financial Management Act (FMA) 2004 stipulates that “*the Permanent Secretary of the Ministry of Finance is responsible for the preparation of the Whole of Government (WoG) annual reports and the statements required to be included in them*”.
- 2.2 Section 46(2) of the FMA 2004 further states that “*the whole of government financial statements must:*
 - (i) *Be signed by the Permanent Secretary of the Ministry of Finance; and*
 - (ii) *Be as audited by the Auditor-General and be accompanied by the Auditor-General’s audit opinion*”.

- 2.3 Audits are generally conducted in accordance with the Fiji and International Accounting Standards to provide reasonable assurance regarding the correctness, and reliability of the WoG Financial Statements balances.

3.0 WoG Financial Reporting Issues

- 3.1 The WoG Audit reports of the past years have largely highlighted cash, receivables, and accounts payable accounts as being the main causes of audit qualification due to the lack of valid supporting documentation.
- 3.2 Sir, it should be noted that 70% of the overall Audit Issues highlighted in the 2012 and 2013 WoG Financial Statements were results of unverifiable general ledger balances. Amongst other things, the unverifiable balances came about as a result of:
- (i) Incorrect inputs/postings by Ministries and Departments;
 - (ii) FMIS users failing to pass FMIS postings even though the cash payment/receipt by/to government has taken place to settle obligations or receivables respectively. Non posting of the above cash transactions will lead to non clearance of obligation or receivable accounts from the FMIS system accordingly; and
 - (iii) Source documents not being able to be located as evidence of existence or completeness of the various account areas.
- 3.3 Through a ¹study undertaken by Pacific Financial Technical Assistance Centre (PFTAC) & International Monetary Fund (IMF), the following are issues highlighted in the report which needs to be addressed as part of improving the Government's Financial Reporting and to further strengthen Government's position in adopting the International Public Sector Accounting Standards (IPSAS) in the near future:
- (i) Several accounts in the general ledger could not be substantiated as no supporting documentations were provided. These qualifications equally impact the quality of the information presented in the WoG financial statements.
 - (ii) Specifically, the Statement of Assets and Liabilities which outlines all assets and liabilities in the general ledger, includes a significant number that lack underlying documentation, some dating back to post 2004 during the inception of the FMIS system and seem to have lost their meaning.

¹ Technical Assistance (TA) Mission to provide assistance with the Government's implementation of International Public Sector Accounting Standards (IPSAS)

- 3.4 The write off initiative was discussed and agreed to in principle between the Office of the Auditor General (OAG) and MoF during our joint meeting with the IPSAS consultant on 10th July 2013 (refer to attached minute in Appendix 1).

4.0 Measures to Curb Highlighted Issues

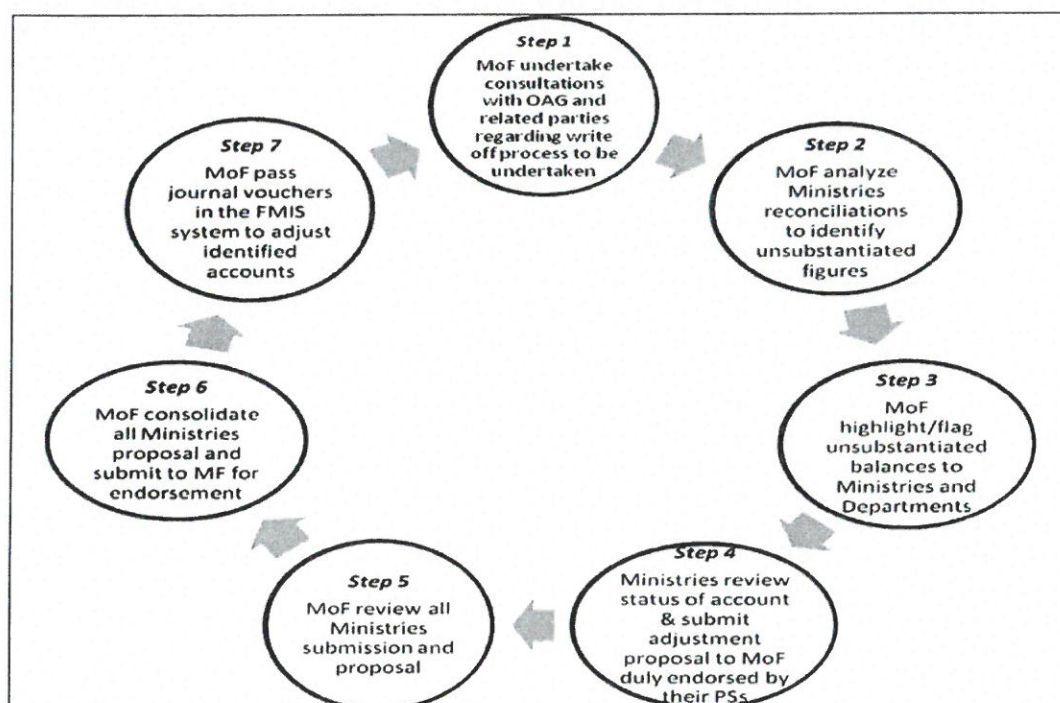
- 4.1 As a way forward to resolve the above, the mission recommended that the following measures be pursued:

- (i) Examine all assets and liabilities and to determine whether balances are substantive and verifiable. Balances which were not supported were recommended to be written off.

- 4.2 The report further emphasized that the write-off of assets will either be charged against a budget line-item (presented in the Statement of Receipts and Payments), or booked directly into equity, depending on the nature of the item. In essence, the proposed clean-up operations on the 2014 accounts will be a mere book entry, posted directly to equity.

- 4.3 The anticipated cleanup exercise should ensure that the Statement of Assets and Liabilities is properly documented, reconciled to subsidiary systems and supported by external documentation enabling the accounts to withstand potential audit scrutiny. Tracking and tracing of all remaining assets and liabilities to underlying documentation will be enabled.

- 4.4 Sir, outlined below is a snapshot of the series of process pursued by FMIS unit (MoF) regarding this cleanup process:



- 4.5 Sir, kindly note that this will be the second consecutive year in which the MoF will be pursuing this General Ledger cleanup process as per the agreement between MoF and OAG. The cleanup was initially pursued in 2013 and as a result, the MoF was able to greatly improve the 2013 WoG accounts by reducing the audit issues to 7 compared to 11 registered in 2012.
- 4.6 Out of the 7 audit issues highlighted in the 2013 accounts, 5 (70%) was a result of unverifiable balances, and this was mainly due to Ministries not submitting their adjustment proposal to MoF despite constant numerous reminders undertaken by the MoF.
- 4.7 Sir, unless the proposed general ledger adjustment is undertaken, the WoG Financial Statements may continue to be flawed with unverifiable accounts and balances hence may lead to ongoing qualification of the WoG Financial Statements.
- 4.8 On the same note, it should be highlighted that this clean up operations does not necessarily mean that the MoF will shelve any further investigations that needs to be undertaken on any account (if the need arises).
- 4.9 Sir, whilst OAG is aware of the exercise as mentioned in *section 3.4* above, they were hesitant to give any confirmation, in writing to vouch for the correctness of the proposed write off figures as doing so would compromise their independence (*refer to attached memo in Appendix 1*) now that the audit of the WoG Financial Statement is yet to commence. On the same note, we wish to again reiterate that the Ministry of Finance has undertaken all proper due assessment of this write off exercise and the figures proposed herewith are correct and is a fair reflection of the Ministries state of accounts at the end of 2013.

5.0 Way Forward

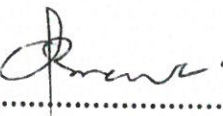
- 5.1 Having undertaken proper reconciliations tasks and consultations with Ministries and Departments regarding their various accounts, attached as *Appendix 2* is a summary of the total write off proposals totaling **(\$20,130,944.29)**. This comprises of Ministries submission totaling **(\$9,849,914.57)** (refer to items in plain) and MoF submission totaling **(\$10,281,029.72)** (refer to items in green).
- 5.2 Attached as *Appendix 3* are the formal write off proposals duly endorsed by the respective Permanent Secretaries (PSs).

6.0 Recommendation

5.1 Sir, you are requested to:

- (i) *Note* the status of WoG's books as explained in 3.0;
- (ii) *Note* measures to curb Financial reporting Issues in section 4.0; and
- (iii) *Approve* the adjustment of (\$20,130,944.29)

Kindly submitted for your approval please.


.....

Mr. Atunaisa N. Baleimatuku
SAO FMIS
06/03/2015

Health		
1-22101-22999-861102	Write off as per MF approval	\$ 103.08
1-22101-22999-861105	Write off as per MF approval	\$ 1,102.52
1-22101-22999-861107	Write off as per MF approval	\$ 304.03
1-22101-22999-861202	Write off as per MF approval	\$ 6,533.72
1-22101-22999-861204	Write off as per MF approval	\$ 7,119.31
1-22101-22999-861206	Write off as per MF approval	\$ 78.26
1-22101-22999-861209	Write off as per MF approval	\$ 195.90
1-22101-22999-861306	Write off as per MF approval	\$ 3,047.36
1-22101-22999-861307	Write off as per MF approval	\$ 651.80
1-22101-22999-861308	Write off as per MF approval	\$ 632.37
1-22101-22999-861402	Write off as per MF approval	\$ 10,554.31
1-22101-22999-861501	Write off as per MF approval	\$ 894.59
1-22101-22999-861511	Write off as per MF approval	\$ 182.50
1-22101-22999-861525	Write off as per MF approval	\$ 3,118.06
1-22101-22999-861532	Write off as per MF approval	\$ 3,308.92
1-22101-22999-861533	Write off as per MF approval	\$ 1,260.00
1-22101-22999-861535	Write off as per MF approval	\$ 3,490.79
1-22101-22999-861536	Write off as per MF approval	\$ 4,394.49
1-22101-22999-861537	Write off as per MF approval	\$ 483.13
1-22101-22999-861538	Write off as per MF approval	\$ 295.73
1-22101-22999-861599	Write off as per MF approval	\$ 4,757.50
1-22101-22999-861601	Write off as per MF approval	\$ 15.00
1-22101-22999-861606	Write off as per MF approval	\$ 150.00
1-22101-22999-861608	Write off as per MF approval	\$ 120.00
1-22101-22999-861614	Write off as per MF approval	\$ 257.00
1-22101-22999-861701	Write off as per MF approval	\$ 80.00
1-22101-22999-861706	Write off as per MF approval	\$ 659.04
1-22101-22999-861711	Write off as per MF approval	\$ 10.00
1-22101-22999-861715	Write off as per MF approval	\$ 60.00
1-22101-22999-861716	Write off as per MF approval	\$ 80.00
1-22101-22999-861816	Write off as per MF approval	\$ 1,473.64
1-22101-22999-861899	Write off as per MF approval	\$ 13,815.52
1-22101-22999-861902	Write off as per MF approval	\$ 4,584.51
1-22101-22999-861922	Write off as per MF approval	\$ 1,476.58
1-22101-22999-861924	Write off as per MF approval	\$ 20,731.00
1-22101-22999-861999	Write off as per MF approval	\$ 3,559.00
1-22101-22999-861106	Write off as per MF approval	\$ (9,356.06)
1-22101-22999-861915	Write off as per MF approval	\$ (3,609.60)
1-22101-22999-861101	Write off as per MF approval	\$ (1,991.68)
1-22101-22999-861853	Write off as per MF approval	\$ (220.00)
1-22101-22999-861914	Write off as per MF approval	\$ (195.00)
1-22101-22999-861616	Write off as per MF approval	\$ (60.00)
4-22251-22999-560102	Write off as per MF approval	\$ 21,413.35
4-22251-22999-560102	Write off as per MF approval	\$ 8,009.58
4-22251-22999-560103	Write off as per MF approval	\$ 31,347.24
4-22251-22999-560103	Write off as per MF approval	\$ 21,201.44
1-22101-22999-530301	Write off as per MF approval	\$ (3,097,903.62)
Total		\$ (2,931,784.69)

30/12/2014.

Actg. PSHMS

Ufs. DSAF

Ufs. PAO

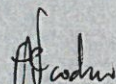
RE: REQUEST FOR WRITE OFF FOR OPERATING TRUST ACCOUNTS

The Ministry of Finance through its FMIS Unit is undertaking a write off/cleanup process for all Government Ministries. In light of the requirement through this exercise I am submitting details of unverifiable opening balances for Operating Trust Accounts accumulated from previous years. Most accounts are payroll related for employee deductions.

These opening balances remain uncleared due to mispostings as a result of wrong loading of deductions into the system or payment through incorrect trust allocations.

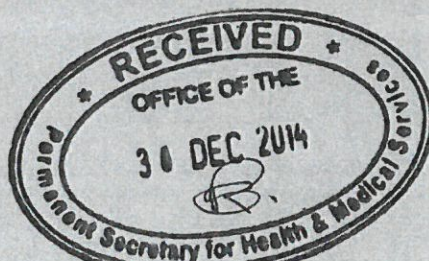
The write off submission will clear pending unverified balances as at 2014 and start afresh in 2015 with correct balances. In addition, this will reduce repetitive audit queries and contribute effectively to audit opinion on our Annual Financial Statement. ✓

Submitted for your approval and endorsement.



Teresa Woodrow

(Ledgers & Payments)



Actg. PS (Health and Medical Services)

ufs: PAO

Re: FMIS Adjustment Proposal

1.0 Introduction

- 1.1 The purpose of this minute is to seek your approval for the write off \$99,579.66 from the (*Ministry of Health*) Financial Management Information System (FMIS) General Ledger Module in light of the anticipated clean up exercise which Ministry of Finance (MoF) had been planning to undertake by the end of this year, 31st December 2014.

2.0 Background of Issue

- 2.1 Previous year's audit reports of the Office of the Auditor General (OAG) had consistently highlighted unverifiable receivables and liabilities accounts as being the main causes of audit qualifications issues.
- 2.2 *Sir/Madam*, it must be highlighted that most of these unverifiable assets and liabilities accounts are not genuine transactions (non genuine receivable or liability) but came about as a mere result of incorrect postings by the Ministry.
- 2.3 Since that these transactions/balances are a result of incorrect postings, the Ministry would not have a source document in place to authenticate its existence therefore lead to unnecessary audit queries by OAG.
- 2.4 Failure to eliminate these erroneous balances from the FMIS system would lead to repetitive audit queries.

3.0 Measure to Curb Financial Reporting Issue

- 3.1 In this regard, MoF has advised that the only way to resolve this issue of unverifiable balance and therefore avoid audit scrutiny would be to undertake a cleanup/adjustment exercise in the FMIS system to undo all the identified incorrect/dormant balances.
- 3.2 This strategy was part of the recommendations of the Pacific Financial Technical Assistance (PFTAC) and International Monetary Fund (IMF) joint¹ mission to the Fiji Islands on July 2013. The strategy had also been endorsed in principal by the OAG upon consultations with the MoF.
- 3.3 However, it should be reiterated that the clean up process will only proceed after proper due diligence has been undertaken by the Ministry itself. This includes the Ministry reviewing the validity of the dormant accounts and submitting a formal proposal to MoF.
- 3.4 It must also be highlighted that the cleanup operations is a mere book entry process which will not be charged against a budget provision as figures will be adjusted directly to Equity.
- 3.5 Given that this is a mere book entry adjustment, it does not mean preventing any subsequent investigations whatsoever that may need to be conducted in any of the cleared accounts, should the need arise.

4.0 Way Forward

- 5.1 *Sir/Madam*, having undertaken proper review of all the Ministry's asset and liability accounts, tabulated below is a summary of the accounts to be cleared from the *Ministry's* GL:

Account Area	Balance to be Adjusted
SLG 86 (Account #)	\$99,579.66

- 5.2 A detailed breakdown of the dormant balances is outlined in Appendix 1

¹ Technical Assistance (TA) Mission to provide assistance with the Government's implementation of International Public Sector Accounting Standards (IPSAS)

5.0 Recommendations

- 4.1 Madam, based on the above we requesting your approval for the write off of these balances.

Submitted for your approval, please.

..........

Name of Submitting Officer: *Rakesh Narayan*

Designation: *A/SAO CI/Audit*

Account	Description	Opening Balance 01/01-30/11/14	
1-22101-22999-861106	390 PD GOV WATER RATES CHRGS	9,356.06	
1-22101-22999-861915	400 PD FINES & TREASURY	3,609.60	
1-22101-22999-861101	202 PD OPR CURRENT YEAR	1,991.68	
1-22101-22999-861853	452 PD NADI GRADE III	220.00	
1-22101-22999-861914	389 PD-COURT BANKRUPTCY ORD	195.00	
1-22101-22999-861616	PD MAINT-NASINU	60.00	
	TOTAL DEBITS	15,432.34	
Account	Description	Opening Balance 01/01-30/11/14	
1-22101-22999-861711	367 PD RATES-SAVUSAVU	-10.00	
1-22101-22999-861601	341 PD MAINT-SUVA	-15.00	
1-22101-22999-861715	358 PD RATES-LAMI	-60.00	
1-22101-22999-861206	246 PD MARSH & MCLENNAN	-78.26	
1-22101-22999-861716	XXX PD RATES-NASINU	-80.00	
1-22101-22999-861701	357 PD RATES-SUVA	-80.00	
1-22101-22999-861102	384 PD OPR PREVIOUS YEAR	-103.08	
1-22101-22999-861608	348 PD MAINT-SIGATOKA	-120.00	
1-22101-22999-861606	346 PD MAINT-LAUTOKA	-150.00	
1-22101-22999-861511	301 PD FPS CREDIT UNION	-182.50	
1-22101-22999-861209	249 PD MARSH & MCLENNAN (HTH/P	-195.90	
1-22101-22999-861614	355 PD MAINT-SUVA DOMESTIC	-257.00	
1-22101-22999-861538	ONTIME FINANCE LTD	-295.73	
1-22101-22999-861107	391 PD GOV QUARTERS ELECTRICIT	-304.03	
1-22101-22999-861537	CARPENTERS FINANCE FIJI LTD	-483.13	
1-22101-22999-861308	266 PD FDB HOUSING	-632.37	
1-22101-22999-861307	264 PD HOME FINANCE CO	-651.80	
1-22101-22999-861706	361 PD RATES-LAUTOKA	-659.04	
1-22101-22999-861501	286 PD FIJI PUBLIC SERVICE ASS	-894.59	
1-22101-22999-861105	267 PD RENT PUBLIC RENTAL BRD	-1,102.52	
1-22101-22999-861533	320 WESRAM FINANCE	-1,260.00	
1-22101-22999-861816	421 PD RENT GRADE VI	-1,473.64	
1-22101-22999-861922	PAYROLL DED - DOBU FINANCE	-1,476.58	
1-22101-22999-861306	263 PD HOUSING AUTHORITY	-3,047.36	
1-22101-22999-861525	316 PD SERVICE WORKER CU	-3,118.06	
1-22101-22999-861532	YYY PD PUBLIC EMPLOYEE UNION	-3,308.92	
1-22101-22999-861535	DOMINION FINANCE LIMITED	-3,490.79	
1-22101-22999-861999	YYY PAYROLL DEDUCTION MISCEL	-3,559.00	
1-22101-22999-861536	HANDY FINANCE LIMITED	-4,394.49	
1-22101-22999-861902	204 PD DEPST A/C RECOVERABLE	-4,584.51	
1-22101-22999-861599	XXX PD OTHERS	-4,757.50	
1-22101-22999-861202	241 PD CMLA	-6,533.72	
1-22101-22999-861204	244 PD-LICI	-7,119.31	
1-22101-22999-861402	203 PD RENT ARREARS	-10,554.31	
1-22101-22999-861899	440 PD FIXED RENT	-13,815.52	
1-22101-22999-861924	PAYROLL DED - CENTRAL FINANCE	-20,731.00	-5,298.66
	TOTAL DEBITS	-99,579.66	-84,147.32

JV DETAILS			
Description	Allocations	Debits	Credits
PAYROLL DED - CENTRAL FINANCE	1-22101-22999-861924	15,432.34	
390 PD GOV WATER RATES CHRGS	1-22101-22999-861106		9,356.06
400 PD FINES & TREASURY	1-22101-22999-861915		3,609.60
202 PD OPR CURRENT YEAR	1-22101-22999-861101		1,991.68
452 PD NADI GRADE III	1-22101-22999-861853		220.00
389 PD-COURT BANKRUPTCY ORD	1-22101-22999-861914		195.00
PD MAINT-NASINU	1-22101-22999-861616		60.00
367 PD RATES-SAVUSAVU	1-22101-22999-861711	10.00	
341 PD MAINT-SUVA	1-22101-22999-861601	15.00	
358 PD RATES-LAMI	1-22101-22999-861715	60.00	
246 PD MARSH & MCLENNAN	1-22101-22999-861206	78.26	
XXX PD RATES-NASINU	1-22101-22999-861716	80.00	
357 PD RATES-SUVA	1-22101-22999-861701	80.00	
384 PD OPR PREVIOUS YEAR	1-22101-22999-861102	103.08	
348 PD MAINT-SIGATOKA	1-22101-22999-861608	120.00	
346 PD MAINT-LAUTOKA	1-22101-22999-861606	150.00	
301 PD FPS CREDIT UNION	1-22101-22999-861511	182.50	
249 PD MARSH & MCLENNAN (HTH/P	1-22101-22999-861209	195.90	
355 PD MAINT-SUVA DOMESTIC	1-22101-22999-861614	257.00	
ONTIME FINANCE LTD	1-22101-22999-861538	295.73	
391 PD GOV QUARTERS ELECTRICIT	1-22101-22999-861107	304.03	
CARPENTERS FINANCE FIJI LTD	1-22101-22999-861537	483.13	
266 PD FDB HOUSING	1-22101-22999-861308	632.37	
264 PD HOME FINANCE CO	1-22101-22999-861307	651.80	
361 PD RATES-LAUTOKA	1-22101-22999-861706	659.04	
286 PD FIJI PUBLIC SERVICE ASS	1-22101-22999-861501	894.59	
267 PD RENT PUBLIC RENTAL BRD	1-22101-22999-861105	1,102.52	
320 WESRAM FINANCE	1-22101-22999-861533	1,260.00	
421 PD RENT GRADE VI	1-22101-22999-861816	1,473.64	
PAYROLL DED - DOBU FINANCE	1-22101-22999-861922	1,476.58	
263 PD HOUSING AUTHORITY	1-22101-22999-861306	3,047.36	
316 PD SERVICE WORKER CU	1-22101-22999-861525	3,118.06	
YYY PD PUBLIC EMPLOYEE UNION	1-22101-22999-861532	3,308.92	
DOMINION FINANCE LIMITED	1-22101-22999-861535	3,490.79	
YYY PAYROLL DEDUCTION MISCEL	1-22101-22999-861999	3,559.00	
HANDY FINANCE LIMITED	1-22101-22999-861536	4,394.49	
204 PD DEPST A/C RECOVERABLE	1-22101-22999-861902	4,584.51	
XXX PD OTHERS	1-22101-22999-861599	4,757.50	
241 PD CMLA	1-22101-22999-861202	6,533.72	
244 PD-LICI	1-22101-22999-861204	7,119.31	
203 PD RENT ARREARS	1-22101-22999-861402	10,554.31	
440 PD FIXED RENT	1-22101-22999-861899	13,815.52	
PAYROLL DED - CENTRAL FINANCE	1-22101-22999-861924	5,298.66	
EQUITY	1-22101-22999-910101		84,147.32
TOTAL		99,579.66	99,579.66

The Chief Accounting Officer,
Ministry of Health, HQ.
 Reasons for adjustments:

Number: _____ month DEC year 2014

Misposting of operating trust deductions and payments. Refer attached details.

Source Reference:		
Debit:	\$	C
As per attached allocations	\$ 99,579	66
Total:	\$ 99,579	66
Credit:	\$	C
As per attached allocations	\$ 99,579	66
Total:	\$ 99,579	66

Signature

[Signature]
 for PSH

Date

12/16/2014

Verified and endorsed.
 Distribution:

Adjustment Approved.
 Designation.

Date

Dr Roveena Khan

Medical Centre

21st September 2015

Re: Direct Deposit

Dear Doctor,

There has been some receipts raised by FPBS as direct deposit in year 2010 (receipt number of date as per copy attached), The bank was not able to provide details of deposit and the amounts are not credited to FPBS account .

MOHMS seeks your assistance in having a copy of the deposit slip for the above, to reconcile with the bank where the bank has passed the credit.

This could only be clarified if there is a proof of the said deposit.

Thanking you in anticipation of your usual cooperation



Angeline Chand

TRIPPLICATE—THIS IS NOT A VALID RECEIPT

FIJI REVENUE RECEIPT

Station: 8843

869729

22.01.2010

6205512

N 9384574

RECEIVED from DR. KOVENA KHAN
the sum stated below, on account of—

INV 18075 CM 0001279

Allocation	\$	0
<u>IMPORTATION</u>	<u>17453</u>	
<u>VAT</u>	<u>2182</u>	
Total:	\$ <u>19635</u>	

KOV KH

Signature of Receiving Officer

CASH DIRECT
CHEQUE DEPOSIT

F1043

Dr Baladina Kavoa

Medical Centre

21st September 2015

Re: Direct Deposit

Dear Doctor,

There has been some receipts raised by FPBS as direct deposit in year 2008 (receipt number of date as per copy attached), The bank was not able to provide details of deposit and the amounts are not credited to FPBS account .

MOHMS seeks your assistance in having a copy of the deposit slip for the above, to reconcile with the bank where the bank has passed the credit.

This could only be clarified if there is a proof of the said deposit.

Thanking you in anticipation of your usual cooperation



Angeline Chand

Ph 620 5592

FIJI REVENUE RECEIPT

9384574

Station :

8845

243044

N

12 12 20 20

RECEIVED from DR. PANADIA KANDA

the sum stated below, on account of—

INV 15547

Allocation	\$	0
801802141285	36	60
Total :	\$	36 60

CASH

Signature of Receiving Officer

DIRECT

CASH

CHEQUE

F1042

Dr. Panad
2377320



GOVERNMENT TENDER BOARD

P O Box 2212, Government Buildings

Suva, Fiji

Telephone: (679) 3307 011

Facsimile: (679) 3313 135

30/4/2014

Permanent Secretary for Health

Attention: Mr. Roneel Sukhu

Re: Tender No. WSC 64/2014 – Contract for Exterior Painting Works at Lautoka Hospital – Ministry of Health


The Government Tender Board in its Meeting No. 7/2014 held on 29/4/2014 deliberated on your request for the above.

The Board:-

- (i) Noted the recommendation and justifications submitted.
- (ii) Approved to award the Contract for Exterior Painting Works at Lautoka Hospital to Vinod Patel Works at the cost of \$756,888.00 VIP, inclusive of 20% Contingency Sum for a duration of 80 calendar working days.
- (iii) Advises your office to ensure that the approved cost above is not exceeded. Additionally a proper contract (*No variation will be accepted*) is to be put in-place and vetted by the Solicitor General's Office. A signed copy is to be forwarded to the Fiji Procurement Office.

A Clerk of Works is to be assigned to monitor and endorse the satisfactory completion of construction stages prior to release of payments.

Vinod Patel Works is required to provide a surety of 15% (\$113,533.20) of Contract Sum as Performance Bond within 7 days of being notified of award; prior to signing of contract.


Mr A. Wilson
Secretary - GTB
cc: Chairman GTB

Confidential

CONTRACT SET	
CONTRACTOR	
WITNESS	
CLIENT	



GOVERNMENT TENDER BOARD

P O Box 2212, Government Buildings

Suva, Fiji

Telephone: (679) 3307 011

Facsimile: (679) 3319 449

02nd May 2014

The General Manager
Vinod Patel Works
G.P.O Box 14416
Suva

Attention: Jatin Patel

WSC64/2014 - Contract for Exterior Painting Works at Lautoka Hospital - Ministry of Health

Reference is made to your bid on the above tender.

The Government Tender Board in its Meeting No. 07/2014 held on 29/04/14 has awarded the Contract for Exterior Painting Works at Lautoka Hospital for Ministry of Health to Vinod Patel Works amounting to \$756,888 VIP inclusive of 20% Contingency sum.

The company is required to provide a surety of 15% of the contract sum as Performance Bond within 7 days of being notified of award prior to signing of the contract.

You are advised to liaise with Mr. Roneel Sukhu at Ministry of Health on telephone 3306177 or email roneel.sukhu@govnet.gov.fj for the execution of the contract.

Please note that this serves as a notification only and final commitment will be made once the contract is signed.

The tender terms and conditions will apply. Congratulations on the award.

Lusiana Radinivuci
for Secretary Government Tender Board

CONTRACT SET	
CONTRACTOR	30/04/2014
WITNESS	
CLIENT	
WITNESS	



The Ministry of Infrastructure & Transport

Nasilivata House
87, Ratu Mara Road, Samabula
Private Mail Bag, Suva, Fiji

Telephone: (679) 338 4111
Facsimile: (679) 338 3198
Website: www.moit.gov.fj



09th March 2015

Vinod Patel Works
P.O.Box 14416
SUVA.

Attn: Mr. Jatin Patel

EXTERIOR PAINTING WORKS TO LAUTOKA HOSPITAL: FINANCE REPORT

Sir,

The financial summary of the above project stand as follows upon completion of the project;

Original Contract Sum	-	\$756,888.00vip
Adjusted Contract Sum	-	\$689,311.00vip
Variations	-	\$249,371.00

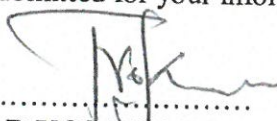
Total Payments paid to client	-	\$654,845.45vip
Payment #1	-	\$121,904.03 (07.08.14)
Payment #2	-	\$135,460.87 (07.08.14)
Payment #3	-	\$238,939.02 (12.11.14)
Semi-financial Payment	-	\$158,541.53 (28.11.14)

Pending payment	-	\$ 34,465.55
5% retention	-	\$34,465.55

Total paid to client after retention - \$689,311.00

Attached is a cash transactions that took place for the above project.

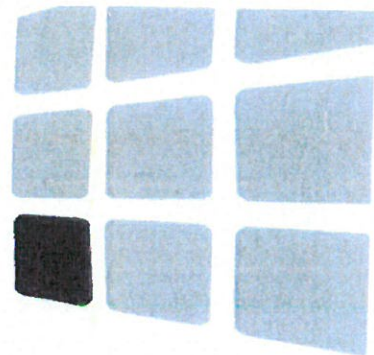
Submitted for your information.


.....
T.D.VOSAICAKE

Director Buildings Government Architect
For Permanent Secretary Infrastructure and Transport

cc: PS IT
File

Att: cash flow transactions



09th May 2014

The Permanent Secretary for Health
Ministry of Health
Dinem House
88 Amy Street, Toorak
Suva

"ACCEPTANCE LETTER"

TENDER NO. WSC64/2014 – CONTRACT FOR EXTERIOR PAINTING WORKS AT LAUTOKA HOSPITAL – MINISTRY OF HEALTH

We would like to thank you for availing us an opportunity to carry out works for the above project.

We acknowledge the receipt of the letter of notification dated 02nd May 2014, and hereby accept the contract to carry out works at the above project

All works will be carried out in accordance to the signed contract documents.

For your reference and as requested on the same letter, please find attached a surety of 15% (\$ 113,533.20) of the contract sum (\$ 756,888.00) as Performance Bond per the letter from Westpac Banking Corporation as one of the prerequisite for contract signing.

Furthermore, we are in the process of making a Contract Works Programme also which will delivered to your office very shortly.

We assure you of our best commitments and attention project at all times.

Trust the above meets your requirements and should you require any further clarifications please feel free to contact us at any time.

We assure you of our best attention on this project at all times.

Yours faithfully
Vinod Patel Works Limited



Jatin Patel
[General Manager]
Ph: 3399888 / 9907043
Fax: 33993006
E-mail: jatin@vinodpatel.com.fj

CONTRACT SET	
CONTRACTOR	
WITNESS	
CLIENT	



The Ministry of Infrastructure & Transport

Nasilivata House
87, Ratu Mara Road, Samabula
Private Mail Bag, Suva, Fiji

Telephone: (679) 338 4111
Facsimile: (679) 338 3198
Website: www.moit.gov.fj



ARCHITECTS INSTRUCTION NO. 3

Project :	Exterior Painting to Lautoka Hospital – WSC64/2014	File No: PW 28/6/1-11
Proprietor:	Ministry of Health	Date Issue: 09.03.2015
Contractor:	Vinod Patel Works Ltd	

This instruction is issued in accordance with Part 6.3 and part 7 of the Special Conditions of Contract, you are instructed as follows:


3.0 DEDUCTION - PC Sum for Aluminum Windows and Doors

Allow to deduct \$190,800.00 from the Contract Sum

3.1 ADDITION – Works to Aluminum Windows and Doors

Allow to add \$99,000.00 to the Contract Sum for Works to Aluminum Windows and Doors as per scope of works agreed and included in the submitted variation price no.2

Note that the above instruction was accounted for in the payment and discussion but did not have any Architect Instruction released though approved in the meeting.


..... (Signature)
TEVITA VOSAICAKE
Director Building & Government Architects

DISTRIBUTION: Vinod PatelWorks ☐ Client ☐ File ☐



The Ministry of Infrastructure & Transport

Nasilivata House
87, Ratu Mara Road, Samabula
Private Mail Bag, Suva, Fiji

Telephone: (679) 338 4111
Facsimile: (679) 338 3198
Website: www.moit.gov.fj



ARCHITECTS SECTION

VARIATION ORDER NO. 2

Contract: Exterior Painting to Lautoka Hospital
[WSC 64/2014]

Ref: PW 28/6/1-11

Contractor: Vinod Patel Works

Date: 09.03.2015

Item No.			
2.00	<u>Additional Works</u>		
2.01	Add as per AI instruction dated 09.03.2015;		
	Deduct pc sum	\$190,800.00	
	Add approved quotation	\$99,000.00	
	Total carried to payment	\$99,000.00	

Note: The amount had been accounted correctly in the payment but had no VO released.

T.D.VOSAICAKE

Director Buildings Government Architect
For Permanent Secretary Infrastructure and Transport

cc: Vinod Works MOH/AMU File



The Ministry of Infrastructure & Transport

Nasilivata House
87, Ratu Mara Road, Samabula
Private Mail Bag, Suva, Fiji

Telephone: (679) 338 4111
Facsimile: (679) 338 3198
Website: www.moit.gov.fj



AMENDMENT TO VARIATION

Contract: Exterior Painting to Lautoka Hospital
[WSC 64/2014]

Ref: PW 28/6/1-11

Contractor: Vinod Patel Works

Date: 09.03.2015

Amendment to the Variation No.1 dated 21.10.14, to be amended to;

Item No.			
1.01	<u>Additional Works</u> Add as per AI instruction dated 28.08.2014 but excluding item no. 2 for Aluminum Works to wards for Building J,K & L; - Bird Netting to Building J,K & L - Walkway outside Dental Building (the price has been reduced from the original submitted and noted in the AI)	\$85,800.00 \$10,800.00	
	Sub-Totals	\$96,600.00	

The amount has been accounted in the payments and thus does not affect the payments but only the amount as stated in the variation.

T.D.VOSAICAKE

Director Buildings Government Architect
For Permanent Secretary Infrastructure and Transport

cc: Vinod Works MOH/AMU File

CLIENT'S FINANCIAL STATEMENT AND CASH FLOW SUMMARY FOR EXTERIOR PAINTING T...AUTOKA HOSPITAL, 2014 CAPITAL PROJECT

TRANSACTIONS	ORIGINAL CONTRACT	CLIENT'S MONEY	RETENTION	ADJUSTED CONTRACT SUM	CONTRACTOR'S PAYMENTS	BALANCE	COMMENT
ONSTRUCTION PERIOD - MOBILIZATION TO SITE							
pproved Project Cost	\$756,888.00		\$75,688.80			\$756,888.00	
ntingency (AI # _)		\$126,148.00				\$630,740.00	was not dispersed but actioned
sum (AI # _)		\$190,800.00				\$439,940.00	was not dispersed but actioned
	\$756,888.00	\$316,948.00	\$75,688.80	\$439,940.00		\$439,940.00	
RUCTION PERIOD - 80 DAYS (23.06.14 - 14.10.14)							
ymment #1 (07.08.14)					\$121,904.03	\$318,035.97	
ymment #2 (07.08.14)					\$135,460.87	\$182,575.10	
proved contingency 04.09.14)		\$106,960.00				\$182,575.10	
sum (AI # _)		\$99,000.00					
iation - additional works				\$249,371.00		\$431,946.10	
iation no.1 & 3					\$96,600.00		06.10.14/10.03.15
iation no.2					\$53,771.00		21.10.14
iation no.4					\$150,371.00		
					\$99,000.00		
					\$249,371.00		
ymment #3 (12.11.14)					\$238,939.02	\$193,007.08	
ancial statement t (28.11.14)							
					\$158,541.53	\$34,465.55	
	\$756,888.00	\$110,988.00	\$68,931.10	\$689,311.00	\$654,845.45	\$34,465.55	c/f

CLIENT'S FINANCIAL STATEMENT AND CASH OW SUMMARY FOR EXTERIOR PAINTING T AUTOKA HOSPITAL, 2014 CAPITAL PROJECT

TRANSACTIONS	ORIGINAL CONTRACT	CLIENT'S MONEY	RETENTION	ADJUSTED CONTRACT SUM	CONTRACTOR'S CLAIM	BALANCE	COMMENT
	\$756,888.00	\$110,988.00	\$68,931.10	\$689,311.00	\$654,845.45	\$34,465.55	b/f
CONSTRUCTION PERIOD - DEFECTS LIABILITY PERIOD (14.10.2015 - 1 year)							
ention					\$34,465.55	\$0.00	all payments done
	\$756,888.00			\$689,311.00	\$689,311.00		\$67,577.00

MEMORANDUM

FROM : Permanent Secretary for Health

PHONE : 3306177

TO : The Solicitor General

DATE : 13/06/14

RE : URGENT Vetting of Agreement Between Ministry of Health and A.C.E.P.T Pty Ltd, for Repairs to MRI Machine Room at CWM Hospital

The Ministry of Health intends to engage in the above mentioned contract agreement with A.C.E.P.T Pty Ltd.

Attached please find copy of agreement. **Appreciate if the same could be vetted in order for the Ministry to engage the contractor to carry out the necessary works at the Hospital.**

Appreciate if this agreement could be given high priority as this is the only MRI machine in Fiji which also caters for referrals from other regional countries. Delays will affect the delivery of quality healthcare services to the people of Fiji. There is currently around 50 cases pending for MRI services.

We look forward to your cooperation and the undersigned could be contacted should you have any further queries in relation to the above matter.

Thank you.



Roneel Sukhu

For: Permanent Secretary for Health

MD: 8/2/27

PSH

Ufs: DSHS

Ufs: DSAF

already approved 11/06
already approved 10/06

Re: Re- submission of urgent maintenance works at MRI Room – CWM Hospital

1. Further to our Minute dated 20/05/14 and letter to FPO seeking waiver dated 21/05/2014, the GTB in its meeting number 9/2014 held on 28/5/14 raised concern that no one is held responsible for the damages as per copy of letter dated 30/05/14 attached.
2. Enclosed also please find report from PBS detailing their side of the story hence it looks to be a blame game that may require Dispute Resolutions Tribunal or Court proceedings.
3. Ministry's concern at this instant is the delivery of service and how soon the machine can be put back in operation.
4. Having said so, may we propose that a special committee be formed to look into this incident and provide report to your office with recommendations within 2 months and GTB be approached to allow approval of maintenance in the meantime.
5. The Committee to be appointed by your office with set TOR and timelines on reporting.
6. It is therefore recommended that we write to GTB indicating tentative approach to solve this issue and at the same time get the services operational earliest as possible.
7. Respectfully submitted

Intaz Shah
A/D-AMU
06/06/14



GOVERNMENT TENDER BOARD

P O Box 2212, Government Buildings
Suva, Fiji

Telephone: (679) 3307 011

Facsimile: (679) 3313 135

30/5/2014

Permanent Secretary for Health

Attention: Mr. Intaz Shah

Re: Hire of Specialized Labor for Maintenance Works Urgently Required at the MRI Machine Room at CWM Hospital – FPBS Ministry of Health


The Government Tender Board in its Meeting No. 9/2014 held on 28/5/2014 deliberated on your request for the above.

The Board noted the recommendation and justifications submitted. However, the Board raised its concern that no one is held responsible for the damages.

The Board also queried whether the project is still under warranty. The Board highlighted that whoever had done the initial project should bear some of the costs, if the workmanship was not up to the required standard.

The Board also queried whether there is a possibility of EBOS sharing some of the costs for the repair works.

In view of the above, the Board deferred making a decision pending further clarification.


Mr A. Wilson

Secretary – GTB

cc: Chairman GTB

Confidential

Roneel Sukhu

From: Eloni T. Tora
Sent: Tuesday, 1 July 2014 3:35 p.m.
To: Sim Arthur; 'Bernie Davies'; Shah I. Mohammed; 'Ravindra Prasad'
Cc: Jemesa Tudravu; Paula N. Bavou; Soro Toutou; Jone Salabuco; Apolosi Vosanibola; Roneel Sukhu; Ami Prasad; Marika Luveniyali; Meciusela Tuicakau; 'Greg Evans'; 'BOWLER, Chris (GE Healthcare)'; Aman C. Sharma
Subject: RE: Update for MRI Room - Finance

Much appreciated Sim.

Ami & Shah: Kindly organise the payment for Thursday pl. Vinaka.

From: Sim Arthur [mailto:sarthur@ebos.co.nz]
Sent: 01 July 2014 13:51
To: Eloni T. Tora; 'Bernie Davies'; Shah I. Mohammed; 'Ravindra Prasad'
Cc: Jemesa Tudravu; Paula N. Bavou; Soro Toutou; Jone Salabuco; Apolosi Vosanibola; Roneel Sukhu; Ami Prasad; Marika Luveniyali; Meciusela Tuicakau; 'Greg Evans'; 'BOWLER, Chris (GE Healthcare)'; Aman C. Sharma
Subject: RE: Update for MRI Room - Finance

Hi Dr Eloni,

Many thanks for your assurance. I have just confirmed with ACEPT now and we are underway.

Best regards

Sim

From: Eloni T. Tora [mailto:etora@govnet.gov.fj]
Sent: Tuesday, 1 July 2014 11:33 a.m.
To: Sim Arthur; 'Bernie Davies'; Shah I. Mohammed; 'Ravindra Prasad'
Cc: Jemesa Tudravu; Paula N. Bavou; Soro Toutou; Jone Salabuco; Apolosi Vosanibola; Roneel Sukhu; Ami Prasad; Marika Luveniyali; Meciusela Tuicakau; 'Greg Evans'; 'BOWLER, Chris (GE Healthcare)'; Aman C. Sharma
Subject: RE: Update for MRI Room - Finance

Hi Sim!

I can assure you that the 50% deposit payment will be made so can the planned activities including the sending of materials go ahead while we organise ourselves here pl. Thank you for your Team's support.

Regards.

Eloni

PSH

From: Sim Arthur [mailto:sarthur@ebos.co.nz]
Sent: 01 July 2014 10:56
To: 'Bernie Davies'; Shah I. Mohammed; 'Ravindra Prasad'
Cc: Jemesa Tudravu; Paula N. Bavou; Soro Toutou; Jone Salabuco; Apolosi Vosanibola; Roneel Sukhu; Ami Prasad; Eloni T. Tora; Marika Luveniyali; Meciusela Tuicakau; 'Greg Evans'; 'BOWLER, Chris (GE Healthcare)'; Aman C. Sharma
Subject: RE: Update for MRI Room - Finance
Importance: High

Bula Everyone,

Further to Bernie's e mail below, please find attached the revised contract ready for signing at your end. ACEPT have advised that they are ready to begin sending materials to Fiji, and anticipate being on site on July 14th. As I have mentioned in previous e mails, EBOS has no financial interest in this repair project. Our interest is to assist and facilitate where possible to ensure we affect this repair and restore services with utmost speed.

Therefore, on our receipt of the 50% deposit, ACEPT will proceed to send up equipment and materials. They need to have confirmation of this by close of business **Thursday 3rd July** at the latest to ensure they can get space on the plane. If re-scheduling is necessary, the next available date will be mid-August at the earliest.

Please also find attached the requested insurance certificates covering ACEPT on this job.

We look forward to confirmation of the contract and deposit at your earliest convenience.

Best regards
Sim

Simeon Arthur
Regional Sales Manager | EBOS International

108 Wrights Road, Addington | PO Box 411, Christchurch, New Zealand
Ph +64 3 338 0999 | Fax +64 9 415 4014 | Mob +64 21 814939 | www.ebos.co.nz

From: Bernie Davies [mailto:bdavies@ebos.co.nz]

Sent: Wednesday, 25 June 2014 4:19 p.m.

To: 'Shah I. Mohammed'; 'Ravindra Prasad'

Cc: 'Jemesa Tudravu'; 'Paula N. Bavou'; 'Soro Toutou'; 'Dyde, Nick (GE Healthcare)'; 'Jone Salabuco'; 'Apolosi Vosanibola'; 'Roneel Sukhu'; 'Ami Prasad'; 'Eloni T. Tora'; 'Marika Luveniyali'; 'Meciusela Tuicakau'; 'Greg Evans'; 'Sim Arthur'

Subject: Update for MRI Room - Finance

Bula one and all,

By way of copy I am advising that our legal team is able to look at the Contract document this Friday. At which point we will be able to come back to you with the necessary changes for us to sign and then acceptance. We have previously highlighted several changes ahead of the Friday meeting including changing the Contract to be between EBOS Group Ltd (not ACEPT) and MoH; Removal of any Performance Bond; Payment in AUD - 50% with order (prior to starting the work) and 50% within 7 days on completion & signed acceptance.

Due to Sim's absence I have stepped in however he is back in the office now so effective immediately Sim will be the lead contact person for this Project.

Sim will handle the Repair and Finance for this project in order that he can coordinate both and ensure timely actions across both. While I am happy to be copied in, please direct all correspondence to Sim from now on.

Thanks for your future consideration and cooperation

Kind regards

Bernie

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Any views expressed in this message are those of the individual sender, except where the message states otherwise and the sender is authorized to state them to be the views of any such entity.

Thank You.

MEMORANDUM

FROM: The Solicitor General

PHONE: 330 9866 ext- 312347

TO: The Permanent Secretary for Health

DATE: 17/06/2014

RE: Agreement with A.C.E.P.T Pty Limited – Repair Works at MRI Machine Room at CWM Hospital

"CONFIDENTIAL AND LEGALLY PRIVILEGED"

Attention: Mr. Roneel Sukhu

1. We refer to the above and to your 13 June 2014 Memorandum.
2. We note that the Ministry wishes to engage the above-named company to carry out repair works at the MRI Machine Room at CWM Hospital and the approved amount to be paid to the Company is \$203,891.85 (VIP).
3. We refer to our comments under the payment schedule of the Agreement and request that the Ministry obtain the necessary approval from the Ministry of Finance before processing the 50% advance payment.
4. We have perused the draft Agreement and have made the necessary amendments. Please find enclosed a copy of the Agreement as drafted by this Office. A soft copy of the same can be provided upon request. The Agreement should be ready for execution once the Parties agree on the terms of the Agreement.
5. Should you need further clarifications in relation to the above matter, please do not hesitate to contact the undersigned.

Thank you.


.....

Laite Ramoce

Legal Officer

for THE SOLICITOR-GENERAL



DINEM HOUSE
88 AMY ST., TOORAK
BOX 2223, GOVT.BUILDING
SUVA, FIJI.

MINISTRY *of* HEALTH &
MEDICAL SERVICES
Shaping Fiji's Health

PHONE : (679) 3306177
FAX : (679) 3306163

EMAIL: info@health.gov.fj

Reference: MD 3/4/1

Date: 06/05/2016

MEMORANDUM

From : Permanent Secretary for Health and Medical Services
To : The Manager, Information Technology & Computing Services
Subject: Reconsideration of vendor for Cabling works (CWM Hospital)

Requesting for another vendor to complete the pending cabling work for CWM hospital. The tender was awarded to Infosys Fiji Limited (Tender No. ITC Contract 2/2013 – Structured Cabling for CWM Hospital) but, the vendor was unable to complete cabling work on time resulting in delays which affected Ministry's health information systems such as PATISplus, CMRIS and LIMS and therefore selecting another vendor from the list would be the best option to avoid delays.

Ministry of Health and Medical Services do not wish to proceed with any further works with this vendor.

Submitted for your necessary actions.

Sincerely,



Dr. Meciusela Tuicakau

Permanent Secretary for Health and Medical Services

SECTION 26: MINISTRY OF LOCAL GOVERNMENT, URBAN DEVELOPMENT AND ENVIRONMENT
RESPONSES TO THE 2014 OAG REPORT TO PUBLIC ACCOUNTS COMMITTEE:

PART A: FINANCIAL STATEMENT	MINISTRY OF LOCAL GOVERNMENT, HOUSING & ENVIRONMENT
26.1 Audit Opinion	The Audit of the 2014 Accounts of the Ministry of Local Government, Urban Development and Environment resulted in the issue of a qualified audit report.
26.2 Statement of Receipts & Payments	The Ministry collected revenue amounting to \$249,450 and incurred expenditure totaling \$19,018,640 in 2014. The Ministry's revenue increased by \$63,496 or 34.1% in 2014 compared to 2013 due to increase in Town & Country Planning Fees collected, increase in Commission Revenue and increase in miscellaneous revenue. Total expenditure increased by \$7,388,554 or 63.5% in 2014 compared to 2013 due to increase in staff establishment, capital construction and purchase, and increase in capital grants and operations.
26.3 Appropriation Statement	The Ministry incurred expenditure totaling \$19,018,640 in 2014 against a revised budget of \$22,749,604 resulting in saving of \$3,730,964 or 16.4%.
26.4 Statement of Losses	There was no loss reported for the Ministry in 2014. A Board of Survey for the year ending 31 December 2014 was conducted by the Ministry.

26.5 Trust Fund Account Statement of Receipts & Payments	The Environment Main Trust Fund Account had \$2,872,275 credit balance for the year 2014 compared to a credit balance of \$2,094,231 in 2013.
PART B: AUDIT FINDINGS	
26.6 Main Trust Fund Account – Unreconciled Balances	<p>The un-reconciled variance of \$593,940.51 was inherited by the Ministry from the Ministry of Lands following change in Ministerial portfolio in 2010 resulting in the transfer of the Trust Fund Account.</p> <p>The Ministry noted some mis-postings were committed by the FMIS in transition from the Ministry of Lands to the Ministry, and anomalies were rectified which had thus reduced the variance to \$330,085 in 2015 compared to 2014.</p> <p>The Ministry ensures it will continue to rectify the inherited anomaly in accordance with the regulations and procedures in place.</p>
26.7 Variance in FNPf Figures	<p>The Ministry had clarified this with OAG that this variance occurred due to the payments of 2014 December FNPf in January the following year. This had been rectified in 2015.</p> <p>The Ministry ensures it will strictly follow finance regulations and procedures in place pertaining to monthly reconciliation of salaries and wages.</p>
26.8 VAT Reconciliation	<p>The Ministry noted the audit issue and recommendations of the OAG. Necessary actions were effected in 2015 to rectify the anomaly.</p> <p>The Ministry ensures it will strictly follow the finance regulations and procedures in place pertaining to VAT payments and preparation of VAT Returns.</p>
26.9 Construction of Naboro Landfill Stage 2	<p>The Ministry noted the audit issue and the recommendations of the OAG.</p> <p>• capital projects are properly planned and managed so that</p>

funds allocated are effectively used within the fiscal year;

The Ministry had executed proper planning (vide Gant Chart) for the Design and construction of the Naboro Landfill Stage 2; however due to unforeseen circumstances in particular the 15% WHT policy, the Contract for Designs work was not finalized in 2014.

Subsection 2 of Section 8A of Income Tax Act of Fiji subjects Coffey Geotechnics PTY Ltd for the payment of the 15% Non-resident Miscellaneous Withholding Tax (WHT). The company was not in agreement to the payment of the WHT. According to the Group Tax Manager of Coffey Geotechnics PTY Limited, payment of the WHT would contradict the Australia-Fiji Double Tax Agreement since the company will be liable to pay the tax on the same income in Fiji and as well as Australia. The issue was resolved in early 2015 following discussions and advice by the FRCA and Ministry of Finance whereby the Ministry will be paying for the 15% WHT from the Naboro Landfill Stage 2 Capital Project allocation.

Please note that it would not have become an issue should the Fiji Procurement Office had included the 15% WHT for non-residents in the Bidder's checklist. The Ministry had raised its concerns to the FPO and requested that such condition be considered.

The Ministry admits that work under this Capital Project was not properly managed and this is due to staff workload and therefore the Ministry has assigned a desk officer this year solely responsible for ensuring works are carried out as per the Capital Project work plan.

- **works on the construction of the phase of the Landfill commences immediately;**

Please note Construction of Stage 2 will only commence after we receive the final Design from Coffey Geotechnics Pty Ltd and complete the tender process for the engagement of a contractor to construct Stage 2.

However, the Ministry supports the recommendations provided and understands the issue at hand on the limited airspace.

The Ministry therefore had met with the contractor on 15th June, 2015 requesting for their assistance on the possibility in producing an intermediate design for 2 years airspace due to the urgency to create airspace before the existing available space is full.. The intermediate design is just a portion of Stage 2.

Therefore, the latter part of Stage 2 can be designed once the intermediate designs for the temporary airspace has been submitted. Coffey confirmed that they can produce the intermediate design which could be submitted to the Ministry by end of July, 2015.

The Ministry therefore intends to request for waiver of tender process to Ministry of Finance for the construction of the "immediate space" simultaneously when the immediate designs are being finalised by Coffey International.

- **There is a master plan in place for the long term sustainability of the landfill.**

Under the Green Growth Framework; the Ministry has received funding this year to conduct a feasibility study on the set-up of a Fiji's Waste Management Authority (WMA). The WMA will then work to oversee Waste Management and Landfill operations and developments throughout the country.

<p>26.10 Waste Transfer Station</p>	<p><u>Ministry Further Comments:</u> This is due to change in tax policy for foreign a company who does civil construction in Fiji.</p> <p>The Ministry noted the audit issue and the recommendations of the OAG. Whilst the Ministry admits that work under this Capital Project was not properly managed, this was due mainly to staff workload as the only officer available was also responsible delivering on the other capital projects. Moving forward the Department has assigned a desk officer this year solely responsible for ensuring works are carried out as per the Capital Project work plan.</p> <p><u>Ministry Further Comments:</u> The delays were due to the objection from the community on the nature of the project where number of consultations made was not successful.</p>
<p>26.11 Operation of Naboro Landfill</p>	<p>The Ministry noted the audit issue and the recommendations of the OAG.</p> <p>The Ministry had requested for the recruitment of a qualified Engineer through the 2015 Budget submission but was unsuccessful.</p> <p>The officer would be responsible to act in position of an Engineer to the Naboro Landfill Operations Contract, Landfill and Waste Transfer Station development Capital projects and to develop future waste management capital projects. The Engineer will provide much needed expertise in the field of civil engineering, project inception, management and development which the Ministry currently lacks. In terms of national development, the inclusion of the engineer will enhance efficiency, accountability, good governance and delivery in national waste management infrastructure development as stated under Pillar 5 of Peoples Charter of Achieving Higher Economic Growth while ensuring Sustainability.</p>

	<p><u>Ministry Further Response:</u> The Ministry had engaged the services of the Civil Engineer based in the Department of Housing and the a JICA Senior Volunteer with engineering background based at Nausori Town Council to rectify these issues.</p>
<p>26.12 Naboro Landfill Debtors</p>	<p>Currently, the Ministry has requested Ministry of Infrastructure to provide engineering services for the Operation of Naboro Landfill.</p> <p>The Ministry noted the audit issue and the recommendations of the OAG.</p> <p>As per the specifications, the contractor has to pass all revenue from the operations of the Naboro landfill to the principal and assumes responsibility for recovering all debts that are incurred for customers allowed on credit basis. The specifications state that the contractor must ensure that there are sufficient funds in the nominated trust fund to ensure payment to the contractor for the previous month's; this in itself acts as a control for requiring the contractor to recover a minimum of \$230k-\$250k from its creditors.</p> <p>We also note that majority of the debtors are municipal councils and the Ministry also being responsible for the affairs of Local Governments appreciates the variable and volatile cash flows experienced by the councils mentioned.</p> <p>The subsidy is relied on regardless of the state of the creditors as the revenue in any given month is certain not to exceed the contractual costs; this is due to the fact that the gate fees are set at a level whereby revenue does not break even with the costs. To address the above disparity, cabinet has recently approved an increase in gate fee thus the Landfill is in a position to break even with the contractual costs for the first time in its history.</p>

	<p><u>Ministry Further Comments:</u></p> <p>The Ministry has addressed this issue with the municipal council through consultations in the Local Government Forum and constant follow up measures done.</p>
<p>26.13 Naboro Landfill Design and Construction of Phase 2</p>	<p>The Ministry noted the audit issue and the recommendations of the OAG.</p> <p>The Ministry had requested for the recruitment of a qualified Engineer through the 2015 Budget submission but was unsuccessful.</p> <p>The officer would be responsible to act in position of an Engineer to the Naboro Landfill Operations Contract, Landfill and Waste Transfer Station development Capital projects and to develop future waste management capital projects. The Engineer will provide much needed expertise in the field of civil engineering, project inception, management and development which the Ministry currently lacks. In terms of national development, the inclusion of the engineer will enhance efficiency, accountability, good governance and delivery in national waste management infrastructure development as stated under Pillar 5 of Peoples Charter of Achieving Higher Economic Growth while ensuring Sustainability.</p> <p><u>Ministry Further Response:</u></p> <p>The Ministry had engaged the services of the Civil Engineer based in the Department of Housing and the a JICA Senior Volunteer with engineering background based at Nausori Town Council to rectify these issues.</p> <p>Currently, the Ministry has requested Ministry of Infrastructure to</p>

	provide engineering services for the Operation of Naboro Landfill while awaiting the recruitment of the Engineer.
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Ministry of Local Government, Housing and Environment

Supplementary Questions from the Public Accounts Committee: 17 May 2017

PARLIAMENTARY PAPER NO.	QUESTION	Ministry's (MLGHE)Response																		
<p>Report of the Auditor General</p> <p>Volume 3: Audit Report on the Social Services Sector</p> <p>(Parliamentary Paper No.65 of 2015)</p> <ul style="list-style-type: none">• Audit for 2014 Accounts	<p>Section 25: Department of Housing</p> <p>1) Provide the detailed breakdown of the Miscellaneous Revenue identified in the Statement of Receipts and Expenditure (25.2) for the 2014 Audit Report.</p> <p>2) Provide details on the City Wide Trust Fund Unsubstantiated Variance (25.5) and the withdrawal of \$7000 from this account.</p>	<p>1) The Department of Housing is a non-revenue collecting agency thus the revenue recorded was due to misposting.</p> <p>The City Wide Trust Account [CWTA] was approved through the Ministry of Finance in 2011 with the City Wide Trust Account opened with Bank of the South Pacific. The four trustees to CWTA are the then Permanent Secretary [Mrs Taina Tagicakibau, People Community Network Advisor Father Kevin Barr, PCN National Director Mr Semiti Qalowasa and Director of Housing Mr Kolinio Bola</p> <p>In the signed MOA, Asian Coalition Housing Rights [ACHR] was to provide a funding of 610,000 USD over the 3 years for the implementation of city wide Incremental Upgrading Programme in 15 cities between 2013 and 2016. This fund was only provided in the first year of the project implementation and was never provided by ACHR in the 2nd and 3rd year of implementation</p> <p>In the inception of the programme in 2011, the first instalment of FJ\$380,000 plus was deposited to the CWT Account No 8053715 with the Bank of South of Pacific on 8/11/2011.</p> <p>The Ministry through the National Joint Committee approved five [5] City Wide Incremental Upgrading Programme which was implemented by the five town council as shown in Table 1</p> <p>Table 1- List of City Wide Incremental Upgrading Programme which was implemented by the five Town Councils</p> <table><tr><th>No</th><th>Project Description</th><th>Town Council</th><th>Status of the Project</th><th>Project Cost</th><th>Number of families project site assisted</th></tr><tr><td>1</td><td>Taiperia Settlement Road Upgrading</td><td>Lautoka Council</td><td>Completed</td><td>\$71427.00</td><td>100 families</td></tr><tr><td>2</td><td>Vunikavika Settlement Road Upgrading and Nayawa Drainage Upgrading Project</td><td>Sigatoka Town Council</td><td>Completed</td><td>\$98,043.00</td><td>100 families</td></tr></table>	No	Project Description	Town Council	Status of the Project	Project Cost	Number of families project site assisted	1	Taiperia Settlement Road Upgrading	Lautoka Council	Completed	\$71427.00	100 families	2	Vunikavika Settlement Road Upgrading and Nayawa Drainage Upgrading Project	Sigatoka Town Council	Completed	\$98,043.00	100 families
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2	Vunikavika Settlement Road Upgrading and Nayawa Drainage Upgrading Project	Sigatoka Town Council	Completed	\$98,043.00	100 families															

3	Kalekana Sanitary Project	Lami Council Council	Completed	\$80,399.00	30 families
4	Vatua Sanitary Project	Nasinu Town Council	Completed	\$70884.28	30 families
5	Lagilagi Elderly and Disabled Home	Suva City Council	Completed	\$128,514.87	5 families
6.	City Wide Operation	Ministry	Done	\$22,381.00	
TOTAL				\$293,207.15	

Source: City Wide Informal Settlement Upgrading Project file 2011-2012

<p>Report of the Auditor General</p> <p>Volume 3: Audit Report on the Social Services Sector (Parliamentary Paper No. 62 of 2015)</p> <ul style="list-style-type: none"> Audit for 2014 Accounts 	<p>Section 26: Ministry of Local Government Urban Development and Environment</p> <p>1) Provide detailed explanation on the Commission outlined in the Statement of Receipts and Expenditure (26.2) for 2014 Audit Report.</p>	<p>1) The Commission revenue comprised of the Department of Town & Country Planning General Fees and Charges as in:</p> <ul style="list-style-type: none"> - Relaxation of provision fee \$183.12 - Building (development) plan search fee \$14.43 - Photocopying – A4 size \$1.50 per page - A3 size \$2.00 per page.
<p>Report of the Auditor General Volume 3: Audit Report on the Social Services Sector (Parliamentary Paper No. 60 of 2017)</p>	<p>Section 23: Department of Housing</p> <p>1) The detailed breakdown of the Miscellaneous Revenue identified in the Statement of Receipts and</p>	<p>The Housing Department is non-revenue collecting agency thus the revenue recorded was due to misposting.</p>

- Audit for 2015 Accounts

Expenditure (23.2) for the 2015 Audit Report.

- 2) Provide detailed information on the Approved Grants (for the First Home Buyers) by Divisions and dates order and the total number of applications processed in 2014 and 2015).

2014 STATISTICS – DIVISIONS

BANK	CENTRAL			WESTERN			NORTHERN			TOTAL
	\$5,000	\$10,00	0	\$5,000	\$10,00	0	\$5,000	\$10,000		
ANZ	2	9	0	6	4		1	0		22
BARODA	0	1		2	4		0	0		7
BRED	0	1		0	0		0	0		1
BSP	16	3		10	11		2	0		42
HFC	6	10		4	5		1	0		26
HA	7	56		4	4		0	0		71
WBC	3	0		2	5		0	1		11
	34	80		28	33		4	1		
	114			61			5			180

2015 STATISTICS – DIVISIONS

BANK	CENTRAL			WESTERN			NORTHERN			TOTAL
	\$5,000	\$10,00	0	\$5,000	\$10,00	0	\$5,000	\$10,000		
ANZ	15	16		21	14		6	3		75
BARODA	1	0		2	5		0	0		8
BRED	4	2		1	2		0	1		10
BSP	50	35		37	20		5	2		149
HFC	15	5		5	8		3	3		39
HA	22	40		15	21		0	0		98
WBC	7	5		3	7		0	1		23
	114	103		84	77		14	10		
	217			161			24			402

<p>Report of the Auditor General</p> <p>Volume 4: Audit Report on the Economic and Infrastructure Sector</p> <p>(Parliamentary Paper No.61 of 2017)</p> <ul style="list-style-type: none"> Audit for 2015 Accounts 	<p>Section 37: Ministry of Local Government Urban Development and Environment</p> <p>Provide exact figures in terms of the actual tonnage of waste processed and the costs paid to Contractor A as per the Audit Finding 37.12.3.</p>	<p style="text-align: center;"><u>NABORO LANDFILL</u></p> <p style="text-align: center;"><u>ANNUAL TONNAGE AND PAYMENTS – 2014</u></p> <p>Total Tonnage: - 85,837.89</p> <p>Total Contractor Payment: - \$4,817,741.26</p> <table border="1"> <thead> <tr> <th>Month</th><th>Total Tonnage</th><th>Total Contractor Payment</th></tr> </thead> <tbody> <tr><td>January</td><td>15973.84</td><td>\$231,229.44</td></tr> <tr><td>February</td><td>6405.95</td><td>\$247,953.70</td></tr> <tr><td>March</td><td>6405.95</td><td>\$228,768.16</td></tr> <tr><td>April</td><td>5959.50</td><td>\$278,634.16</td></tr> <tr><td>May</td><td>6392.53</td><td>\$229,379.88</td></tr> <tr><td>June</td><td>6041.05</td><td>\$230,295.49</td></tr> <tr><td>July</td><td>6436.31</td><td>\$234,401.65</td></tr> <tr><td>August</td><td>5758.09</td><td>\$259,560.03</td></tr> <tr><td>September</td><td>5758.09</td><td>\$226,212.59</td></tr> <tr><td>October</td><td>6947.90</td><td>\$239,938.45</td></tr> <tr><td>November</td><td>6246.57</td><td>\$235,113.15</td></tr> <tr><td>December</td><td>7512.11</td><td>\$2424,208.26</td></tr> <tr><td>TOTAL</td><td>85,837.89</td><td>\$4,817,741.26</td></tr> </tbody> </table> <p style="text-align: center;"><u>ANNUAL TONNAGE AND PAYMENTS - 2015</u></p> <table border="1"> <thead> <tr> <th>Month</th><th>Total Tonnage</th><th>Total Contractor Payment</th></tr> </thead> <tbody> <tr><td>January</td><td>6876.30</td><td>\$241,974.30</td></tr> <tr><td>February</td><td>7627.14</td><td>\$231,924.68</td></tr> <tr><td>March</td><td>8101.62</td><td>\$247,422.52</td></tr> <tr><td>April</td><td>6383.61</td><td>\$236,266.81</td></tr> <tr><td>May</td><td>6364.06</td><td>\$227,384.32</td></tr> <tr><td>June</td><td>7251.51</td><td>\$240,471.98</td></tr> <tr><td>July</td><td>6799.80</td><td>\$236,167.01</td></tr> </tbody> </table>	Month	Total Tonnage	Total Contractor Payment	January	15973.84	\$231,229.44	February	6405.95	\$247,953.70	March	6405.95	\$228,768.16	April	5959.50	\$278,634.16	May	6392.53	\$229,379.88	June	6041.05	\$230,295.49	July	6436.31	\$234,401.65	August	5758.09	\$259,560.03	September	5758.09	\$226,212.59	October	6947.90	\$239,938.45	November	6246.57	\$235,113.15	December	7512.11	\$2424,208.26	TOTAL	85,837.89	\$4,817,741.26	Month	Total Tonnage	Total Contractor Payment	January	6876.30	\$241,974.30	February	7627.14	\$231,924.68	March	8101.62	\$247,422.52	April	6383.61	\$236,266.81	May	6364.06	\$227,384.32	June	7251.51	\$240,471.98	July	6799.80	\$236,167.01
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	Total	August	6860.68	\$237,069.43	Tonnage: - <u>8,4491.18</u> Contractor Payment: - <u>\$2,887,437.02</u>
		September	7060.01	\$235,405.72	
		October	7281.61	\$255,789.70	
		November	6896.42	\$256,954.65	
		December	6988.42	\$240,605.90	
		TOTAL	84491.18	\$2,887,437.02	

Section 27 Ministry of Social Welfare, Women and Poverty Alleviation

Role and Responsibilities

There are two departments under the Ministry of Social Welfare, Women and Poverty Alleviation whose plans all across the units are aligned to the core vision of the Roadmap for Democracy Sustainable Socio-Economic Development (2009 – 2014) which is to create “A Better Fiji for All” and the provisions under relevant sections under the 2013 Constitution.

Department of Social Welfare

The Department of Social Welfare's primary role is to alleviate poverty through providing welfare support and empowering people who are disadvantaged in all the vulnerable section of the community including the underprivileged children as stipulated in the relevant legislation. It is also responsible for the administration of Poverty Alleviation Programmes through seed grants for Income Generating Projects to eradicate poverty.

Department of Women

The Department of Women is the primary advisor to Government on public policies that affect women and the key catalyst for the implementation of the National Women's Plan of Action 2010 - 2019 which includes the strategic objectives and directions for action in the following five thematic areas: i) Formal Sector Employment and Livelihood; ii) Equal participation in decision making; iii) Eliminating of violence against women and children; iv) Access to basic services and v) Women and the Law. These areas of concern are aligned to key International Conventions and Agreements including the Convention on the Elimination of All Forms of Discrimination Against Women [CEDAW]; the Beijing Platform of Action (BPA), the Millennium Development Goals (MDGs) and Regional Agreements such as the Pacific Platform for Action. Furthermore, the Department assists the Government's work towards the full and active participation of women in society.

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PART A: FINANCIAL STATEMENT

27.1 Audit Opinion

The audit of the 2014 accounts of the Ministry of Social Welfare, Women and Poverty Alleviation resulted in the issue of a qualified audit report. The qualifications were as following:

- The Ministry of Social Welfare, Women and Poverty Alleviation did not complete the annual Board of Survey for the whole Ministry.
- The Ministry did not include in the Statement of Losses the amount of \$113,548.42 written-off by the Ministry of Finance from the Ministry's Drawings account. As a result, the correctness of the Statement of Losses submitted by the Ministry could not be verified.

27.2 Statement of Receipts and Expenditure

The Ministry collected revenue amounting to \$17,594 and incurred a total expenditure of \$35,534,832 in 2014. Details are provided in Table 27.1 below.

Table 27.1: Statement of Receipts and Expenditure for 2014

Description	2014 (\$)	2013 (\$)
RECEIPTS		
State Revenue		
Commission	1,367	1,949
Total State Revenue	1,367	1,949
Agency Revenue		
Miscellaneous Revenue	16,227	5,471
TOTAL REVENUE	17,594	7,420
EXPENDITURES		
Operating Expenditure		
Established Staff	3,711,554	2,901,265
Unestablished Staff	603,724	493,431
Travel & Communication	252,441	179,218
Maintenance & Operations	811,647	486,847
Purchase of Goods & Services	629,534	479,576
Operating Grants & Transfers	27,656,516	24,050,035

Description	2014 (\$)	2013 (\$)
Special Expenditures	490,396	247,618
Total Operating Expenditure	34,155,812	28,837,990
Capital Expenditure		
Capital Construction	235,520	149,492
Capital Purchases	---	---
Capital Grants & Transfers	902,037	629,355
Total Capital Expenditure	1,137,557	778,847
Value Added Tax	241,463	220,646
TOTAL EXPENDITURE	35,534,832	29,837,483

The Ministry's revenue increased by \$10,174 or 137.1% in 2014 compared to 2013 due to significant increase in Miscellaneous Revenue.

The total expenditure increased by \$5,697,349 or 19.1% in 2014 compared to 2013 due to the introduction of the Expanded Food Voucher Program for pregnant mothers in rural areas, increase in the number of recipients for the Poverty Benefit Scheme, Social Pension Scheme and Care and Protection Scheme and construction of new Women's Resource Centres.

27.3 Appropriation Statement

The Ministry of Social Welfare, Women and Poverty Alleviation incurred expenditure totalling \$35,534,832 in 2014 against the budget of \$39,588,899 resulting in savings of \$4,054,067 or 10.2%. Details are provided in Table 27.2.

Table 27.2: Appropriation Statement for 2014

SEG	Item	Budget Estimate (\$)	Changes (\$)	Revised Estimate (\$)	Actual Expenditure (\$)	Lapsed Appropriation (\$)
1	Established Staff	3,478,881	232,693	3,711,574	3,711,554	20
2	Unestablished Staff	424,442	179,494	603,936	603,724	212
3	Travel & Communication	170,900	86,326	257,226	252,441	4,785
4	Maintenance & Operations	477,826	338,219	816,045	811,647	4,398
5	Purchase of Goods & Services	655,800	(30,482)	625,318	629,534	(4,216)
6	Operating Grants & Transfers	32,441,220	(910,183)	31,531,037	27,656,516	3,874,521
7	Special Expenditure	677,430	(61,566)	615,864	490,396	125,468
	Total Operating Costs	38,326,499	(165,499)	38,161,000	34,155,812	4,005,188
	Capital Expenditure					
8	Capital Construction	180,000	55,566	235,566	235,520	46
10	Capital Grants and Transfers	800,000	106,259	906,259	902,037	4,222
	Total Capital Expenditure	980,000	161,825	1,141,825	1,137,557	4,268
13	Value Added Tax	282,400	3,674	286,074	241,463	44,611
	TOTAL EXPENDITURE	39,588,899	---	39,588,899	35,534,832	4,054,067

27.4 Statement of Losses

The Board of Survey for the year 2014 was not completed for the Northern, Western and Central/Eastern Divisions for the year ended 2014. In addition, no Board of Survey was carried out for

the Social Welfare Department and the Corporate Section of the Ministry for the year 2014. The Ministry recorded a loss of safe amounting to \$962.

PART B: AUDIT FINDINGS

27.5 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.¹

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.²

A new format of the Drawings account reconciliation was introduced by the Ministry of Finance effective from 1/1/14 through the Finance Circular Number 2/2014. The Ministry of Finance did not carry out any training on the new format for the Ministry and prepared the reconciliations on behalf of the Ministry.

The audit noted the following anomalies in the Ministry's Drawings account.

- A variance of \$147,776.89 existed between the Ministry's closing balance for 2013 and the opening balance for 2014 used by the Ministry of Finance for carrying out the Drawings account reconciliation on behalf of the Ministry. Refer to Table 27.3 for details.

Table 27.3: Variance in Opening Balance in Drawings Account

Description	2013 Closing Balance As Per Ministry's Reconciliation (\$)	2014 Opening Balance Used By Ministry Of Finance (\$)	Variance (\$)
Drawings Account	2,213,676.46	2,065,899.57	147,776.89

- The Ministry of Finance prepared the Drawings account reconciliations for the Ministry on a monthly basis for the months of July to October 2014 only. The Ministry of Finance combined the reconciliations for the months of January to May and the months of November to December 2014.
- The closing balance of Ministry's Drawings account reconciliation for the month of May 2014 and the opening balance for the month of June 2014 had a variance of \$2,854,298.86. Refer to Table 27.4 for details.

Table 27.4: Variance in Closing and Opening Balance in Drawings Account for the months of May and June

Description	Closing Balance As Per May Reconciliation (\$)	Opening Balance As Per June Reconciliation (\$)	Variance (\$)

¹ Finance Instruction 2010 - Section 32 (6)

² Finance Instruction 2010 - Section 31(5)

Description	Closing Balance As Per May Reconciliation (\$)	Opening Balance As Per June Reconciliation (\$)	Variance (\$)
Drawings Account	3,257,621.54	403,322.68	2,854,298.86

- The Ministry did not carry out Board of Survey for the unrepresented cheques as at 31/12/14.
- A variance of \$1,521,623.18 existed between the Ministry's Drawing account reconciliation and the FMIS general ledger balance as at 31/12/14. Refer to Table 27.5 for details.

Table 27.5: Variance in closing balance in Drawings Account

Description	Balance As Per Drawings Account Reconciliation (\$)	Balance As Per FMIS (\$)	Variance (\$)
Drawings Account	3,472,703.75	1,951,080.57	1,521,623.18

The findings indicate lack of supervision and monitoring by Senior Officers and lack of coordination between the Ministry and the Ministry of Finance.

Recommendations

The Ministry should ensure that:

- adequate supervision and monitoring is provided by the senior officers to their subordinates;
- concerted effort is made to liaise with the Ministry of Finance to ensure the records between the two Ministries are reconciled;
- the correct closing balance for the year 2013 is used as the opening balance for the year 2014;
- monthly reconciliations are prepared for the Drawings account;
- Board of Survey of the unrepresented cheques is carried out at the end of the year;
- necessary adjustments are made to rectify the variances; and
- appropriate disciplinary action is taken against responsible officers.

Ministry's Comments

Drawings reconciliation is carried out by MOE with closing balances brought forward to the next financial year. However drawings recon was carried out on the balances at that time but should have been carried out on the right balances as according to the GL.

*Necessary adjustments are normally carried out with consultation with MOE who is carrying out reconciliation at that time.
Also at this time MOE needs to carry out training of this reconciliation to the Ministry.*

27.6 Unpresented Cheques Listing

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.³

Electronic Funds Transfer (EFT) is the electronic exchange, transfer of money from one account to another, either within a single financial institution or across multiple institutions, through computer-based systems.⁴

EFT's numbers are automatically generated in the FMIS Ledger for individual payments. The processing for the EFT's is done in batches by the Bank.

The audit noted that the Ministry of Finance while carrying out the bank reconciliations could not map the batch postings in the bank statement to the EFT numbers generated in the FMIS Ledger.

As a result, the unpresented cheques totalling to \$3,472,703.25 for the Ministry as at 31/12/14 was inclusive of \$1,404,786.08 or 40.5% of the EFT. In addition some of the EFT amounts included in the Drawings account reconciliation as at 31/12/14 were dated as far back as 2013. Hence, the Drawings account reconciliation does not reflect the correct amount of the unpresented cheques listing at balance date. Refer to Appendix 27.1 for details of EFT's reflected in the unpresented cheques listing.

The findings indicate poor reconciliation and monitoring process of the Drawings accounts. As a result the unpresented cheques listing was overstated by \$1,404,786.08 at balance date.

Recommendation

The Ministry should liaise with the Ministry of Finance to ensure that proper reconciliation of the unpresented cheques is carried out.

Ministry's Comments

MOE as stated carrying out drawings recon and always liase with the ministry on rectifying of misposting and raising of journal to any misposting done by the ministry. However MOE still carry out reconciliation at this time.

27.7 Statement of Losses

Statement of Losses is a component of the Agency Financial Statement which includes the loss of cash, loss of assets and write-offs reported during the financial year.

The audit of Statement of Losses for the Ministry revealed the following anomalies.

- The losses statement shall provide information on losses written-off during the financial year and the status of recoveries of losses.⁵

³ Finance Instruction 2010 - Section 32 (6)

⁴ Wikipedia

⁵ Ministry of Social Welfare, Women and Poverty Alleviation 2013, Section 14.1.8

The Ministry did not include in the Statement of Losses the amount of \$113,548.42 written-off by the Ministry of Finance from the Ministry's Drawing account in 2014.

Due to negligence on the part of the management the Statement of Losses was not correctly reported. As a result the losses may not be properly disclosed by the Ministry in the Statement of Losses.

- An annual board of survey must be conducted each year to verify the existence and condition of assets recorded on the asset register provided that, for 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.⁶

The audit of Statement of Losses revealed that the Ministry did not complete its Board of Survey for the year ended 31/12/14.

As at the date of audit⁷ the Board of Survey was not completed for Northern, Western and Central/Eastern Divisions. In addition the Board of Survey was not carried out for the Social Welfare Department and the Corporate Section of the Ministry. Furthermore the Board of Survey carried out in 2014 was declared as invalid by the Ministry of Finance. As confirmed by the Principal Assistant Secretary this was due to the fact that the committee members submitted to Ministry of Finance was different from the members who carried out the actual Board of Survey in 2014.

Due to lack of proper planning and coordination by the Ministry, the Board of Survey for 2014 was not complete.

As a result the losses may not be properly disclosed by the Ministry in the Statement of Losses.

Recommendations

The Ministry should ensure that:

- **all the write-offs are adequately reported in the Statement of Losses;**
- **annual Board of Survey is properly planned so that correct amount is reflected in the financial statement;**
- **annual Board of Survey is conducted before agency financial statement audit to ensure losses are properly disclosed;**
- **the members whose names are submitted to the Ministry of Finance are the ones who carry out the actual Board of Survey; and**
- **appropriate disciplinary action is taken against responsible officers.**

Ministry's Comments

The comments from OAG are noted and BOS was not conducted due to the above stated reason..

⁶ Financial Instructions 2010 Section 49 (1)

⁷ 31/3/14

27.8 Overdrawn Operating Trust Fund Account

Operating Trust Fund account consists of other moneys that were recorded as trust such as salary deductions payable to other entities, insurance premium deductions from employees, Fiji National Provident Fund deductions from employees etc. These other moneys were recorded in the Operating Trust Fund account and by convention should always have credit balances. Thus, the Trust Fund accounts should not at any time be overdrawn.

The audit noted that the Ministry's Operating Trust Fund account was overdrawn by \$407.87 as at 31/12/14. Refer to Table 27.6 for details.

Table 27.6: Overdrawn Operating Trust Fund Account

Account Number	Description	Amount (\$)
1-24101-24999-861307	264 PD Home Finance Company	316.19
1-24101-24999-861501	286 PD Fiji Public Service Association	6.68
1-24101-24999-861525	316 PD Service Worker Credit Union	15.00
1-24101-24999-861616	PD Maintenance Nasinu	30.00
1-24101-24999-861927	PD Fijian Holdings Unit Trust	20.00
1-24202-91011-861101	202 PD OPR Current Year	20.00
Total		407.87

The overdrawn Trust Fund accounts may arise from payments to the organisations for which deductions were not made.

The finding indicates inadequate reviews by Senior Officers of deductions made and paid to various organisations.

Recommendations

The Ministry should:

- ensure that adequate reviews are carried out by the Senior Officers on the Trust Fund accounts;
- ensure that Trust Funds are not overdrawn at any time;
- ensure that salaries/wages deducted from the employees are paid to the appropriate organisation; and
- investigate the overdrawn Trust Fund account balance as at 31/12/14 and take appropriate corrective action.

Ministry's Comments

Trust fund was noted of its overdrawn due to the brought forward balance from previous years. This is due to misposting done in the trust fund allocation at that time. The reconciliation has been carried out and adjustments been done with consultation with MOE, now trust fund balance is in credit balances. Respective deduction is paid out in the same week to all organization.

27.9 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 per cent on the supply (but not including an exempt supply) in Fiji of goods and services on or after the 1/7/92, 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.⁸

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.⁹

The current rate of VAT is 15 cents of every dollar spent on goods and services bought and sold with exception of zero-rated and exempted supplies.

The review of the monthly VAT returns revealed the following anomalies:

- A variance of \$176,598.13 existed between the VAT paid to FRCA for the year 2014 and the balance disclosed in the FMIS general ledger. Refer to Table 27.7 for details.

Table 27.7: Variance in VAT reconciliation

Details	Amount (\$)
VAT payments (Input VAT) as per Statement of Receipts and Expenditure	241,462.62
VAT payments (VAT payments to FRCA and Input VAT) as per VAT Returns for 2014	64,864.49
Un-reconciled variance	176,598.13

- Ministry of Finance Circular 9/95 provides the guidelines for the preparation of VAT returns. The Circular also provides an example to guide accountants in the preparation of VAT returns.

The Ministry changed the methodology for preparation of VAT Returns from the month of April 2014. The Ministry did not account for sales and income in VAT returns from April onwards. In addition the Ministry did not account for VAT on the budget loading by the Ministry of Finance. Refer to Table 27.8 for details.

Table 27.8: VAT returns for 2014

Month	Taxable Supplies (VIP) (\$)	VAT Output (\$)	VAT Input (\$)	VAT Payable (Refund) (\$)
January	88,276.22	11,514.29	9,548.24	1,966.05
February	139,507.43	18,196.62	16,920.40	1,276.22
March	269,510.81	35,153.58	36,118.84	(965.26)
April	---	---	29,553.85	(29,553.85)
May	---	---	21,200.28	(21,200.28)
June	---	---	19,172.20	(19,172.20)
July	---	---	13,645.55	(13,645.55)
August	---	---	13,693.07	(13,693.07)
September	---	---	19,571.16	(19,571.16)
October	---	---	24,340.28	(24,340.28)
November	---	---	13,712.01	(13,712.01)

⁸ Value Added Tax Decree 1991 revised to 4th March 2011 – Section 15 (1)

⁹ Finance Circular No 9/95

Month	Taxable Supplies (VIP)	VAT Output	VAT Input	VAT Payable
	(\$)	(\$)	(\$)	(Refund) (\$)
December	---	---	30,549.70	(30,549.70)
Total	497,294.46	64,864.49	248,025.58	(183,161.09)

The methodology adopted by the Ministry in preparing its VAT returns effective from April 2014 is contrary to Note 2 (b) of the Ministry's Special Purpose Financial Statements for the year ended 31 December 2014.

The Ministry did not comply with the Ministry of Finance circular 9/95.

The variance in the VAT reconciliation indicates that the Ministry did not correctly record the revenues and thus did not correctly pay the VAT on revenues.

Recommendations

The Ministry should ensure that:

- the Ministry of Finance Circular 9/95 on preparation of VAT returns is adhered to;
- VAT paid to FRCA is reconciled on a monthly basis;
- necessary steps is taken to identify the error and reconcile the records to avoid such variances in future; and
- Supervisory checks on the preparation of VAT returns is improved so that the balances reflected in the VAT returns reconcile with the FMIS.

Ministry's Comments

Currently vat reconciliation is carried out monthly as per balances in the GL. However proper reconciliation training was carried out in consultations with MOE and FRCA.

27.10 Unauthorised Journal Vouchers

Only the SAO and AO shall approve journal adjustments.¹⁰ Journal vouchers must be numbered in sequential order. Supporting documents shall be attached to the voucher.¹¹ Once the journal voucher has been approved, it shall be posted into the appropriate ledger and the general ledger system.¹²

The audit noted several instances where the journal vouchers were posted in the FMIS (general ledger) without the approval of the Principal Accounts Officer and Accounts Officer. Refer to Table 27.9 for examples.

Table 27.9: Examples of Journal Vouchers not Approved

¹⁰ Ministry of Social Welfare, Women and Poverty Alleviation Finance Manual 2013, Section 16.1.2

¹¹ Ministry of Social Welfare, Women and Poverty Alleviation Finance Manual 2013, Section 16.1.3

¹² Ministry of Social Welfare, Women and Poverty Alleviation Finance Manual 2013, Section 16.1.5

Date	Journal Voucher Number	Amount (\$)	Approved By
14/08/14	08	5,800.00	JV not approved
14/08/14	12	13,000.00	JV not approved
14/08/14	03	610.00	Clerical Officer 1
14/08/14	15	5,422.00	Clerical Officer 1
14/08/14	14	16,900.00	Clerical Officer 1
14/08/14	13	1,300.00	Clerical Officer 1
15/08/14	18	3,840.40	JV not approved
15/08/14	17	25.29	Clerical Officer 1
15/08/14	16	55.82	Clerical Officer 1
27/08/14	21	1,402.70	JV not approved
27/08/14	20	302.00	JV not approved
05/09/14	04	636.00	JV not approved
05/09/14	03	90.00	JV not approved
05/09/14	02	12,000.00	JV not approved
05/09/14	01	11,600.00	JV not approved
15/09/14	19	731.90	JV not approved
19/09/14	14	262.00	JV not approved
Total (Sample Only)		73,978.11	

The audit further noted that the journal vouchers did not include any supporting documents. Refer to Table 27.10 for examples.

Table 27.10: Examples of Journal Vouchers with no Supporting Documents

Date	Journal Voucher Number	Amount (\$)	Approved By
23/01/15	85	5,287.00	Accounts Officer
23/01/15	86	3,812.02	Accounts Officer
28/01/15	88	1,900.00	Principal Accounts Officer
28/01/15	89	500.00	Principal Accounts Officer
Total (Sample Only)		11,499.02	

The findings indicate lack of monitoring by the Principal Accounts Officer on the processing of journal vouchers. Hence there is a high risk of fraudulent or incorrect journal entries passed and processed into the FMIS (general ledger.)

Recommendation

The Permanent Secretary should investigate and take appropriate action against Principal Accounts Officer for not controlling and monitoring the processing of journals.

Ministry's comments

The OAG comments are noted. Controlling and monitoring of processing of journal vouchers are now in place with certain officers checking and supervisor approved journal vouchers before it is posted in the FMIS system.

27.11 Anomalies in New Appointments

The Permanent Secretary for each Ministry, with the agreement of the Minister responsible for the Ministry, has the authority to determine all matters pertaining to the employment of all staff in the Ministry, including:

- the terms and conditions of employment;
- the qualification requirements for appointment and the process to be followed for appointment, which must be an open, transparent and competitive selection process based on merit;
- the salaries, benefits and allowances payable, in accordance with its budget as approved by Parliament; and
- the total establishment of the total number of staff that are required to be appointed, in accordance with the budget as approved by Parliament.¹³

The audit noted that the Permanent Secretary for Social Welfare, Women, and Poverty Alleviation created 29 positions without consultation and approval of the line Minister. The Ministry had total of 149 established and 33 unestablished staff positions approved in its 2014 budget. However the Ministry had a total of 211 staff which included 158 established and 53 unestablished staffs.

The audit also noted that the Permanent Secretary for Social Welfare, Women, and Poverty Alleviation appointed 9 Officers at lower level after the positions became vacant on promotion and acting appointment to the newly created positions.

However the Ministry did not recruit these Officers through an open, transparent and competitive selection process based on merit. Refer to Table 27.11 for details of appointments.

Table 27.11: Details of Staffs Acting and Temporary Appointments

Number	Positions	Acting/Promoted to
1	Clerical Officer 5	Acting Human Resource Officer/ Post Processing Unit
2	Admin Officer	Senior Admin Officer (Corporate)
3	Executive Officer	Admin Officer -Women/Office Superintendent- Civic Towers
4	Clerical Officer 6	Admin Officer -Logistics/Operations
5	Clerical Officer 7	Executive Officer - Logistics/Transport
6	Clerical Officer 8	Assistant Accounts Officer
7	Clerical Officer 9	Assistant Accounts Officer (Women- Payments)
8	Clerical Officer 10	Executive Officer – Training
9	Clerical Officer 11	Executive Officer - Accommodation/Registry
10	Attachee 1	TRCO- Women Reconciliation
11	Attachee 2	TRCO-PBS/FA/Food bank – Reconciliation
12	Data Clerk	TRCO-PBS/SPS/Food bank
13	Driver 1	1- Nasinu, 1-Ba, 1-Nausori, 1-Korovou, 1-Corporate, 1-Beggars, 1-Women
14	Driver 2	
15	Driver 3	
16	Driver 4	
17	Driver 5	
18	Driver 6	
19	Driver 7	
20	NEC Attachee 3	Stationary, Registry, Records
21	NEC Attachee 4	
22-28	7-Part-time Cleaners	Tavua, Nausori, Labasa, Lautoka, Ba and Korovou.
29	Attachee 5	TRCO – Ledgers

¹³ Constitution of the Republic of Fiji Section 127 (8)

The Ministry recruited additional staff on the understanding that the Ministry of Finance will increase the budgetary allocation. However the Ministry of Finance did not approve the increase in payroll budget and advised the Ministry to cease the new appointments. The Ministry did not adhere to the advice from the Ministry of Finance and continued to employ additional staffs.

In addition the Permanent Secretary for Social Welfare, Women, and Poverty Alleviation appointed a Consultant for the National Child Helpline without the approval of the line Minister. The Ministry did not use competitive selection and tender process and a comprehensive cost-benefit and needs analysis was not carried out prior to the appointment of the Consultant. Furthermore the contract signed by the Consultant and the Permanent Secretary on 9/5/14 was not signed-off by the Solicitor General.

The Permanent Secretary for Social Welfare, Women, and Poverty Alleviation did not follow proper procedures for creating new positions and making appointments on acting and temporary relieving basis. In the absence of proper approvals, the acting and temporary relieving appointments were unauthorized.

Recommendations

The Ministry should ensure that:

- **all new appointments are made in consultation and approval of the line Minister;**
- **all recruitments are undertaken through an open, transparent and competitive selection process based on merit;**
- **approval from the Ministry of Finance is obtained for increase in payroll budget for new positions;**
- **funds from other SEG's are not vired for the payment of wages and salaries;**
- **all appointments made without proper approval and funding is reversed; and**
- **the matter is investigated and appropriate action is taken against those responsible for unauthorized appointments and payroll expenses.**

Ministry's Comments

- *All recruitment and selection (R&S) were done in transparency as we have a demarcated R&S matrix which shows the underlined processes and procedures to follow.*

Before a successful applicant is recruited, a compiled R&S is presented to the Staff Board and forwarded to PS and Minister's Office for their advice and endorsement then only the HR/PPU Section will proceed or not to proceed with the new appointment.

- *We ensure that all vacant positions and newly created ones (if any) are advertised in the FPSOC, Fiji Times and Fiji Sun inorder to get competitive applicants based on merit and relevant work experiences*

27.12 Over Expenditure in Payroll

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.¹⁴

The Ministry was allocated a total of \$3,478,881 and \$424,422 for the established staff and the government wage earners respectively in its original budget for 2014. However the Ministry's actual payroll expenses in 2014 increased by 27.9% or \$810,289 and 22.4% or \$110,293 for the established staff and government wage earners respectively compared to 2013. The Ministry overspent both the allocations in the year 2014.

The Ministry vired funds from Care and Protection Allowance, Welfare Graduation Program, Expanded Food Voucher Program, Poverty Benefit Scheme, Commission Charges, Power Supply, Office Supplies and Telecommunication allocations to meet the over expenditure in payroll allocations. Refer to Table 27.12 for details.

Table 27.12: Details of Over Expenditure

SEG	Item	Original Budget (\$)	Actual Expenditure (\$)	Over Expenditure (\$)	Allocation Funds Vired From (\$)	Amount (\$)
1	Established Staff	3,478,881	3,711,554	232,673	Care and Protection Allowance 1-24202-91011-060309	307,170
2	Unestablished Staff	424,442	603,724	179,282	Welfare Graduation Program 1-24101-24999-100117	38,741
					Expanded Food Voucher Program 1-24202-91011-060699	27,493
					Poverty Benefit Scheme 1-24202-91011-060308	20,000
					Commission Charges 1-24202-91011-050399	11,101
					Power Supply 1-24201-24301-040421	2,900
					Telecom 1-24202-91011-030401	2,350
					Office Supplies 1-24101-24999-040203	1,200
					Telecom 1-24201-24301-030401	1,000
					Total	

The Ministry incurred additional payroll costs due to unauthorized appointments of additional 29 staffs. The funds were diverted from allocations which were specifically budgeted for the needy people by the Parliament. Hence the public funds were not used by the Ministry for the purpose it was allocated for by the Parliament.

Recommendations

The Ministry should:

¹⁴ Finance Instructions 2010 Section 7

- ensure that funds from specific programs are not vired for the payment of wages and salaries;
- seek approval from Ministry of Finance prior to appointments made; and
- investigate the matter and take appropriate action for diversion of funds.

Ministry's Comments

- Yes, we had created the following positions as per the allocation of \$307,170.00 provided to us which was approved by MOF through a virement from the CPS allocation.
- Acting and temporary relieving appointments were given to officers who are competent and capable to act/relieve in vacant position. We had used their work experience in the service and likewise the skill development trainings they had attended.
- Identification of officers to act was done through a submission to PS for his endorsement in agreement with Madam Minister, Hon. Jiko Luveni.
- Yes, we agree that we had created positions on the understating that there was an increase in the payroll budget for the new positions as it was vired from Dept of Social Welfare's CPS allocation.

As per audit findings, there were nine new appointments with new created positions which are incorrect, infact there were eight officers that were appointed for acting and relieving positions for the Ministry's establishment.

27.13 Unauthorised Project Posts for the Executive Support Unit

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.¹⁵

Before either a letter of appointment or contract of appointment is issued, a candidate selected for appointment must undergo medical examination and be passed as being in all respects physically and mentally fit by an authorised Medical Officer.¹⁶ The employee must have a satisfactory police record.¹⁷

The Public Service Commission (PSC) carried out a functional review for the Ministry and recommended for an Executive Support Unit (ESU) and Monitoring and Evaluation Unit (MEU) to be established. The PSC also recommended total of 7 additional staffs comprising of 1 Principal Level, 2 Senior Administrative Officers and 1 Administrative Officer for ESU and 1 Principal Level, 1 Senior Administrative Officers and 1 Administrative Officer for MEU.

The Ministry created 4 project posts following the functional review which comprised of 2 Administrative Officers, 1 Clerical Officer and 1 Data Operator. The review of the recruitment of 4 project posts revealed the following anomalies.

¹⁵ Public Service Act 1999, Part 2 Section 4(2)

¹⁶ General Orders 2011 Section 203 (a)

¹⁷ General Orders 2011 Section 203 (b)

- The 7 project posts recommended by the PSC were not approved by the Minister for Social Welfare, Women, and Poverty Alleviation. However the Permanent Secretary for Social Welfare, Women, and Poverty Alleviation appointed 4 project officers. The appointments made by the Permanent Secretary for the ESU was unauthorised.
- The Ministry did not obtain approval from the Ministry of Finance for additional funds for the project Officers. The Ministry diverted funds from the Care and Protection Allowance, Welfare Graduation Program, Expanded Food Voucher Program and the Poverty Benefit Scheme allocations to pay the project officers.
- The Ministry did not advertise the project posts in the local dailies. The 4 project officers were recruited by the Ministry from the NEC¹⁸ without interviews. The Ministry appointed 2 of the 4 project officers directly from NEC to ESU while the other 2 were appointed from the NEC on temporary posts and transferred to the ESU. In addition the Ministry did not obtain the Police and medical clearance for the Project Officers recruited.
- The MQR for the Administrative Officer position was an undergraduate Degree in Management and Public Administration, Business Administration or equivalent with relevant work experience.

However details such as qualification and work experience were not kept in the Project Officers personal files. The audit could not ascertain whether the Project Officers appointed met the MQR.

Further details about the Project Officers appointed by the Ministry are provided in Table 27.13.

Table 27.13: Details of Officers on Project Posts

Position	Anomalies in Appointment
Temporary Administrative Officer (ESU) 1	<ul style="list-style-type: none"> • The Officer was appointed as Temporary Administrative Officer (ESU) on 14/1/14 although there was no vacancy. • Details of qualifications such as degrees and academic transcript were not maintained in the personal file. Hence the audit could not ascertain whether the officer meets the MQR.
Temporary Administrative Officer (ESU) 2	<ul style="list-style-type: none"> • Officer was a NEC Volunteer from 6/3/14 to 5/6/14 and was appointed as a Temporary Administrative Officer (ESU) wef¹⁹ 8/5/14 to 31/12/15 on salary \$23,458 although there was no vacancy. • Officer claims that he has completed Bachelor of Commerce from the University of Delhi however details of qualification attained not in the personal file. Hence the audit could not ascertain whether the officer meets the MQR.
Temporary Relieving Clerk (ESU) 1	<ul style="list-style-type: none"> • The Officer was appointed as Project Officer – Clerk (ESU) for one year wef 1/1/15 at \$4.68 per hour although there was no vacancy. • Details of MQR not in the personal file and hence the audit could not ascertain whether the officer meets the MQR.
Temporary Relieving Data Operator (ESU) 1	<ul style="list-style-type: none"> • The Officer was appointed as NEC Volunteer from 24/10/12 to 23/1/13. • The Officer was appointed as Telephonist (HQ) wef 2/1/13 to 31/1/13 with wage rate \$4.29 per hour for 44 hours per week. • The Officer was appointed as Temporary Clerk/Assistant wef 8/5/14 to 7/8/14 at \$4.60 per hour. • The Officer was appointed as Temporary Relieving Typist wef 30/10/14 to 31/12/14 weekly wages \$243.33 in Grade SSO5. • The Officer was appointed as Temporary Relieving Data Operator for the Department of Women from 1/1/15 to 31/12/15 with an annual salary \$12,659 in SSO5 Grade • The Officer was transferred to ESU wef from 26/1/15 on existing terms and conditions although no vacancy existed.

¹⁸ National Employment Center

¹⁹ With effect from

Position	Anomalies in Appointment
	<ul style="list-style-type: none"> The Officer was absorbed into the civil service without any interviews or vacancy.

The Ministry did not follow proper recruitment procedures for appointing Project Officers. The Ministry may not have recruited Project Officers based on merit.

Recommendations

The Permanent Secretary should ensure that:

- **all new positions are approved by the Minister for Social Welfare, Women, and Poverty Alleviation;**
- **approval from the Ministry of Finance for additional funds is obtained prior to any new appointment;**
- **proper recruitment procedures are followed for appointment of officers which include advertising the vacant position, interviews, police and medical clearance etc; and**
- **personal details of the Officers recruited is maintained in their respective files.**

The Minister for Social Welfare, Women, and Poverty Alleviation should investigate the matter and take appropriate action.

Ministry's Comments

- *All recruitment and selection (R&S) were done in transparency as we have a demarcated R&S matrix which shows the underlined processes and procedures to follow.*
- *Before a successful applicant is recruited, a compiled R&S is presented to the Staff Board and forwarded to PS and Minister's Office for their advice and endorsement then only the HR/PPU Section will proceed or not to proceed with the new appointment.*
- *We ensure that all vacant positions and newly created ones (if any) are advertised in the FPSOC, Fiji Times and Fiji Sun in order to get competitive applicants based on merit and relevant work experiences*
- *Yes, we had created the following positions as per the allocation of \$307,170.00 provided to us which was approved by MOF through a virement from the CPS allocation.*
- *The four newly created positions for ESU were done through our Staff Board in agreement with PS and Madam Minister (Dr. Jiko Luveni);*
- *These four positions were paid through the CPS allocation of \$307,170.00 on approved virement by MOF;*
- *Yes, we have no formal system in recruiting NECs last year but currently we have a system in place to adhere to the formalities of recruitment for NEC attaches which is a brief face to face informal interview with the Section Heads of the Ministry and upon support letter from the National Employment Center. This was conducted in order to gauge their capabilities and*

knowledge of the selected candidates. However, a performance assessment is in place to measure the performance outcome of the Attaches.

- Corporate Section ensures that all relevant documents (eg police record, academic transcripts and certificates, references and etc) are filed in the personal folders for officers which were not accustomed in the previous years.*
- On the advertisement of the project positions at the ESU, these four NEC attachees were given the green light to have their services continued as Project Officers because of the following reasons:*
 - They have met the required MQR;*
 - Their work performance have met the expectations of their supervisors as indicated in their performance assessment for the last three months;*
- The Ministry had assured that it will start advertising certain project positions from salary scale of \$25,000 and over in the future;*

27.14 Anomalies in the Recruitment of Principal Administrative Secretary

Employment decisions in the public service are made without patronage, favouritism or political influence, and appointments and promotions are made on the basis of merit after an open, competitive selection process.²⁰

The Ministry appointed the Senior Administrative Officer at the ESU in the Ministry on transfer from PSC with effect from 14/2/14 to 24/3/14. However, the position of the Senior Administrative Officer at the ESU in the Ministry did not exist from 14/2/14 to 23/3/14.

In addition, the Senior Administrative Officer's personal file did not have any details on posting from 14/2/14 to 24/3/14. Hence the Senior Administrative Officer's appointment was not valid. The Ministry paid \$3,082.94 as salaries to the Senior Administrative Officer for the period 14/2/14 to 24/3/14.

The Ministry created the Project Enhancement Coordinator position so that the Principal Administrative Secretary position becomes vacant and to be filled by the Senior Administrative Officer's appointment. The Ministry did not follow proper recruitment procedures while appointing the Senior Administrative Officer to the position of Principal Administrative Secretary.

Recommendations

The Permanent Secretary should ensure that:

- all new positions are approved by the Minister for Social Welfare, Women, and Poverty Alleviation and approval from the Ministry of Finance for additional funds is obtained prior to any new appointment;**
- proper recruitment procedures are followed for appointment of officers which include advertising the vacant position, interviews, police and medical clearance etc; and**

²⁰ Public Service Act 1999, Part 2 Section 4(2)

- **personal details of the Officers recruited is maintained in their respective files.**

Ministry's Comments

- *The management had requested for the SAO(EDP: 64529) to be transferred to assist in the creation of the ESU.*
 - *Yes, the said SAO was not tagged into any position, meanwhile the current PAO was on leave and hence, the said SAO was transferred to assist in the uplifting of the Corporate Section and was acting as PAO-Corporate Section.*
 - *The Staff Board had agreed for the SAO to be transferred to the Ministry in agreement with the Minister at that time.*
 - *The Principal Administrative Officer position was advertised in the Fiji Sun and FPSOC and only ten officers were short listed. The SAO (Corporate) had scored the highest compared to other applicants. A staff board paper was presented to board members and appointment was done in concurrence with the former Minister's agreement.*

The Ministry had ensured that all relevant documents (eg police record, academic transcripts and certificates, references and etc) are to be filed in the personal folders of officers which were not accustomed in the previous years.

27.15 Anomalies in the Recruitment of Project Enhancing Coordinator

The Equal Employment Opportunity Policy is intended to provide all Public Service officers with a guide to fairness and equity in employment decisions in the areas of recruitment, promotion, transfer and training on the basis of merit.²¹

Vacant posts will normally be advertised in the Fiji Public Service Official Circular and the press. Certificate of availability of funds from the Ministry of Finance should be obtained before any substantively vacant post is advertised.²²

The Principal Administrative Secretary was appointed in the Ministry since 23/4/11. The Ministry created Project Enhancement Coordinator's position and transferred the Principal Administrative Secretary to this position on salary \$42,524 for a period of one year effective from 1/4/14. The Ministry then appointed the Senior Administrative Officer as the Acting Principal Administrative Secretary for Corporate on salary \$39,452 for a period of 3 months with effect from 25/3/14.

The audit noted that the Project Enhancement Coordinator's position was not approved by the Minister for Social Welfare, Women and Poverty Alleviation.

The audit also noted that the position of Project Enhancement Coordinator was not advertised and no interviews were conducted. The Ministry did not follow open and competitive selection process when appointing the Project Enhancement Coordinator.

The MQR for the post was for the Officer to have Bachelor of Arts in Economics or Management/Industrial Relations in the area of planning and development and computer literate (Microsoft Word, Excel, PowerPoint).

²¹ General Orders 2011 Section 1224 (b)

²² General Orders 2011 Section 205

However the Project Enhancement Coordinator's personal file did not have any record of his qualification. The audit could not substantiate whether the Project Enhancement Coordinator met the MQR.

The findings show that the Ministry did not follow proper recruitment procedure. The Ministry may not have recruited the Project Enhancement Coordinator based on merit.

Recommendations

The Permanent Secretary should ensure that:

- **all new positions are approved by the Minister for Social Welfare, Women, and Poverty Alleviation and approval from the Ministry of Finance for additional funds is obtained prior to any new appointment;**
- **proper recruitment procedures are followed for appointment of officers which include advertising the vacant position and interviews conducted; and**
- **personal details and the MQR of the Officers recruited is maintained in their respective files.**

Ministry's Comments

- *The Recruitment of Project Enhancing Coordinator was approved by PS in agreement with Madam Minister in early 2014;*
- *This project position was part of the virement that was presented to MOF early last year from the CPS allocation.*

The Ministry had assured that it will start advertising certain project positions (with Salary scale of \$25,000 and over in the future.

27.16 Anomalies in the Appointment of Temporary Relieving Clerical Officers

The Equal Employment Opportunity Policy is intended to provide all Public Service officers with a guide to fairness and equity in employment decisions in the areas of recruitment, promotion, transfer and training on the basis of merit.²³

Before either a letter of appointment or contract of appointment is issued, a candidate selected for appointment must undergo medical examination and be passed as being in all respects physically and mentally fit by an authorised Medical Officer.²⁴ The employee must have a satisfactory police record.²⁵

The Ministry had 23 and 16 NEC attachee's during the year 2013 and 2014 respectively. The audit noted that the Ministry appointed 20 of these attachees as TRCO's positions without advertising the positions for TRCO's to seek applications from other suitable applicants.

The audit also noted that the Ministry did not interview the attachee's before appointing them as TRCO's. In addition Police and Medical Clearance were also not obtained prior to the appointment of these Officers. Refer to Table 27.14 for details.

²³ General Orders 2011 Section 1224 (b)

²⁴ General Orders 2011 Section 203 (a)

²⁵ General Orders 2011 Section 203 (b)

Table 27.14: Details of NEC Attachees Appointed to TRCO Position

TRCO	Date Appointed	Anomalies
TRCO 1	3/4/14	<ul style="list-style-type: none"> The position did not exist in the Ministry. No details in the personal file to substantiate that the officer meets the MQR. Police and Medical clearance not obtained.
TRCO 2	12/5/14	<ul style="list-style-type: none"> The position did not exist in the Ministry. No details in the personal file to substantiate that the officer meets the MQR. Police and Medical clearance not obtained.
TRCO 3	11/7/14	<ul style="list-style-type: none"> The position did not exist in the Ministry. No details in the personal file to substantiate that the officer meets the MQR. Police and Medical clearance not obtained.
TRCO 4	31/10/13	<ul style="list-style-type: none"> The position did not exist in the Ministry. No details in the personal file to substantiate that the officer meets the MQR. Police and Medical clearance not obtained.
TRCO 5	6/3/14	<ul style="list-style-type: none"> According to the Curriculum Vitae, the Officer holds a Bachelor of Commerce from the University of Delhi however to date of audit (18/5/15); copy of the Degree was not obtained from the Officer. The audit could not substantiate the qualification of the officer. Police and Medical clearance not obtained.
TRCO 6	14/1/14	<ul style="list-style-type: none"> The position did not exist in the Ministry. Police and Medical clearance not obtained.

The findings indicate that the Ministry did not follow proper recruitment procedures to recruit TRCO's. The appointment of TRCO's was not based on merit and there is a high risk of favouritism.

Recommendations

- The Ministry should ensure that proper recruitment procedure is followed for recruiting TRCO's into the civil service; and
- PSC should investigate and take appropriate action against those responsible for recruitment of TRCO's without following proper recruitment procedures.

Ministry's Comments

- *As a way forward, the Ministry had ensured that all relevant documents (eg police record, academic transcripts and certificates, references and etc) are to be filed in the personal folders of officers which were not accustomed in the previous years.*

Currently we have started to conduct an internal informal competency assessment for NEC attaches before appointing them as Project Officers.

27.17 Anomalies in Acting Appointments

Acting Appointments can only be made when the substantive holder of the post will be absent for more than a month.²⁶ Acting allowance will be paid at a rate equal to 95 percent of the difference between the substantive salary and the minimum salary of the higher office.²⁷

The Ministry appointed 3 Clerical Officers on Acting Assistant Accounts Officer positions for 7 months even though there were no vacant positions for Assistant Accounts Officer. The Acting appointments were made by the Permanent Secretary. Refer to Table 27.15 for details.

Table 27.15: Details of Acting Allowance Paid

Clerical Officer	Acting Period	Substantive Salary (\$)	Acting Salary Scale (\$)	Acting Allowance Paid ²⁸ (\$)
Clerical Officer 2	8/5/14 – 31/12/14	13,191	21,497	5,137.63
Clerical Officer 3	8/5/14 – 31/12/14	13,191	21,497	5,137.63
Clerical Officer 4	8/5/14 – 31/12/14	13,191	21,497	5,137.63
Total allowance paid				15,412.89

The audit also noted that the Ministry diverted funds from Care and Protection Allowance, Welfare Graduation Program, Expanded Food Voucher Program and the Poverty Benefit Scheme allocations totalling \$15,412.89 to pay for the acting allowance.

The audit further noted that the Ministry ceased the acting appointments from 1/1/15 on the directive of Ministry of Finance as there were no funds available in SEG 1 of the Ministry's budget.

The findings indicate that the Ministry did not follow proper procedures for acting appointment. As a result the acting appointments were unauthorized which resulted in over expenditure in the Ministry's payroll expenditure.

Recommendations

The Ministry should:

- ensure that acting appointment are only made against vacant positions; and
- surcharge the Permanent Secretary for the acting allowances paid totaling \$15,412.89 for approving acting appointments resulting in over expenditure.

Ministry's Comments

- *Acting and temporary relieving appointments were given to officers who are competent and capable to act/relieve in vacant position. We had used their work experience in the service and likewise the skill development trainings they had attended.*

Identification of officers to act was done through a submission to PS for his endorsement in agreement with Madam Minister, Hon. Jiko Luveni

²⁶ General Orders 2011 Section 413

²⁷ General Orders 2011 Section 416

²⁸ $95\% \times (21,497 - 13,191) \times (237 \text{ days} / 364 \text{ days})$

27.18 Lack of Supporting Documents in Case Files

A case file (hard copy) must be opened with the name of the applicant, case number in the system, address and contact details written on it. All documents provided by the applicant must be kept in the case file.²⁹

The audit noted that the Ministry did not obtain and maintain birth certificates for all household members, hard copy of the completed application, bank account details and details of recipient's relationship with other members living in the same house for several PBS recipients case files. These documents are important to determine the applicant's eligibility for government assistance.

The audit also noted that the case files were not reviewed by the Welfare Officers to ensure adequate records were maintained in the deceased recipients' case files. Refer to *Appendix 27.2* for details.

The Ministry did not obtain these documents even though these documents were necessary to assess the applicant's eligibility for government assistance. In absence of these documents people who are not eligible for PBS allowances may be receiving government assistance.

Recommendations

The Ministry should:

- **ensure that adequate supervision is provided to subordinate officers;**
- **obtain necessary documents from the recipients such as birth certificate, bank details and recipients relationship with other persons living in the same house and maintain copies in the case files;**
- **review and update case files periodically; and**
- **investigate this matter further and take appropriate disciplinary action against those responsible for processing application for PBS allowance without necessary supporting documents.**

Ministry's Comments

The SOP is clear about the relevant documents required for the processing of an application and the system is designed not to process any application that does not have these security features (BC No.). The primary document for the processing of any application is the birth certificate of the breadwinner/head of household, secondary documents includes birth certificates of members of the household, school letters etc. An application can be processed once the primary document is obtained as the number on the BC serves as a security index in the application. Eligibility for assistance is not solely determined by the documents alone but a home visit is conducted to assess the home situation. The responsibility to obtain the secondary documents are the applicants, however, on several occasions this was not possible for several reasons, children were not registered and it was difficult to obtain the documents, some of the elderly were also not registered, however, in all cases verification of family members was done through the home assessments except in cases where applications are from the maritime areas where the letter

²⁹ Poverty Benefit Scheme Procedures Section 4.5

from significant members in the community suffices for the processing of the application until welfare officers visits these locations. On other occasions these documents were obtained but misplaced because it was exchanged between many hands as the amount of documentation throughout the day can be many. The Department has been assisting the field officers with the necessary equipment like filing cabinets but the volume is too much that there is currently insufficient space to store all these documents. However, officers have been continuously reminded to obtain and maintain the necessary documents as required for the processing of applications.

27.19 Missing Poverty Benefit Scheme (PBS) File

The Officer in Charge of PBS allowance should properly maintain all the PBS files.

The audit requested the Officer in charge of PBS for a sample of case files for the recipients approved and terminated in 2014. However several case files were not provided for audit review. Refer to Table 27.16 for examples of files not provided for audit review.

Table 27.16: Poverty Benefit Scheme Recipient Case Files Not Provided to Audit

Reference Number	Monthly Allowance (\$)	Yearly Allowance (\$)
101-106291	60	720
101-105428	60	720
101-100779	60	720
101-102983	60	720
101-107826	60	720
101-103654	60	720
SUV/PBS/190/14	120	1,440
SUV/PBS/159/14	60	720
SUV/PBS/161/14	120	1,440
SUV/PBS/158/14	120	1,440

The PBS case files were not properly maintained by the Ministry and were missing. There is a high risk of fictitious recipients of PBS allowance.

Recommendations

The Ministry should:

- ensure that recipient case files are properly maintained;
- make an effort to locate the missing recipient case files; and
- take appropriate disciplinary action against the Officer responsible for safe keeping of case files for not performing his/her duties properly.

Ministry's Comments

The PBS applications are automated, meaning that all applications can be processed on line or migrated into the system with a hardcopy printed. Even though a hard copy may not exist, a soft copy can be obtained through the system. One of the challenges the Department is currently facing is sufficient space for the storing of

these hard files. Currently, there are 24,452 PBS recipients, 3984 C & Recipients, 25,212 SPS recipients, supposedly a total of 53,648 case files. The ideal is to do away with the hard files because of the volume and use the system to store all case files with a backup system. However, the Department will continue to ensure that proper filing of cases is carried out.

27.20 No Independent Verification of Other Sources of Income for the Recipients

The Care and Protection allowance and the Social Pension Scheme is an assistance provided by Government to assist underprivileged children who are below the age of 18 years and elderly persons who are seventy (70) years and above respectively.

The recipients of Care and Protection allowance and the Social Pension Scheme should not have any other source of income and should not be beneficiaries of superannuation payments such as FNPF Pension Scheme, Ex-Serviceman's After Care Fund, Government or Insurance. Similarly the recipients of other social welfare assistance are also not eligible for this assistance.

The Ministry maintains a register to record all the Care and Protection allowance and the Social Pension Scheme applicants verified with third party for other source of income.

The audit review of the register and the recipient's files revealed that the Ministry did not verify whether applicants for the Care and Protection allowance and the Social Pension Scheme have any other source of income or receiving any other form of government assistance. Refer to the Table 27.17 for examples.

Table 27.17: Examples of Applications Processed Without Verifying Other Source of Income

Care and Protection Allowance		Social Pension Scheme	
File Reference	Amount (\$)	File Reference	Amount (\$)
101_0010232	105.00	SU/SPS/1055/14	50.00
101_0010212	30.00	SU/SPS/1020/14	50.00
101_0009797	25.00	SU/SPS/1061/14	50.00
101_0000792	100.00	SU/SPS/1059/14	50.00
101_0011224	25.00	SU/SPS/1037/14	50.00
101_0009231	110.00	SU/SPS/977/14	50.00
101_0011833	60.00	SU/SPS/987/14	50.00
101_0011515	30.00	SU/SPS/1057/14	50.00
101_0005141	25.00	SU/SPS/1063/14	50.00
101_0011351	80.00		

The finding shows that the Officers responsible for processing the applications for Care and Protection allowance and the Social Pension Scheme did not perform their duties properly. There is a high risk that the recipients of Care and Protection allowance and the Social Pension Scheme may have other source of income or government assistance while also receiving Care and Protection allowance.

Recommendations

The Ministry should ensure that:

- **all applicants for Care and Protection allowance and the Social Pension Scheme are verified against other source of income or government assistance;**

- all verifications undertaken for other source of income are recorded in the Register and the case files; and
- appropriate disciplinary action is taken against officers failing to carry out verification of other sources of income.

Ministry's Comments

Consultations were carried out with FNPF and the Ex-Servicemen's Association to assist the Department on the verification of SPS applications. Currently, the Ministry has an MOU with FNPF to help us in verifying applications; likewise, the Fiji Ex-Servicemen's Association has agreed to assist in verification if we submit the names of applicants. However, the application form in itself clearly spells out the declaration required by the applicants and must be verified by a significant member of the community such as the Turaga ni koro, Advisory Councilor or Civil Servants which should suffice for the processing of applications since the process does not require any home visitation. The ideal is to have Government work on a Central database whereby accessibility to all these relevant information can be done on line for verification purposes, even to the Birth & Death Registration in review of cases. It has always been a challenge for officers to verify employment status as applications come in the hundreds, thus, the reason for the statutory declaration in the forms, hoping that during the interviews applicants will divulge the truth on their situation. The Department does verify cases when information is brought to its attention but it has always been a challenge to verify all applications. Currently, there are 25,212 on SPS with the reducing of the eligible age to 66 since last year. The Department is now using the False Information Act to prosecute fraudulent cases.

27.21 Care and Protection Allowance paid to Children at Different Rates

The minimum amount to be paid for Care and Protection allowance is \$30 per month per child. The maximum amount of Care and Protection allowance is \$110 per month, regardless of the number of children.

The audit noted several instances of Care and Protection allowance paid by the Ministry at different rates without any justification. Hence all Care and Protection allowance beneficiaries were not paid at a fixed rate of \$30 per month. Refer to Table 27.18 for details.

Table 27.18: Incorrect Rate of Care and Protection Allowance Paid to Children

Caregivers Reference Number	Anomalies	Monthly Allowance to be Paid (\$)	Monthly Allowance Paid (\$)	Overpaid/ Underpaid (\$)
101_0009797	The minimum allowance is \$30 and the Ministry approved only \$25	30	25	(5)
101_0011224	The minimum allowance is \$30 and the Ministry approved only \$25	30	25	(5)
101_0005141	The minimum allowance is \$30 and the Ministry approved only \$25	30	25	(5)
101_0011351	Two children are receiving \$80 in total and the minimum for each recipient is \$30	60	80	20

Caregivers Reference Number	Anomalies	Monthly Allowance to be Paid (\$)	Monthly Allowance Paid (\$)	Overpaid/ Underpaid (\$)
101_0000792	Three children are receiving \$100 in total and the minimum for each recipient is \$30	90	100	10
101_0010232	Three children are receiving \$105 in total and the minimum for each recipient is \$30	90	105	15

The audit also noted that the different rates of Care and Protection allowance were approved by the Assistant Director Family Services.

Due to different Care and Protection allowance rate used by the Ministry the beneficiaries were either overpaid or underpaid their allowances.

Recommendations

The Ministry should:

- ensure that same rate of PBS allowance is paid to all eligible beneficiaries;
- ensure that any change in allowances is properly approved and is applied to all the recipients; and
- investigate the use of 2 different rate for Care and Protection allowance and take appropriate action.

Ministry's Comments

The Care and Protections rates are as follows, \$25 for Infants, \$30 for Primary Schooling and \$40 for Secondary Schooling children. Most probably that was the amount paid in the cases highlighted. In the SOP it had only mentioned \$30 but did not include the \$25 and the \$40. The Department has amended the SOP.

27.22 Anomalies in Social Pension Scheme

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 After Care Funds, Government or Insurance. Likewise, recipients of social welfare assistance such as the Care and Protection Allowance and Poverty Benefit Scheme will not be eligible for this assistance.

The Ministry was allocated a total of \$4,175,933 for Social Pension Scheme in its 2014 budget. Out of the total allocation of \$4,175,933 the Ministry used \$4,175,495 or 99.9% in 2014 to pay the Social Pension allowance to recipients.

The four Divisions namely Western, Northern, Central and Eastern are responsible for the Social Pension Scheme and each maintain their own records of recipient's details. The audit of Social Pension Scheme revealed the following anomalies:

- The Ministry must carry out timely reviews to evaluate the status of the recipients of the Social Pension to ensure that allowance is paid to the deserving recipients only.

The Ministry did not carry out any reviews of the status of the recipients of the Social Pension allowance. Hence the Ministry was not aware of the status of the recipients whether they were still alive and whether their financial status has improved.

There is a risk that the Ministry may be providing Social Pension allowance to people who do not deserve government assistance.

- The applicants for Social Pension Scheme must submit a completed application form to the Ministry. The Senior Welfare Officers must provide their recommendations on the application forms and submit the forms to the Director of Social Welfare for approval for payment of Social Pension allowance to the applicants.

The Senior Welfare Officers on several instances did not provide their recommendations in the application forms. However the applications were approved by the Director of Social Welfare, without the recommendations of the Senior Welfare Officers. Refer to Table 27.19 for examples.

Table 27.19: Examples of Recipients without Senior Welfare Officers Recommendations

Recipient Reference Number	Amount (\$)
SU/SPS/1057/14	50.00
SU/SPS/977/14	50.00
SU/SPS/1037/14	50.00
SU/SPS/1063/14	50.00
SU/SPS/1055/14	50.00
SU/SPS/1061/14	50.00
Total (Sample Only)	300.00

- Documents such as birth certificate and passport size photos need to be certified correct by a Justice of Peace or District Officers or the Head of Clan for those who reside in remote areas.

However on several instances the supporting documents such as applicant's passport size photos and copies of birth certificates were not certified correct by the Justice of Peace, District Officers or the Head of the Clan. The Ministry processed the applications without verifying the authenticity of the photos or the birth certificates. Refer to Table 27.20 for examples.

Table 27.20: Examples of Supporting Documents not Certified Correct by Justice of Peace

Date of Application	Recipient Reference Number
06/01/14	SU/SPS/1096/15
16/01/15	SU/SPS/1100/15
02/01/15	SU/SPS/1089/15
06/01/15	SU/SPS/1097/15
06/01/15	SU/SPS/1093/15
02/01/15	SU/SPS/1098/15
02/01/15	SU/SPS/1090/15
09/01/15	SU/SPS/1092/15
15/01/15	SU/SPS/099/15

The findings show that the Officers responsible for receiving the applications, reviewing for completeness and accuracy, making recommendations and approving the payment of government assistance did not perform their tasks diligently.

Hence proper procedures were not always followed in processing the application for payment of Social Pension allowance to the recipients. This may result in fraudulent payment of Social Pension allowance.

Recommendations

The Ministry should ensure:

- **that review of the Social Pension allowance recipients status is carried out periodically;**
- **the Senior Welfare Officer reviews the application for Social Pension and provides his recommendations in the application form before it is submitted to the Director for decision;**
- **third party checks with Fiji Ex-servicemen After Care Fund, FNPF and Ministry of Finance Pension Section to verify whether the applicants are also receiving any other form of government assistance; and**
- **supporting documents submitted with the application form are certified correct by the Justice of Peace, District Officers or the Head of the Clan.**

Ministry's Comments

2014 was the first full year for the implementation of the SPS program so it was a period where the Department was trying to implement the program at same time work out the processes and develop the SOP. In the initial stages the Department had approached FNPF and Ex-Serviceman Association for verification; however, with the numbers increasing everyday it was difficult to get feedback.

The Department was also conscious of the type of clientele (70 yrs and above), it was unrealistic to return forms, especially for applications from rural or maritime locations because the photo or birth certificate was not certified correct. Mostly these applications came through the offices of the Provincial Administrator or Advisory Council so the Department takes into consideration their endorsement of the forms is certification that it is the right person. So far we have yet to receive a complaint that assistance has been given to the wrong person.

The only requirement that is needed for the approval of the SPS is the age, ensuring that they are above 70 and not receiving any other form of assistance. Section D of the Form- Official use, states that it can be completed by officials of the Department including the Director. Most of the cases that were approved by the Director were cases that had been referred direct to his office from the maritime islands thus the decision was made to approve them there and then after verifying the date of births, rather than sending it back to the field and then to wait for it to come back again. In such occasions the Director uses his own discretion as long as the form is in order to ensure that there were no delays to the applications.

27.23 No Annual Review of the Schemes

All approved cases will be subject to review; this will be done annually (from the date of approval) either through desk review or home visitation. The purpose for the reviews is to gather information on the current status of the case, which will determine the continuation of the assistance or its termination depending on the information that will be derived. In the review exercise recipients will be required to provide updated information on the status of each household members and other relevant information that will be required.³⁰

The audit noted that the Ministry did not carry out the annual reviews of the Poverty Benefit Scheme, Social Pension Scheme and Care and Protection allowance either by desk review or by home visitation.

The finding indicates laxity of the Senior Officers to ensure annual reviews of the recipients is carried out. Without annual reviews the Ministry was not aware of the current status of the recipients. The Ministry may provide assistance to people whose status have changed and are no longer eligible for government assistance.

Recommendations

The Ministry should ensure that:

- **an annual review of all the recipients is carried out; and**
- **appropriate disciplinary action is taken against Officers responsible for not reviewing the status of the recipients annually.**

Ministry's Comments

A national review was conducted in 2013 for the Family Assistance which resulted in the change to PBS; a review of that magnitude required the employment of additional project officers to carry out the exercise, the Department will not be able to conduct a total review of all the SPS, C&P and PBS cases every year because it would require the annual recruitment of project officers. On the other hand the current welfare officers will not be able to carry out these exercise annually because of the number of cases involved, to do this would mean putting a stop to all other work that is required especially child services responsibilities.

To accommodate this, reviews are factored in the Departments Annual Work plan, and this is done on ongoing basis. For example, within the year, there are two times where recipients collect their food vouchers (Jan and July), the Department uses these distribution periods to review cases, 3rd party encashment will have to provide updated correspondence of approval from the primary recipient and certifications are issued especially to SPS recipients. On the other hand officers are encouraged to continue to conduct reviews as they travel around while assessing new applications from the same area. The strategy is to review cases that have been in the system earlier and then gradually progress to the recent inclusions.

³⁰ Poverty Benefit Scheme Standard Operating Procedures Section 10, Care and Protection Allowance Standard Operating Procedures Section 9, Social Pension Scheme Standard Operating Procedures Section 11.4
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27.24 Poor Record Keeping for Grants to Non-Government Organisations

The Non-Government Organisation (NGO) Secretariat shall compile the agenda for the committee meeting and distribute documentation/material for the meeting. He/she is responsible for all correspondence and distribution of documentation/ information relating to the NGO Grants Scheme.³¹

All approved grant applicant records shall be filed and maintained by the NGO Secretariat and a list forwarded to accounts for RIE processing.³²

Each file for Voluntary organisation should have the project proposal, applications for grants, grants committee evaluation paper, signed appointment letter for the NGO committee and acquittals.

The audit noted that the minutes of the NGO committee, signed appointment letter of the NGO committee members, previous quarter acquittals and completion certificate for the constructions of the beggars home were not kept in the files for Church of Nazarene, Homes of Hope, Veilomani Methodist Home, Empower Pacific and St. Christopher's Home.

This finding indicates the Secretary to the NGO committee did not perform her duties properly. In the absence of these documents the Ministry did not have adequate information about the NGO's.

Recommendations

The Ministry should:

- ensure that all project files are properly maintained by the Secretary; and
- ensure that disciplinary action is taken against Officers responsible.

Ministry's Comments

Apart from the Nazarene Church which was a new partner last year, the rest of the NGO's were ongoing partners which the Department has worked with in the previous years, especially in the area of children protection. Files have been maintained on these NGO's. It was noted that during the audit, information which was requested on these issues were provided to the officer.

27.25 Grant Acquittals not submitted to the Ministry By NGO's

Acquittal reports must be prepared by the recipient of the grant and submitted to the agency that paid the grant.³³ 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.³⁴

The Ministry provided grants to a number of NGO's. The audit noted that some of the NGO's did not provide acquittals for the full amount of grants given. Refer to Table 27.21 for details.

³¹ Ministry of Social Welfare, Women and Poverty Alleviation Finance Manual 2013, Section 3.1.3

³² Ministry of Social Welfare, Women and Poverty Alleviation Finance Manual 2013, Section 3.1.13

³³ Finance Instructions 2010 Section 16 (8)

³⁴ Ministry of Social Welfare, Women and Poverty Alleviation Finance Manual 2013, Section 3.1.17

Table 27.21: Grants Not Fully Acquitted

NGO Name	Grant Provided in 2013 (\$)	2013 Grant Amount for which Acquittals not Provided (\$)	Grants Provided in 2014 (\$)
Methodist Veilomani Boys Home	12,500	2,302.15	20,000
Saint Christopher's Home	15,000	7,851.76	20,000
Saint Christopher's Home	---	---	10,000

The audit also noted that the Ministry did not take any action against Methodist Veilomani Boys Home and Saint Christopher's Home for not submitting the acquittals for the full grant amount and provided further grant of \$20,000 each in 2014. The audit further noted that the Fiji Netball Association did not provide the acquittals for the grant of \$10,000 given in 2014.

The Ministry did not take any action against the grant recipient's for non-submission of acquittals. 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. In the absence of acquittals there is risk of misuse of grant funds.

Recommendations

The Ministry should:

- ensure that acquittals for the full amount of grant given is provided by the grant recipients before providing further grants;
- follow up with the NGO's who have not provided their acquittals; and
- investigate and take appropriate disciplinary action against officers responsible for approving further grant without verifying how the previous grants were used.

Ministry's Comments

In our work with the NGO's acquittals must be submitted before any further release of funds. Funds exceeding \$10,000 are issued on phases and until the first phase is acquitted the second phase is not released. Unfortunately, in some occasions acquittals were sent almost coming to the end of the financial year, thus, the second release of funds overlaps to the following year, therefore it will reflect in the previous year's report as incomplete acquittals. Never at one time did the Department release any funds without the full acquittals.

27.26 Anomalies in Welfare Graduation Program

The Welfare Graduation Program followed a cabinet decision³⁵ on the subject of graduating recipients of Care and Protection Allowances after 5 years of being under state assistance. The Ministry engaged National Centre for Small and Micro Enterprises Development (NCSMED) for the Welfare Graduation Program. Under this program a minimum of \$2,000 was allocated for a recipient to start up

³⁵ Cabinet Decision No. 254 [SWD 9/1 CP (10) 206]

a business. The Ministry budgeted \$461,259 for the Welfare Graduation Program. During the year 2014 the Ministry disbursed a total of \$337,410 to NCSMED.

A Memorandum of Understanding was signed between the Ministry and NCSMED for the implementation, training and monitoring of the program. Under the agreement NCSMED uses 20% of the \$2,000 on trainings and monitoring while 80% for Seed funding. Refer to Table 27.22 for details.

Table 27.22: Apportionment of \$2,000

Purpose	Amount (\$)
Seed Funding	1,600
Training and Monitoring	400
Total	2,000

The review of the Welfare Graduation Program revealed the following anomalies.

- The proper management of expenditure is fundamental to ensuring value-for-money in service delivery 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 public funds and over-expenditure do not occur.³⁶

The agreement between the Ministry and NCSMED did not state the grant amount or the number of recipients to be assisted by the Ministry through NCSMED. The Ministry was not able to ascertain the number of people to be assisted through the Welfare Graduation Program.

As a result the Ministry was not able to forecast as to how much would be spent on the implementation of the Welfare Graduation Program.

- 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. A duplicate for all documents provided in the business plan by the applicant must be kept in the case file.³⁷

The Ministry did not maintain the recipients' case files properly for all the divisions of the Ministry. Details such as Income Generating Project (IGP) proposals, quotation, payment details and site visit reports were not filed in the recipients' case files. Refer to Table 27.23 for examples.

Table 27.23: Examples of Recipient Information not maintained at the Divisions

Division	District	Missing Information
Central	Nausori, Vunidawa, Korovou	<ul style="list-style-type: none"> No Quotations No Payment details Details of monitoring report from NCSMED not in file.
Southern Eastern	Suva, Navua	<ul style="list-style-type: none"> IGP Project Proposal not in file No Quotations No Payment details Monitoring report from NCSMED not in file.
Nasinu	Nasinu Office	<ul style="list-style-type: none"> IGP Project Proposal not in file No Quotations No Payment details Monitoring report from NCSMED not in file.
Northern	Labasa, Savusavu,	<ul style="list-style-type: none"> IGP Project Proposal not in file No Quotations

³⁶ Ministry of Social Welfare Finance Manual 2013, Part 2

³⁷ Welfare Graduation Program Procedures Section 5.3

Division	District	Missing Information
		<ul style="list-style-type: none"> No Payment details Monitoring report from NCSMED not in file.
North West	Rakiraki, Ba	<ul style="list-style-type: none"> IGP Project Proposal not in file No Quotations No Payment details Monitoring report from NCSMED not in file.

The recipient files were not updated in the divisions because the Welfare Officers in the divisions did not receive adequate training and awareness on the Welfare Graduation Program Standard Operating Procedures.

- An annual review is to be conducted on the management and administration of the fund, budget proposals for the following year and long term planning of the Welfare Graduation Program.³⁸

The Ministry did not conduct an annual review of the Welfare Graduation Program at all during the year 2014.

- A separate bank account should be maintained for the purpose of project funds provided under any particular program.

NCSMED did not maintain a separate bank account for the funds provided by the Ministry under the Welfare Graduation Program as the agreement between the Ministry and NCSMED did not state that NCSMED was required to use a separate bank account to manage Welfare Graduation Program funds.

The \$337,410 grant that was provided by the Ministry for the Welfare Graduation Program was deposited in the NCSMED's Operating account. The audit could not verify the actual expenditure on the project at the time of visit to NCSMED on 21/5/15.

- The Ministry will deploy the required funds from the Welfare Graduation Program budget provision to the NCSMED for the seed grant to implement, monitor and evaluate the income generating project for the recipients.³⁹

NCSMED did not fully utilise the funding provided by the Ministry for the year 2013 and 2014 under the Welfare Graduation Program. A total of 49 recipients were provided with the training however they were yet to be provided with the seed grant of \$1,600 each. Thus a total of \$78,400 was unutilised in the year 2013 and 2014. Refer to Table 27.24 for detail.

Table 27.24: Details of Unutilized Funds for the Years 2013 and 2014

Year	Number of Recipients yet to be Assisted	Amount Unutilised ⁴⁰ (\$)
2013	20	32,000
2014	29	46,400
Total	49	78,400

- All payments made must be accurately charged to its correct ledger account.⁴¹

³⁸ Agreement between the Ministry and NCSMED, Clause 5

³⁹ Agreement between the Ministry and NCSMED, Clause 3

⁴⁰ Number of recipients x \$1,600

⁴¹ Finance Instructions 2010, Section 14 (1)

The Ministry used a total of \$16,000 from the Welfare Graduation Program allocation to make payments to the recipients of the Fire Victim Relief Program. The Ministry used the Welfare Graduation Program allocation due to savings in the Welfare Graduation Program.

The findings indicate that the Ministry did not adequately monitor the utilization of grant by NCSMED. Hence there is high risk of mismanagement of project funds.

Recommendations

The Ministry should ensure that:

- **a dollar amount is stated in the contract with the number of recipients to be assisted in the contract;**
- **a mandatory training on the Welfare Graduation Program Standard Operating Procedures is provided to all Welfare officers so that recipients' case files are properly maintained for all the divisions;**
- **the Welfare Graduation Program Standard Operating Procedures include a record management template;**
- **a review of the Welfare Graduation Program is conducted annually;**
- **a clause is incorporated in the agreement with NCSMED for NCSMED to have a separate bank account to administer the Welfare Graduation Program funds;**
- **NCSMED submits a periodic (such as quarterly) report on the Welfare Graduation Program;**
- **the funds provided under the budget are used for the intended purpose only; and**
- **appropriate disciplinary action is taken against responsible officers for poor management of Welfare Graduation Program.**

Ministry's Comments

Despite the many different roles that Welfare Officers play, the monitoring and evaluation of the IGP projects was also part of their responsibilities. The Department works closely with NCSMED also on the evaluation and monitoring of the projects. NCSMED continue to update the Department on the progress of the projects which clearly indicate projects that were yet to be fully funded because reports and acquittals were yet to be submitted. The process that was engaged by NCSMED was to have funds released on phases to the recipients, with progressive reports and acquittals submitted before the next phase can be released. The difficulty encountered was in the non-reporting by recipients which often resulted in the delay of projects. Every year NCSMED provides the Department with the updates and progress of the projects. In 2014 the Department also conducted a review on the IGP cases with the Report submitted to PS and Minister.

27.27 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.⁴²

Where an advance has not been acquitted within seven days of travel, the Senior Accounts Officer shall effect recovery action through a salary deduction from the concerned officer's salary within six (6) fortnights.⁴³

The Ministry on 5/8/14 paid accountable advance of \$20,940 to Women Interest Assistant - Lomaiviti for funding Lomaiviti Women registered group in the National Women's Expo held from 6/8/14 to 8/8/14 at the Vodafone Arena in Suva.

The audit noted that the Women Interest Officer did not retire the advance within 7 days which was due on 15/8/14. However the Officer retired the advance 32 days later on 16/9/14 which was short by \$1,397.40.

The Ministry did not commence salary deductions from the Officer to recover the outstanding amount when she failed to retire the advance after due date.

The audit further noted that the Officer was terminated on 24/9/14 for misconduct which resulted in the loss of outstanding advance amounting to \$1,397.40.

The Ministry did not take any action to recover the outstanding advance of \$1,397.40 from the Officer. The findings indicate laxity of Senior Officers supervising retirement of advances. This has resulted in loss of public funds.

Recommendations

The Ministry should:

- ensure that accountable advance is cleared within 7 days from the date the Officers return to their station from official tours; and
- surcharge the officer responsible for not commencing salary deductions for long outstanding advance.

Ministry's Comments

OAG comments are noted, however all accountable advances are cleared after 7 days with reasons beyond officers control. The reasons are due to deferred schedule programs with reasons like natural disasters and other unforeseen reasons. Ministry now are reminding officers on accountable advances due and if late or no acquittal surcharge is imposed on officers at the prescribed government rate.

⁴² Ministry of Social Welfare, Women and Poverty Alleviation Finance Manual 2013 Section 10.1.11 and 10.1.12

⁴³ Ministry of Social Welfare, Women and Poverty Alleviation Finance Manual 2013 Section 10.1.14

Appendix 27.1: Details of EFT's in the Unpresented Cheques Listing

EFT Number	Date	Payee	Amount (\$)
1185	31-Dec-13		270.42
4476	12-Jan-14	Silina Dyer	18.00
4470	12-Jan-14	Dilkusha Girls Home	40.00
4471	12-Jan-14	Ilivani Seruvatu	111.00
4474	12-Jan-14	Jone Vakatawase Gade	111.00
4475	12-Jan-14	Josefa Koroivueta	349.00
4468	12-Jan-14	Yatu Lau Company Ltd	480.00
4472	12-Jan-14	Fiji Electricity Authority	887.43
4477	12-Jan-14	Melaia Radrodro Simp	6,968.33
4469	12-Jan-14	Vinod Patel & Company	23,717.81
3624	9-Feb-14	Velema Gasai	54.00
3623	9-Feb-14	Iliseva Biaukula	99.00
4482	12-Feb-14	Kristi Vandhna Kumar	300.00
4481	12-Feb-14	Kadar Buksh Limited	2,900.00
1596	13-Feb-14	Extreme Stationery	160.00
1601	13-Feb-14	Sisilia Vunibobo	190.00
1597	13-Feb-14	Jale Tauraga	300.00
1599	13-Feb-14	Professional Stationery	1,355.00
1608	14-Feb-14	01 Getrix Limited	263.45
1611	14-Feb-14	Vinod Patel & Company	492.00
1607	14-Feb-14	The Fiji Sun	780.00
1610	14-Feb-14	01 Suva Orchid Horti Ci	3,955.00
1655	18-Feb-14	New World Limited	40.25
1657	18-Feb-14	Unique Rubber Stamp	145.00
1654	18-Feb-14	Marine Drive Motors	231.15
1650	18-Feb-14	Capricorn Apartment	260.00
1656	18-Feb-14	T Premier Distributors	573.80
1652	18-Feb-14	01 Getrix Limited	702.39
1653	18-Feb-14	Janty Kanvan Limited	997.50
1658	18-Feb-14	Vinod Patel & Compan	1,154.00
1651	18-Feb-14	Carpenters Motors	2,200.01
1699	20-Feb-14	Post Fiji Limited	52.00
1697	20-Feb-14	Alipate Daini	117.00
1700	20-Feb-14	Telecom Fiji Ltd	1,566.94
1701	20-Feb-14	Treasure House Child	2,000.00
1698	20-Feb-14	Fiji Electricity Aut	8,790.19
4176	11-Mar-14	Komal Kavita Mani	9.00
4188	11-Mar-14	Ashika Lata	9.00
4189	11-Mar-14	Nafisha Begum Ali	9.00
4186	11-Mar-14	Rozina Safeen Begum	18.00
4185	11-Mar-14	Arieta Drodrolagi	27.00
4182	11-Mar-14	Susana Delailomaloma	40.15
4184	11-Mar-14	Alfreda Senirewa	54.00
1855	11-Mar-14	Sevanaia Watikini	57.00
1853	11-Mar-14	Unwired Fiji	69.93
4171	11-Mar-14	Ilivani Seruvatu	77.20
1847	11-Mar-14	Fiji Crippled Children	100.00

EFT Number	Date	Payee	Amount (\$)
4181	11-Mar-14	Leela Naicker	100.55
1851	11-Mar-14	Post Fiji Limited	103.09
4173	11-Mar-14	Doreen Maria Dakuna	116.00
4175	11-Mar-14	Krishna Kant	132.00
4187	11-Mar-14	Sailosi Tuicakau	193.00
4177	11-Mar-14	Manasa Vasu	306.00
4183	11-Mar-14	Nileshwari Bandana	333.00
1850	11-Mar-14	Office Products	361.80
4168	11-Mar-14	Fvtc For Persons Wi	400.00
1852	11-Mar-14	Telecom Fiji Ltd	1,413.54
1854	11-Mar-14	Vodafone	1,683.93
1848	11-Mar-14	Fiji Electricity Aut	5,598.41
4178	11-Mar-14	Post Fiji Limited	44,053.45
1849	11-Mar-14	Morris Hedstrom	98,520.00
1962	25-Mar-14	Water Authority Of Fiji	1,069.53
4533	12-Apr-14	Entertainment Pro Fi	3,851.00
4532	12-Apr-14	Abalone Limited T/A	5,740.00
4561	12-May-14	Salome Ketedromo	19.00
4572	12-May-14	Alena Waqasiwa	27.00
4573	12-May-14	John Robert Khan	50.00
4575	12-May-14	Avelina Raiwaleta	63.00
4570	12-May-14	Nanise Ratumaiyale	90.00
4551	12-May-14	Ricoh Business Centr	92.00
4578	12-May-14	Krishna Kant	132.00
4564	12-May-14	Senimili Moamoa Vuc	150.00
4554	12-May-14	Veera's Kitchen	160.00
4582	12-May-14	Melania Cakautini	162.00
4568	12-May-14	Rentokil Initial Ltd	177.25
4555	12-May-14	Vinod Patel & Company	229.25
4566	12-May-14	Manasa Vasu	270.00
4565	12-May-14	Le Pain De Mie	291.75
4547	12-May-14	The Friendly North I	555.00
4550	12-May-14	Office Mate Ltd	589.00
4549	12-May-14	Janty Kanvan Limited	694.83
4581	12-May-14	Raijeli Erasito	764.00
4548	12-May-14	Government Printing	5,237.50
4553	12-May-14	Trinetra Marketing L	7,475.00
4567	12-May-14	Post Fiji Limited	85,510.20
2795	6-Jun-14	Leba Mere	27.00
2785	6-Jun-14	Timaima Gavid	63.00
2789	6-Jun-14	Vasemaca Uqeue	63.00
2784	6-Jun-14	Unwired Fiji	79.95
2786	6-Jun-14	Tomasi Basilio	84.00
2791	6-Jun-14	John Robert Khan	84.00
2793	6-Jun-14	Sevanaia Watikini	84.00
2796	6-Jun-14	E Emele Kalara Sovakal	84.00
2792	6-Jun-14	Naulumatua B R T	99.00
2790	6-Jun-14	Ateca Disewasewa	189.00
2794	6-Jun-14	Meli Tailau	189.00
2783	6-Jun-14	Sanaila Marau	198.00

EFT Number	Date	Payee	Amount (\$)
2788	6-Jun-14	Laisa Namela	1,803.05
4207	11-Jun-14	Office Products	19.00
4209	11-Jun-14	Sky Technologies	107.00
4204	11-Jun-14	Fresh'et International	174.50
4212	11-Jun-14	Vinod Patel & Company	242.10
4211	11-Jun-14	Suva Book Shop	326.10
4210	11-Jun-14	South Seas Music Com	400.00
4206	11-Jun-14	Janty Kanvan Limited	417.04
4208	11-Jun-14	Remington	908.50
4205	11-Jun-14	Government Printing	2,219.80
4230	11-Jul-14	John Robert Khan	50.00
4229	11-Jul-14	Unwired Fiji	102.30
4224	11-Jul-14	Manasa Vasu	108.00
4226	11-Jul-14	Rentokil Initial Ltd	143.24
4222	11-Jul-14	Kadar Buksh Limited	250.00
4223	11-Jul-14	Lautoka Sch 4 Special	1,640.00
4227	11-Jul-14	St Christopher's Home	3,800.00
4225	11-Jul-14	Post Fiji Limited	26,266.80
4586	12-Aug-14	Litia Waqanibaravi	57.00
4592	12-Sep-14	Nanise Mate	60.00
4599	12-Sep-14	Lautoka Hotel	195.00
4600	12-Sep-14	Iliano Voce	198.00
2717	15-Sep-14	Fiji Electricity Authority	224.84
2861	16-Sep-14	Filomena Veitube	30.00
2862	16-Sep-14	Keleni Marjorie Bola	30.00
2863	16-Sep-14	Nanise Mate	30.00
2864	16-Sep-14	Sinukula Leilena L.	30.00
4246	11-Oct-14	Telecom Fiji Ltd	220.46
4242	11-Oct-14	Fiji Electricity Authority	306.97
4245	11-Oct-14	Tanoa Rakiraki Hotel	440.00
4248	11-Oct-14	Veilomani Boys Home	1,700.00
4247	11-Oct-14	Treasure House Child	2,700.00
4244	11-Oct-14	St Christopher's Home	3,800.00
4243	11-Oct-14	Post Fiji Limited	41,753.40
4296	13-Oct-14	Office Products	98.40
4288	13-Oct-14	Connect	213.84
4295	13-Oct-14	J Santaram (Stores)	343.66
4300	13-Oct-14	Universal Office Sup	495.01
4299	13-Oct-14	Trinetra Marketing L	750.00
4294	13-Oct-14	Janty Kanvan Limited	1,208.49
4290	13-Oct-14	Dilkusha Girls Home	2,500.00
4298	13-Oct-14	Telecom Fiji Ltd	2,727.67
4301	13-Oct-14	Vodafone	3,120.02
4297	13-Oct-14	St Christopher's Home	3,800.00
4292	13-Oct-14	Fiji Electricity Authority	6,003.63
4291	13-Oct-14	Fiji Airways	6,594.00
4289	13-Oct-14	Daud Musa	13,200.00
4156	31-Oct-14	Fiji National Council	29.80
4157	31-Oct-14	Homes Of Hope	30.00
4164	31-Oct-14	Lautoka Hotel	160.00

EFT Number	Date	Payee	Amount (\$)
4154	31-Oct-14	Father Law Home	174.50
4162	31-Oct-14	Ani Lacanivalu	183.14
4159	31-Oct-14	Telecom Fiji Ltd	404.69
4158	31-Oct-14	Rentokil Initial Ltd	591.55
4155	31-Oct-14	Fiji Electricity Authority	1,591.06
4165	31-Oct-14	Fiji Revenue & Customs	2,781.10
4160	31-Oct-14	Vodafone	6,102.35
2216	4-Nov-14	Lomani Au Childrens	800.00
2217	4-Nov-14	Post Fiji Limited	85,382.65
4312	17-Nov-14	Maria Kaveni	5,879.00
4314	18-Nov-14	Ben Hira Mati	6.08
4321	18-Nov-14	Tuiaren Makin Taremon	17.82
4318	18-Nov-14	Nanise Tabua Wakaniv	30.00
4319	18-Nov-14	Neomai Tukania	30.00
4320	18-Nov-14	Nunia Buadromo	30.00
4322	18-Nov-14	Naomi Wati	30.00
4317	18-Nov-14	Nanise Mate	60.00
4335	18-Nov-14	Jotishma Mishra	420.00
4313	18-Nov-14	Arieta Moceica	1,451.93
4334	18-Nov-14	Madhwi Lata Chand	1,620.60
4332	18-Nov-14	Navneet Nitesh Kumar	6,704.00
4359	20-Nov-14	Redox Limited	70.00
4365	20-Nov-14	Leahlanghi Cakes & C	195.00
4358	20-Nov-14	Office Mate Ltd	250.00
4354	20-Nov-14	Kuver Motors	300.00
4350	20-Nov-14	Dulcinea Hotel Oasis	314.00
4349	20-Nov-14	Best Toner Supplies	574.00
4353	20-Nov-14	Janty Kanvan Limited	704.03
4364	20-Nov-14	Saleshni Naidu Lalji	758.54
4363	20-Nov-14	Vinod Patel & Company	861.90
4355	20-Nov-14	Lomani Au Childrens	900.00
4351	20-Nov-14	Fiji Airways	1,076.45
4360	20-Nov-14	St Mina Children Home	1,800.00
4361	20-Nov-14	Suva Book Shop	3,498.85
4362	20-Nov-14	Trinetra Marketing	38,490.00
4356	20-Nov-14	Morris Hedstrom	108,600.00
4369	21-Nov-14	Tokatoka Resort Hote	550.00
4400	26-Nov-14	Vamarasi Sai	9.00
4403	26-Nov-14	Alfreda Senirewa	9.00
4393	26-Nov-14	Ilimeleki Vasu	27.00
4398	26-Nov-14	Timaima Kadavu	27.00
4395	26-Nov-14	Salote Malo	37.00
4396	26-Nov-14	Fulori Sapela Qarau	54.00
4402	26-Nov-14	Priya Darshani Kumar	72.00
4394	26-Nov-14	Salome Ketedromo	84.00
4401	26-Nov-14	Umeshwar Ram	138.60
4399	26-Nov-14	Total (Fiji) Limited	10,878.53
4457	28-Nov-14	Shadrul Rahiman	10.00
4443	28-Nov-14	Jedi's Stationery	29.70
4461	28-Nov-14	Vasemaca Uqeuge	60.00

EFT Number	Date	Payee	Amount (\$)
4449	28-Nov-14	Anshoo Mala Chandra	72.00
4464	28-Nov-14	Seini Lewatoga	88.00
4462	28-Nov-14	Lolohea W. Vularua	108.00
4452	28-Nov-14	Jone Rokovesa	120.00
4453	28-Nov-14	Manasa Draki	126.00
4445	28-Nov-14	Nivis Motors & Machi	274.75
4439	28-Nov-14	Courts (Fiji) Ltd	333.00
4446	28-Nov-14	Rotomould (Fiji) Ltd	775.00
4440	28-Nov-14	Fiji Airways	959.10
4442	28-Nov-14	Janty Kanvan Limited	1,160.05
4441	28-Nov-14	Fresh'et Internation	1,659.74
4444	28-Nov-14	Joes Farm Produce Ltd	1,991.27
4259	11-Dec-14	Alena Rokovei Ralulu	11.75
4250	11-Dec-14	Ben Hira Mati	30.00
4251	11-Dec-14	Kelera Navitio	30.00
4252	11-Dec-14	Losalini Tinaicego	30.00
4254	11-Dec-14	Nanise Tabua Wakaniv	30.00
4255	11-Dec-14	Neomai Tukania	30.00
4256	11-Dec-14	Nunia Buadromo	30.00
4258	11-Dec-14	Naomi Wati	30.00
4260	11-Dec-14	Litia Waqanibaravi	30.00
4261	11-Dec-14	Semisi Vunivola	47.79
4624	12-Dec-14	Jotishma Mishra	35.00
4625	12-Dec-14	Nitika Chand	35.00
4606	12-Dec-14	Ilimeleki Vasu	36.00
4607	12-Dec-14	Maira V. Susau	47.80
4626	12-Dec-14	Melania Cakautini	52.05
4623	12-Dec-14	Luisa Bainikoro	60.00
4609	12-Dec-14	Faroon Rasheed	69.60
4608	12-Dec-14	Timaleti Kalou	78.20
4622	12-Dec-14	Leela Naicker	83.00
4620	12-Dec-14	Josefa Koroivueta	90.75
4619	12-Dec-14	Velema Gasai	93.00
4617	12-Dec-14	Trinetra Marketing L	150.00
4611	12-Dec-14	Leahlanghi Cakes	175.00
4631	12-Dec-14	Mr.Fix Electrical Services	240.00
4627	12-Dec-14	Ani Lacanivalu	380.35
4633	12-Dec-14	Dilitiana Baleinabul	593.00
4632	12-Dec-14	Semi Bukarau	1,100.00
4618	12-Dec-14	Veilomani Boys Home	1,800.00
4616	12-Dec-14	Telecom Fiji Ltd	2,223.35
4630	12-Dec-14	Dilkusha Girls Home	2,500.00
4604	12-Dec-14	Cdp Services Ltd	3,800.00
4605	12-Dec-14	Dhan Raj Chuhans Ent	4,230.00
4610	12-Dec-14	Fiji Electricity Authority	10,411.73
4637	16-Dec-14	Losalini Tinaicego	17.82
4640	16-Dec-14	Neomai Tukania	17.82
4635	16-Dec-14	Ben Hira Mati	30.00
4636	16-Dec-14	Kelera Navitio	30.00
4639	16-Dec-14	Nanise Tabua Wakaniv	30.00

EFT Number	Date	Payee	Amount (\$)
4641	16-Dec-14	Nunia Buadromo	30.00
4642	16-Dec-14	Thomas Martin Singh	30.00
4643	16-Dec-14	Tuiren Makin Taremon	30.00
4644	16-Dec-14	Naomi Wati	30.00
4645	16-Dec-14	Litia Waqanibaravi	30.00
4638	16-Dec-14	Nanise Mate	60.00
4657	16-Dec-14	Rajneet Kumar T/A Fa	495.00
4661	16-Dec-14	Punjas Limited	499.99
4654	16-Dec-14	Trinetra Marketing	525.00
4660	16-Dec-14	Office Products	538.00
4650	16-Dec-14	Newworld Supermarket	592.25
4662	16-Dec-14	Shreedhar Motors Lim	697.68
4658	16-Dec-14	Fiji Airways	810.75
4655	16-Dec-14	Vinod Patel & Company	844.60
4648	16-Dec-14	Fiji Airways	1,000.50
4647	16-Dec-14	Dynamic Solutions Lt	1,045.57
4659	16-Dec-14	Fiji Bandag	1,088.40
4668	16-Dec-14	Arieta Tagivetaua	1,540.00
4653	16-Dec-14	Rjs Breakers (Fiji)	1,850.00
4649	16-Dec-14	Government Printing	1,876.00
4656	16-Dec-14	Jahangir Khan T/A Au	2,571.00
4651	16-Dec-14	Office Products	2,781.00
4667	16-Dec-14	Treasure House Child	2,800.00
4663	16-Dec-14	Daud Musa	14,250.00
4665	16-Dec-14	Morris Hedstrom	110,190.00
4683	19-Dec-14	Connect	30.00
4694	22-Dec-14	Jone Rokovesa	50.00
4695	22-Dec-14	Le Pain De Mie	283.50
4698	22-Dec-14	Vodafone	406.73
4699	22-Dec-14	Water Authority Of F	407.64
4693	22-Dec-14	Fiji National Univer	750.00
4700	22-Dec-14	Nitika Chand	992.30
4697	22-Dec-14	St Mina Children Hom	1,900.00
4696	22-Dec-14	Morris Hedstrom	341,100.00
4703	23-Dec-14	Ben Hira Mati	30.00
4705	23-Dec-14	Nanise Tabua Wakaniv	30.00
4706	23-Dec-14	Nunia Buadromo	30.00
4707	23-Dec-14	Thomas Martin Singh	30.00
4708	23-Dec-14	Tuiren Makin Taremon	30.00
4709	23-Dec-14	Naomi Wati	30.00
4704	23-Dec-14	Nanise Mate	60.00
4714	23-Dec-14	Sailosi Tuicakau	63.00
4711	23-Dec-14	The Fiji Sun	130.05
4712	23-Dec-14	Tokatoka Resort Hote	310.00
4710	23-Dec-14	Jahangir Khan T/A Au	1,115.01
4713	23-Dec-14	Jone Melekini	6,652.50
4717	24-Dec-14	Marie Itu	63.00
4723	24-Dec-14	Laisa Namela	63.00
4725	24-Dec-14	Raijeli Erasito	63.00
4733	24-Dec-14	Taruna Goundar	72.00

EFT Number	Date	Payee	Amount (\$)
4718	24-Dec-14	Judith Anne	81.00
4722	24-Dec-14	Saleshni Naidu Lalji	81.00
4736	24-Dec-14	Josevata Duanacoko	81.00
4732	24-Dec-14	Taina Roqaraniqio Wa	99.00
4724	24-Dec-14	Rozia Bi	108.00
4731	24-Dec-14	Peni Tarequci	108.00
4726	24-Dec-14	Akosita Likubiau	117.00
4727	24-Dec-14	Sovaia Qalokivuya	117.00
4734	24-Dec-14	Malakai Waqatabu	117.00
4719	24-Dec-14	Keleni Marjorie Bola	126.00
4735	24-Dec-14	Ashika Lata	126.00
4720	24-Dec-14	Le Pain De Mie	152.25
4721	24-Dec-14	Manasa Vasu	162.00
4729	24-Dec-14	Emele Kalara Sovakal	171.00
4728	24-Dec-14	Babita Devi Singh	189.00
4730	24-Dec-14	Melania Cakautini	264.75
4737	24-Dec-14	Aporosa Mataqila	1,000.00
4738	24-Dec-14	Ignecious Mow	1,000.00
4752	30-Dec-14	Water Authority Of Fiji	1.59
4750	30-Dec-14	Post Fiji Limited	13.96
4748	30-Dec-14	Connect	213.84
4751	30-Dec-14	Telecom Fiji Ltd	1,398.18
4749	30-Dec-14	Ems Courier	3,082.00
4764	31-Dec-14	Reijieli B Mawa	9.00
4769	31-Dec-14	Seini Lewatoga	28.00
4765	31-Dec-14	Ilivani Seruvatu	132.00
4763	31-Dec-14	Maira V. Susau	150.00
4768	31-Dec-14	Ateca Disewasewa	150.00
4757	31-Dec-14	Lautoka Sch 4 Specia	200.00
4766	31-Dec-14	Rurunga Tiaeke	228.00
4770	31-Dec-14	Babita Devi Singh	420.90
4755	31-Dec-14	Fiji Crippled Children	500.00
4758	31-Dec-14	Lomani Au Childrens	900.00
4767	31-Dec-14	Shiu Narain & Lesley	900.00
4756	31-Dec-14	Homes Of Hope	1,000.00
4771	31-Dec-14	Liza Foster	2,076.39
4760	31-Dec-14	St Christopher's Home	3,800.00
4754	31-Dec-14	Church Of Nazarene -	32,416.52
4759	31-Dec-14	Post Fiji Limited	68,035.64
Total EFT Payments			1,404,786.08

Appendix 27.2: Examples of Lack Of Supporting Documents In Case Files

Reference Number	Recipient Status	Monthly Allowance (\$)	Anomalies in Case Files
SUV/PBS/078/14	PBS Recipient	60	<ul style="list-style-type: none"> • Hard copy of the completed application not printed and kept in the file; • Bank account details not in the file; • Birth certificates for other members living with the recipient were not in the file; and • Details of recipient's relationship with other members living in the same house not in the file.
SUV/PBS/180/14	PBS Recipient	120	<ul style="list-style-type: none"> • Bank account details not in the file; • Details of recipient's relationship with other members living in the same house not in the file.
SUV/PBS/061/14	PBS Recipient	120	<ul style="list-style-type: none"> • Hard copy of the completed application not printed and kept in the file; • Bank account details not in the file; • Applicant's and other members' birth certificates not in the file; and • Details of applicant's relationship with other members living in the same house not in the file.
SUV/PBS/062/14	PBS Recipient	120	<ul style="list-style-type: none"> • Hard copy of the completed application not printed and kept in a case file; • Bank account details not in the file; • Applicant's and other members' birth certificates not in the file; • Details of applicant's relationship with other members living in the same house not in the file.
SUV/PBS/157/14	PBS Recipient	120	<ul style="list-style-type: none"> • Hard copy of the completed application not printed and kept in a case file; • Bank account details not in the file; • Total of 4 members receiving the allowance, however only 3 members' birth certificates in the file; and • Details of applicant's relationship with other members living in the same house not in the file.
100165	PBS Recipient	90	<ul style="list-style-type: none"> • Bank account details not in the file; and • Details of applicant's relationship with other members living in the same house not in the file.
SUV/PBS/233/15	PBS Recipient	120	<ul style="list-style-type: none"> • Hard copy of the completed application not printed and kept in file; • Bank account details not in the file; and • Details of applicant's relationship with other members living in the same house not in the file.
101_108936	Deceased PBS Recipient	60	<ul style="list-style-type: none"> • Death certificate not in file • Details of when the payments were ceased not in file.
101_109620	Deceased PBS Recipient	60	<ul style="list-style-type: none"> • Death certificate not in file; and

Reference Number	Recipient Status	Monthly Allowance (\$)	Anomalies in Case Files
			<ul style="list-style-type: none">• Details of when the payments were ceased not in file.
101_105641	Deceased PBS Recipient	60	<ul style="list-style-type: none">• Death certificate not in file; and• Details of when the payments were ceased not in file.
101_3003594	Deceased PBS Recipient	60	<ul style="list-style-type: none">• Death certificate not in file; and• Details of when the payments were ceased not in file.

Appendix 27.3: Details of Projects Undertaken

Division	Club	Project	Amount (\$)
Western	Vatukacevaceva Women's Group, Naroko, Saivou, Ra	Poultry project	4,794.15
Western	Vuevata Women's Group, Nadrau, Tavua	Poultry project	3,532.90
Western	Tuberanasolo Women's Group, Namulomulo, Nadi District	Poultry project	4,564.92
Western	Saru's Womens Group, Lautoka District	Poultry project	4,781.51
Western	Nasolo Womens Group, Nasolo, Ba District	Poultry project	3,108.73
Western	Rokovuaka Market Extension, Ra	Market stall	642.42
Western	Matawailevu Womens Group, Ra	Screen printing	287.53
Western	Veilomani Womens Group, Tavua	Bakery	166.80
Northern	Seniniu Womens Group, Waica Settlement, Taveuni	Poultry project	3,130.00
Northern	Naqaravatu Womens Group, Vuna, Tunuloa, Cakaudrove	VCO ⁴⁴ project	576.45
Northern	Kanacea Women's Group, Vuna, Taveuni	Bee keeping project	4,998.00
Northern	Lutukina Womens Group, Dreketi	Poultry project	5,938.65
Northern	Rauriko Women's Group, Dogotuki, Macuata	Bakery project	5,996.71
Northern	Waitabu Womens Group, Navunievu, Bua	Canteen project	3,822.97
Northern	Nagasauva Women's Group, Tawake, Cakaudrove	Canteen project	2,767.83
Northern	Manutabu Women's Group	Canteen project	2,467.83
Northern	Nabuouno Women's Group, Udu, Macuata	Canteen project	4,670.77
Northern	Raranibulubulu Wome's Group, Labasa, Macuata	Bakery project	5,996.71
Northern	Senindilo Wome's Group, Saqani, Cakaudrove	Bakery project	529.00
Northern	Vorovoro Wome's Group, Macuata	VCO project	4,739.41
Eastern	Tuatua Women's Group, Mudu, Koro Island, Lomaiviti	VCO project	1,003.59
Eastern	Sinuvaca Women's Group, Mudu, Koro Island, Lomaiviti	VCO project	1,003.59
Eastern	Tikina Sanima Women's Group	VCO project	5,952.80
Eastern	Seniua ni Nabaka Women's Group, Moala, Lau	Canteen project	2,089.00
Eastern	Senimaqo Women's Group, Naioti, Yale, Kadavu	Bee keeping project	4,842.30
Eastern	Yadau Women's Group, Sawaieke, Gau, Lomaiviti	VCO project	2,649.09
Eastern	Lamiti Women's Group, Vanuaso, Gau, Lomaiviti	Canteen project	2,649.09
Eastern	Mualevu Womens Group, Vanuabalavu	VCO project	1,304.60
Eastern	Nakeleyaga Women's Group, Kabara	Canteen project	2,230.20
Eastern	Lomanikoro Women's Group, Waciwaci, Lakeba	Canteen project	2,230.20
Eastern	Uciwai Womens Group, Lomati, Mayuku	Canteen building materials	2,000.00
Eastern	Tubou Womens Group, Lakeba	VCO Project	9,047.40
Eastern	Mabula Womens Group, Cicia	Fuel project	2,024.28
Eastern	Waitabu Womens Group, Lakeba	Fishing net	398.00
Eastern	Nacamaki Womens Group, Lomaiviti	VCO project	1,902.50
Eastern	Kabu ni Waikatakata Womens Club, Nawaikama, Sawaieke, Gau, Lomaiviti	Canteen project	2,209.74
Eastern	Wailevu CMF Women's Fellowship, Nacavanadi, Vanuaso, Gau, Lomaiviti	Canteen project	2,209.74
Eastern	Veituberi Womens Club, Lamiti, Vanuaso, Gau, Lomaiviti	Canteen project	2,209.74
Eastern	Keteira Women's Club, Keteira, Moala, Lau	Canteen project	2,225.58
Central	Banaban Women's Group, Pratt Street, Suva	Sewing/handicraft	4,205.48
Central	Dakuibeqa Women's Group, Sawau, Rewa	Screen printing	1,650.00
Central	Dreketi Women's Group, Nagonenicolo, Naitasiri	Canteen project	2,970.37
Central	Savu Women's Group, Vugalei, Tailevu	Poultry project	4,105.43
Central	Lakshmi Women's Group, Naitata Community, Navua	Shed hire project	2,137.84
Central	Namuumua Women's Club, Wainikoroivula, Namosi	Poultry project	1,705.75
Central	Nakavika Women's Group, Wainikoroiluva, Namosi	Poultry project	1,705.75
Central	Narukunibua Women's Group, Namosi	Poultry project	1,705.75
Central	IGP Hands & Feet Women's Group (Makoi)	Poultry project	3,556.75
Total			141,437.85

⁴⁴ VCO – virgin coconut oil



MINISTRY OF YOUTH & SPORTS



CLARIFICATION TO PUBLIC ACCOUNTS COMMITTEE - 2014 AUDITOR GENERAL'S REPORT



Part A: Financial Statement

28.1 Audit Opinion

- Audit noted the variances in the operating trust and revolving fund account and the expenditure ledger not maintained. This resulted in the issue on the unqualified audit report.
- Both copies of the reconciliation statements were resubmitted and the expenditure ledger was created with reconciliations carried out on a monthly basis.
- Compared to the 2015 Audit Opinion on the signed Audited Statement, the Auditor General stated that financial statements were presented fairly in accordance with the Government accounting policies and that it also gives the information required by the FM Act 2004 in the manner so required.

Part A: Financial Statement

28.2 Statement of Receipts and Expenditure

Revenue

- Revenue generated by the Ministry increased by 27% or \$21,574 compared to 2013 due to:
 - Increase in salary deductions for insurance premiums, thus increase in commission.
 - Increase in pig and poultry sales.
 - High demand in the hire of the National Youth Dance and Brass Band in 2014.



Part A: Financial Statement

28.2 Statement of Receipts and Expenditure

Expenditure

- Expenditure was increased by 67.1% compared to 2013 was due to:
 - promotion of 5 officers and payment of leave compensation after the expiry of contracts
 - overtime payment for drivers in 2014 who were heavily engaged in the Hon. Minister's rural visits in 2014
 - an increase of \$575,810 in the budget estimate earmarked for sports grants
 - an increase of \$386,815 in the budget estimate towards upgrading of Training Centers under the Capital Grant
- An overall increase of \$875,810 in the budget estimate for the implementation of youth development programs

Part A: Financial Statement

28.3 Appropriation Statement

- Savings of \$1,347,049 or 13% were recorded in 2014 due to control measures put in place to ensure funds were utilized only for the purpose it was intended as per financial and procurement guidelines.



Part A: Financial Statement

28.4 Statement of Losses

- No money was not accounted for the year 2014, however items worth \$27,819.95 were written off following the board of survey conducted.
- Write-off approval was obtained from the Ministry of Finance on memo ref.21/6/47 dated 13/03/2015 and for items to be disposed as recommended by the Board of Survey Team.



Part B: Audit Findings

28.5 Refurbishment of Valelevu Youth Training Centre

- The Ministry has gradually improved its project management and supervision process to address inadequate management and supervision of its capital construction projects.
- The Ministry, effective 1 December 2015, appointed a Project Officer Capital with adequate experience and technical skills in project management, supervision to ensure completion of projects on time with reporting of project and project meetings.
- The Project Officer Capital has also been trained further on project management through USP.
- The project management team now meets on a monthly basis with the Permanent Secretary for Project Implementation updates and ensures site visits and meetings with contractors during progress phase of construction projects



Part B: Audit Findings

- The refurbishment work was not completed on the due date, however MIT officials responsible for the project sent a Memorandum on 25 May 2015 to confirm that they had completed the refurbishment of the Youth Training Centre at Valelevu.
- We now ensure that future Agreements have a retention clause and that a retention sum is deducted from the payment sum should the Agreement be not honored (except for the RFMF).
- We will also ensure that we strengthen our Monitoring activities particularly at the completion of each phase as stipulated in the scope of works.

Part B: Audit Findings

28.6 Tender not called for contracts Exceeding \$50,000

- The Ministry ensures that proper tender procedures are followed for all purchase of goods, service or works exceeding \$50,000 in compliance with the Finance Manual, procurement guidelines and regulations.
- The Ministry also calls for and Expression of Interest (EOI) to identify suitable and economical contractors prior to engaging vendors for works significantly below \$50,000.
- All construction work is now adequately scoped and verified with relevant stakeholders such as MIT, Rural Development, Ministry of Health and Local Government.

Part B: Audit Findings

- The Ministry has taken note of the recommendations highlighted. However, due to limited timeframe and the fact that expenditure utilization of 60% was targeted by June 2014, our Northern Division Officers managed to obtain three quotations from Contractors within Labasa for each project. Due to its geographical location and with a 25km distance from Labasa Town, most companies were not willing to provide quotations. Besides, accessibility to the Centre at that time during heavy rain was almost impossible as we had to cross a 4 foot deep creek in order to get to the Centre.
- Both the Contractors were recommended by other Ministries through consultations. Submissions were made to the Ministry of Finance seeking derequisitioning of funds with the endorsement of the Permanent Secretary as the cost of each project was less than \$50,000 with an agreement signed detailing the scope of work to be carried out.