



SOLOMON ISLANDS GOVERNMENT

**Final Audit Report on a Special Investigation
into the
Financial Management of the Rennell and Bellona
Province**

for the period

1st April 2012 – 31st December 2014

National Parliament Paper No. 17 of 2017

Reported by:

**Office of the Auditor-General
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5th April 2017

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AUDITOR GENERAL's FOREWORD

Mr Speaker,

Audit Report on a Special Investigation into the Financial Management of the Rennell and Bellona Province for the Period 1st April 2012 to 31st December 2014

Pursuant to section 108(4) of the Constitution, it is an honour for me Sir, to present the Special Audit Report of the Auditor General on a Special Investigation into the Financial Management of the Rennell and Bellona Province for the period 1st April 2012 to 31st December 2014 for tabling in Parliament.



Peter Lokay

Auditor General

Office of the Auditor General

5th April 2017

1.0 EXECUTIVE OVERVIEW

1.1 Background

This audit was requested by the Minister for the Ministry of Provincial Government and Institutional Strengthening (MPGIS) for the Office of the Auditor-General (OAG) to conduct a review into the appropriateness of revenue collected, and the disbursements incurred by the Rennell and Bellona Provincial Government (RBPG). This review was conducted by the OAG to substantiate allegations that were raised against the then Premier of the Province. The financial periods designated for review were from 1st April 2012 to 31st December 2014.

The allegations are as follow:

1. The premier collected business licenses fees without depositing them into the provincial bank account;
2. The misappropriation of \$1.2 Million of provincial funds;
3. The awarding of contracts from the Provincial Capacity Development Fund (PCDF) to his own private company and the construction of the Kia Koe Lodge;
4. Incurred \$4 Million in expenses for stay at Heritage Park Hotel; and
5. Mismanagement of provincial fund that led to accumulated arrears which resulted in 15 months of non-payment of provincial direct employees' salaries.

1.2 Rennell and Bellona Province Bank Accounts

The Province is currently managing three bank accounts where details of the three bank accounts are outline in table 1 below.

Table 1 – Bank accounts operated by Rennell & Bellona Province

Bank	Account Name	Account Number	Status
BSP	Rennell and Bellona Province	8400660801	Active
BSP	Rennell and Bellona Province	4000908352	Active
BSP	Renbel Capital Project	4000483596	Active
ANZ	Renbel Project Account	4482955	Closed

Rennell and Bellona Province Main Bank Account

The Rennell and Bellona Province Bank Account # 8400660801 is established for the management of the National Government Fixed Services Grant (FSG) to the province. The FSG is used to maintain the operations of the Provincial Government. The core portfolios of the Province are Health Services, Education Services and the Commerce Section.

Renbel Project Account

The Renbel Project Account # 4482955 is established to cater for the activities of the Provincial Capacity Development Funds (PCDF). These funds were provided by the Asian Development Bank (ADB) and Solomon Islands Government (SIG) by the Ministry of Provincial Government and Institutional Strengthen (MPGIS) through the Provincial Government Strengthen Program (PGSP).

This report presents the findings and recommendations of the audit for these two accounts.

1.3 Audit Objectives and Scope

The audit was conducted to substantiate allegations raised against the Honourable Premier of the Rennell & Bellona Provincial Government for the period 1st April 2012 to 31st December 2014. The audit was conducted in accordance with the Provincial Financial Management Ordinance 2008 (PFMO) and the Public Finance and Audit Act 1978 (PFAA).

1.4 Overall Conclusions

OAG has encountered several limitations during the conduct of the audit which includes unavailability of Deputy Provincial Secretary, high turnover of senior management staff, no salary records available and non-response from PT Mega Bintang Borneo Mining Limited for accommodation provided to the Provincial Premier.

OAG concluded that there were weak controls over the receipting, approval, disbursement and accountability of provincial funds for the audited period. Similarly OAG noted weaknesses and poor controls over the management of trade creditors and Provincial Capacity Development Fund (PCDF). Furthermore, OAG is unable to substantiate the allegations against the Honourable Premier due to unavailability of source documents such as receipts, deposit slips, requisitions, payment vouchers, supporting documents and cheque butts. However, there are evidences from third parties that Honourable Premier did collect revenue from logging and mining firms. Also he did some payments to service providers during the audited period which needs further investigations from relevant authorities.

OAG has therefore made a number of recommendations in this report which if implemented will assist the Provincial Government to strengthening its internal controls and eliminate fraudulent activities from happening again in the future.

1.5 Key Findings

The key findings from the special investigation into the Financial Management of the Rennell and Bellona Province are:

- Poor control over Provincial Cheque Books;
- No bank reconciliation performed for the Provincial Bank Accounts;
- Poor control over Treasury Receipt Books and Register;
- Unaccounted revenue;
- Payments with no supporting documents;
- Unauthorised custodian of Provincial Cheque Books;
- Unauthorised disbursement of Provincial monies and;
- Poor management of PCDF Bank Account.

The table 2 below lists the risk ratings that have been assigned to each audit finding to help identify which audit observations should be given priority:

Table 2 – Risk Rating

Risk Rating	Description
High	Audit issues which have led to a modified audit opinion; and / or matters which have led to significant losses of revenue or inappropriate expenditure
Moderate	Internal control weaknesses which expose the government to the risk of significant financial losses
Low	Minor or procedural matters which require action in order to improve management control

1.6 Executive responses

The Executive did not respond to the report and the recommendations on the specified due date. As a result the report was submitted to the Speaker of the Provincial Assembly for tabling without any management responses.

This version of the report is submitted to the Speaker of National Parliament for tabling in the National Parliament of Solomon Islands.

1.7 Recommendations

The recommendations are outlined as follows:

Recommendation 1

OAG recommends that all provincial cheque books to be under the custodian of the Provincial Treasurer and to be locked away in a safe or steel cabinet at the Provincial Treasury Office.

Recommendation 2

OAG recommends that the Provincial Government:

- Perform monthly bank reconciliations for its three active bank accounts;
- Ensure that the preparer and reviewer sign off the monthly bank reconciliations and;
- Ensure to maintain proper filing of all monthly bank reconciliations.

Recommendation 3

OAG recommends that the Provincial Government:

- Immediately update its provincial receipts register book;
- Immediately recover all current receipts books that are in circulation and return them to the Provincial Treasurer for recording and to be used by the authorised officers to collect the provincial internal revenue and;
- Ensure to properly safeguard the unused receipts books by keeping them in the Treasurer's room in a secured cabinet.

Recommendation 4

OAG recommends that the Provincial Government:

- Ensure that only officially appointed provincial revenue collectors are allowed to collect revenue on behalf of the province and;
- Ensure that the revenue collecting activities highlighted above are referred to relevant authorities for further investigation.

Recommendation 5

OAG recommends that the Provincial Government:

- Ensure all cheque books and provincial accounting documents are strictly under the custodian of the Provincial Treasurer;
- Must not write and sign any cheque without the existence of properly authorised payment voucher and genuine supporting documents;
- Complies with proper payment process as required in the PFMO 2008 and Financial Instructions and the PCDF procurement guidelines and;
- Must maintain a good filing system for the payment vouchers and supporting documents.

Recommendation 6

OAG recommends that the Provincial Government:

- Ensure all provincial cheque books are locked in safe cabinet under the custodian of the Provincial Treasurer.

Recommendation 7

OAG recommends that the Provincial Government:

- Ensure all provincial disbursements are under the authority of the provincial executive, the accounting officer and to be supported with appropriate supporting documentations (requisition form, payment voucher and quotations etc.). All payments must be in line with the annual budget of the province.

Recommendation 8

OAG recommends that the Provincial Government:

- Immediately establish a creditor register and update it regularly;
- Immediately establish a schedule of repayments of these arrears and;
- Ensure that tender processes are in place for provincial procurements.

Recommendation 9

OAG recommends that the Provincial Government:

- Ensure the Provincial Financial Management Ordinance 2008 is adhered to and;
- To ensure further investigation is carried out on employees involved in authorising the cheque payments and the matter should be referred to the appropriate authorities if criminality is involved.

2.0 Detailed Findings and Recommendations

There are limitations faced during the audit which made it difficult to fully ascertain the allegations raised against the then Premier of the Province. The limitations are as follows:

- During the course of the audit, the Provincial Secretary of Rennell & Bellona Province was terminated. The Deputy Provincial Secretary was well aware of the audit, but did not make his way to the provincial headquarters to assist with the audit.
- It was also noted during the audit that there was high turnover of senior management staff. This resulted in delay on the completion of the audit as OAG tried to locate and contact the former senior staff and some records were not provided to assist with the audit.
- OAG did not have feedback on allegation on salaries arrears as there were no records provided to OAG during the audit by the provincial administration officer.
- OAG was unable to get evidence for the \$4m hotel bills paid by the PT Mega Bintang Borneo Mining Limited to accommodate Renbel Provincial Executive including the Premier, because there was no formal response from the company when OAG wrote to them for explanation.

2.1 Cash at Bank

2.1.1 Poor control over Provincial Cheque Books

Risk Rating – High

Section 37 of the Provincial Financial Management Ordinance 2008 states *“that cheque books, when not in use, must be kept under lock and key in a strongroom, safe or steel cabinet under the sole custody of the Provincial Treasurer or his or her delegated representative. Care must be taken at all times to ensure that cheques cannot be extracted for fraudulent purposes”*.

The audit revealed that there was poor control by the Province over some of its important accounting documents. Various provincial staff at the Provincial Headquarters revealed through interviews that the Provincial Government’s cheque book(s) were held by the Provincial Premier during his time as the Premier of the Province. This led to un-control drawings of funds from the provincial bank accounts, in which the Provincial Government was unable to provide with accounts and records during the audit in 2014.

Implications

Lack of control over provincial cheque books increases the risk of the unauthorised payments and misuse of provincial funds.

Recommendation 1

OAG recommends that all provincial cheque books to be under the custodian of the Provincial Treasurer and to be locked away in a safe or steel cabinet at the Provincial Treasury Office.

Executive Response

No executive response received within the timeframe given.

2.1.2 No bank reconciliation performed for the Provincial Bank Accounts

Risk Rating – High

Section 38 (1) of the Provincial Financial Management Ordinance 2008 states that *“all bank accounts must be reconciled with the balance in the cashbook/s within 1 week of the receipt of the bank statement. The reconciliation statements must detail all outstanding cheques, outstanding debits and credits and fully explain any differences between the balances. A copy of the reconciliation statement must accompany the monthly trial balance”*.

OAG noted that there were no monthly bank reconciliations performed for any of the provincial bank accounts during the period 1 April 2012 to 31 December 2014. Refer to table 1 for the details of the provincial bank accounts maintained by the Provincial Government.

Implications

Non-performance of bank reconciliations results in improper debits, or credits not detected and adjusted, hence balances of cash at bank, revenue and expenditure transactions at the end of the two financial years 2012/2013 and 2013/2014 may be unreliable. Also, non-performance of bank reconciliations increases the risk of misappropriation because the payments listed in the cheque butts may not be the same as the cheques that were written.

Recommendation 2

OAG recommends that the Provincial Government:

- Perform monthly bank reconciliations for its three active bank accounts;
- Ensure that the preparer and reviewer sign off the monthly bank reconciliations and;
- Ensure to maintain proper filing of all monthly bank reconciliations.

Executive Response

No executive response received within the timeframe given.

2.2 REVENUE

2.2.1 Poor control over Treasury Receipts Books and Register

Risk Rating – High

Section 71 of the Provincial Financial Management Ordinance 2008 states *“that it is the duty of the Provincial Secretary:*

- (a) To be satisfied that a proper system of accounts exists in the Provincial Government;*
- (b) To satisfy themselves that adequate arrangements exist for the safe-keeping of cash and stocks of revenue earning books and all other accountable stationery”*.

OAG noted that there is poor security and control over the provincial receipt books and the treasury receipt book register. Interview conducted with various staff within the provincial accounts and administration section revealed that some members of the Provincial Executive and senior provincial

staff held on to provincial receipt books without registering them in the register book. OAG is unable to confirm the total number of receipt books held and how they were issued to provincial staff. This was due to lack of records kept by the Provincial Government.

Implications

The lack of proper recording of the provincial receipts books into the register increases the risk of theft, misappropriation and unauthorised collection of provincial revenue.

Recommendation 3

OAG recommends that the Provincial Government:

- Immediately update its provincial receipts register book;
- Immediately recover all current receipts books that are in circulation and return them to the Provincial Treasurer for recording and to be used by the authorised officers to collect the provincial internal revenue and;
- Ensure to properly safeguard the unused receipts books by keeping them in the Treasurer's room in a secured cabinet.

Executive Response

No executive response received within the timeframe given.

2.2.2 Unaccounted revenue

Risk Rating – High

The Province failed to maintain records for their revenue collection. OAG wrote to 15 logging companies, three mining companies and one trading company requesting third party confirmation for revenues that were due and payable to the province (see appendix 1). However, Table 3 below shows the companies that responded to OAG's request for third party confirmation. It also shows the payments made by each company to various recipients within the audited period.

OAG requested the Provincial Government to provide the provincial receipts and deposit books so that the revenue could be traced back to the provincial bank account, however they failed to provide the documentations. OAG therefore was unable to ascertain how the \$3.2 million was utilized.

Table 3 – Summary of revenue collected from logging and mining companies

Company name	Revenue type	Revenue collector ¹	Job Title	2012/2013 Amount	2013/2014 Amount	Cumulative total
Samlinsan	Logging Business License		Deputy Provincial Secretary	120,800.00	80,300.00	\$ 201,100.00
	Logging Business License		Provincial Treasurer	360,000.00	382,741.00	\$ 742,741.00
	Logging Business License		Provincial Premier	55,000.00	280,000.00	\$ 335,000.00

¹ Names of officials taken off from this version of the report

	Logging Business License	Unknown	Unknown	387,657.00	280,000.00	\$ 667,657.00
	Logging Business License		Provincial Premier	0.00	153,620.00	\$ 153,620.00
	Logging Business License		Senior Works Officer	0.00	10,180.00	\$ 10,180.00
Bintan Mining	Mining Business License	Unknown	Unknown	0.00	632,580.00	\$ 632,580.00
APID	Mining Business License		Provincial Senior Accountant	0.00	15,000.00	\$ 15,000.00
Mugaba Atoll	Logging Business License		Provincial Senior Accountant	0.00	250,000.00	\$ 250,000.00
	Logging Business License		Deputy Provincial Secretary	0.00	100,000.00	\$ 100,000.00
ETH Global Investment Partners	Logging shipment fee per cubic	Unknown	Unknown	11,173.00	110,329.80	\$ 121,502.80
Total				\$ 934,630.00	\$ 2,294,750.80	\$ 3,229,380.80

Appendix 2 shows detail of revenue collected by the Province

Section 64 (1), (2) (b) of the PFMO 2008 states “that (1) The Treasurer shall be responsible for the day-to-day financial transactions of the Provincial Government and for the receipt and payment of all monies. This responsibility is exercised notwithstanding that the Provincial Secretary is the Provincial Accounting Officer”.

It was revealed from the third party confirmation that different staff from the province were collecting revenue on behalf of the province. Some of the common items collected from these business houses included fuel, ration and spare parts. Further interview with an officer working in the Samlinsan Company revealed that the cost of these items will be charge as business licenses to the Province. OAG was unable to confirm whether these were for provincial purposes or not. See appendix 2 to the report for details of monies and other items collected by Provincial Officers from businesses.

Implications

Having more than one staff collecting provincial revenue increases the risk of theft, misuse and unauthorized collection of provincial revenue.

Recommendation 4

OAG recommends that the Provincial Government:

- Ensure that only officially appointed provincial revenue collectors are allowed to collect revenue on behalf of the province and;
- Ensure that the revenue collecting activities highlighted above are referred to relevant authorities for further investigation.

Executive Response

No executive response received within the timeframe given.

2.3 PAYMENTS

2.3.1 Payments with no supporting documents

Risk Rating – High

Section 4 (2) of Provincial Financial Management Ordinance 2008 states that “*The Provincial Secretary has the overall responsibility to control and account for all funds received and paid by the Province on a daily basis and to report and account to the Provincial Executive, Provincial Assembly, the Auditor-General and the MPG as required*”.

OAG interviewed various staff in the accounts and administration office and the Deputy Provincial Secretary on how the province incurred its expenditures. It was revealed that there was no control in place over the procuring of goods and services for the province.

OAG reviewed bank account statements for the main account # 8400660801 at BSP and the provincial project account # 4482955 at ANZ and noted that \$5,002,236.60 and \$1,529,689.90 respectively worth of transactions were disbursed from these two bank accounts. These transactions were not supported with any form of accounting documentations which shows that the province was not able to account for the funds.

See Appendix 3 for the list of payments that were made from the main bank account # 8400660801 without any supporting documents. In addition, Appendix 4 lists the payments made from the PCDF bank account # 4482955 with no supporting documents.

Implications

Writing of cheques from the provincial bank accounts without supporting them with payment vouchers and support documents increases the risk of unauthorised payments, misuse of funds and the exposure to fraud of provincial funds.

Recommendation 5

OAG recommends that the Provincial Government:

- Ensure all cheque books and provincial accounting documents are strictly under the custodian of the Provincial Treasurer;
- Must not write and sign any cheque without the existence of properly authorised payment voucher and genuine supporting documents;
- Complies with proper payment process as required in the PFMO 2008 and Financial Instructions and the PCDF procurement guidelines and;
- Must maintain a good filing system for the payment vouchers and supporting documents.

Executive Response

No executive response received within the timeframe given.

2.3.2 Unauthorised custodian of Provincial Cheque Books

Risk Rating – High

Section 37 of Provincial Financial Management Ordinance 2008 (PFMO) states that “*Cheque books, when not in use, must be kept under lock and key in a strongroom, safe or steel cabinet under the sole custody of the Provincial Treasurer or his or her delegated representative. Care must be taken at all times to ensure that cheques cannot be extracted for fraudulent purposes*”.

Interviews held with the former Provincial Secretary (PS) and various staff of the Province revealed that the former Premier was the custodian of the Provincial cheque books for the period January 2014 to September 2014.

Implications

The unauthorised possession of provincial cheque books by the Premier could lead to the incurring of expenditures without complying with the PFMO, misuse of funds and the committing of fraud.

Recommendation 6

OAG recommends that the Provincial Government:

- Ensure all provincial cheque books are locked in safe cabinet under the custodian of the Provincial Treasurer.

Executive Response

No executive response received within the timeframe given.

2.3.3 Unauthorised disbursement of Provincial monies

Risk Rating – High

Section 11 (4) of Provincial Financial Management Ordinance 2008 states that “*All disbursements of Provincial money shall be made under authority of the Provincial Executive by the Accounting Officer either personally or by a provincial employee acting on his or her instructions or written delegation*”.

OAG reviewed receipts of payments given to the acting Provincial Treasurer by the former Provincial Secretary from the periods 20th July 2013 - 21st September 2013 and 2nd February 2014 to 29th July 2014. These receipts were for payments made by the former Premier to various suppliers for goods and services totalling \$304,840 and \$549,215 respectively. It was revealed that these payments were made without any supporting documentation. OAG selected samples of 46 receipts for year 2013 and 62 receipts of payments incurred in 2014. These were cross checked with the beneficiaries.

Of the 108 samples tested OAG noted the following:

- 9 samples totalling \$33,000 confirmed not receiving any payments at all. See table 4 for the details
- 8 samples totalling \$28,000 confirmed receiving only part of the payments. See table 5 for the details.

Table 4 shows details of the Payees not receiving their payments

2013 and 2014 Bellona Disbursements					
Date	Beneficiary	Payer	Purpose of Payment	Actual Amount Paid	Amount received by recipient
Recipients who were interviewed on 6/12/2014 for 2013 payments					
13.07.2013	Hon: Kusal Tepuke		Allowances	500	-
02.08.2013	Hon: Kusal Tepuke	Premier	Hon: Kusal Tepuke function	1,500	-
11.08.2013	Hon: Kusal Tepuke	Premier	Rugby Tournament	2,500	-
2014	Nazinra Shop	Premier	Hellen Nazinra Retail Store	8,000	-
2014	Masiano	Premier	Masiano family assistance	1,000	-
26.07.2014	John Way	Premier	Contract payment for East Bellona	5,000	-
27.07.2014	F Tango	Premier	Gift for PM acting Hon: M Maelanga during 2nd appointed day- Ward 10	1,000	-
2014	Hon: Kusal Tepuke	Premier	Deputy Premier medical cost	12,000	-
14.04.2014	Hon: Kusal Tepuke	Premier	Provincial contribution for Deputy Premier	1,500	-
				33,000	

Table 5 below shows recipients that received part of their payments

2014 Bellona Disbursements					
Date	Beneficiary	Payer	Purpose of Payment	Actual Amount Paid	Amount received by recipient
Recipients who were interviewed on 6/12/2014					
2014	Unknown	Unknown	Smith Paikea family school fee assistant	5,000	3,000
18.7.14	Solomon Semaika	Renbel Province	Brushing and cutting branches extended to the main road / Verbally agreed by Hon Premier	5,000	800.00
				10,000	3,800

Recipients who were interviewed on 5/12/2014					
27.7.14	Keith Namona	Premier	Gift for PM (Ag) - M. Maelanga during 2nd Appointed Day - W9	1,000	800
2014		Premier	Lungu Kiloko and group	4,500	1,500
2014	Keith Namona	Premier	Keith Namona family financial assistance	3,500	3,000
26.6.14	Andrew Angikimua	Renbel Province	Brushing and cutting branches extended to the main road- Patonu through Hangemangama 1KM	2,000	1,000.00
27.7.14	D.Tahea	Premier	Gift for PM (Ag) - M. Maelanga during 2nd Appointed Day - W7	1,000	800
21.4.14	Unknown	Unknown	Late George Pugeva collected by Solly	6,000	5,000
				18,000	12,100

Implications

The implication of having the Premier spending provincial monies without following proper payment process may lead to misused, wastage of provincial monies and may result in the committing of fraud.

Recommendation 7

OAG recommends that the Provincial Government:

- Ensure all provincial disbursements are under the authority of the provincial executive, the accounting officer and to be supported with appropriate supporting documentations (requisition form, payment voucher and quotations etc.). All payments must be in line with the annual budget of the province.

Executive Response

No executive response received within the timeframe given.

2.4 TRADE CREDITORS

2.4.1 Non-payment of Creditors

Risk Rating – High

Review of the provincial records has revealed that there was no register book maintained for all provincial creditors. However, OAG obtained letters from two creditors including their invoices to the Provincial Government seeking for the payment of their arrears that the province had owed to them. These were arrears for accommodation of Provincial Executive for the period of 2012 to 2014.

Furthermore, review on the documentations revealed that some of the provincial senior staff issued their personal equipment to the province for hire. OAG was unable to sight any form of agreement

between the province and the staff for hiring of those equipment. Table 6 below shows summary of the creditors and their balances.

Table 6 - List of Creditors

Supplier's Name	Amount
Nukuma'anu Lodge	\$289,906.50
Moreno Rest House	\$229,598.50
Adrian Tuhanuku	\$76,400.00
Total	\$595,905.00

Implications

The non-availability of trade payables listing and agreement on hiring of staff equipment increases the risk of ghost claims, conflict of interest, creditors may not be willing to provide goods and services and listing being manipulated for personal or political interest. This can also affect the financial position of the province; this may lead to increase in the province's liabilities.

Recommendation 8

OAG recommends that the Provincial Government:

- Immediately establish a creditor register and update it regularly;
- Immediately establish a schedule of repayments of these arrears and;
- Ensure that tender processes are in place for provincial procurements.

Executive Response

No executive response received within the timeframe given.

2.5 PROVINCIAL COMMUNITY DEVELOPMENT FUNDS (PCDF)

2.5.1 Poor management of PCDF Bank Account

Risk Rating – High

It was noted during the audit that the Province was issued with a cheque book with a running number sequence from 119001 - 119050. This was used as the current cheque book for the project during its operation in 2014.

OAG reviewed the PCDF bank account statement and noted that the Province used one of the Provincial cheque books that were previously lost and cancelled to draw fund from the account. The bank statement revealed that cheque leaf number 00823662 from the lost cheque book was used on the 31/01/2013 to draw the sum of \$240,000 from the account. An interviewed with staff in the provincial accounts section revealed that the money was given to the Premier.

Furthermore OAG noted the following cheque leaves 119041- 119050 were blank and still attached to the current cheque book. Cheque numbers 119041 and 119042 were cancelled and were pre-signed.

Implications

Having more than one staff as custodians of provincial cheque books increase the risk of theft, misuse and unauthorized disbursement of provincial funds.

Recommendation 9

OAG recommends that the Provincial Government:

- Ensure the Provincial Financial Management Ordinance 2008 is adhered and;
- To ensure further investigation is carried out on employees involved in authorising the cheque payments and the matter should be referred to the appropriate authorities if criminality is involved.

Executive Response

No executive response received within the timeframe given.

3.0 APPENDICES

3.1 Appendix 1 shows details of companies OAG requested for third party confirmation on provincial revenue

Sequence	15 Logging Companies	Companies respond to OAG	Companies not respond to OAG
1	Mugihenua Investment Co. Ltd		X
2	Interport Trading Agency		X
3	Mugaba Atoll Resources Company	✓	
4	Tropica Frontier Development Company		X
5	Islest Tropical Timber Ltd		X
6	Ocean Trading Company		X
7	Solomon Eco-Lumber Ltd		X
8	Pacific Crest Company		X
9	Samlinsan (SI) Ltd	✓	
10	ETH Global Investment and Partners	✓	
11	Omex Company		X
12	Greenhill Enterprises Ltd	✓	
13	Spring Hill Limited		X
14	Maccrabka Timber Enterprises		X
15	Amos Company		X
	Three Mining Companies		
1	PT Mega Bintan Borneo Mining (SI) Ltd		X
2	Asian Pacific Investment Development (APID)	✓	
3	Bintang Mining Company	✓	
	Trading Companies		
1	Lee Kwok Kwen and Company (Solfis)		X
19	Total companies operated in Renbel		

Table key:

- ✓ Companies respond to OAG request for third party confirmation
- × Companies not respond to OAG request for third party confirmation

3.2 Appendix 2: Show details of revenue and other items collected by Provincial staff on behalf of the Province which OAG was unable to trace them to the bank statements, due to missing deposit books

Date	Receipt #	Payment Type	Revenue Type	Recipient	Amount (\$)
2012/13 Financial Year					
Samlinsan Logging Company					
13/04/2012	15484	Cash	Logging business licence- part payment	Deputy Provincial Secretary	50,000.00
29/06/2012	15600	Cash	Logging business licence- part payment	Deputy Provincial Secretary	30,000.00
3/08/2012	15599	Cash	Logging business licence- part payment	Deputy Provincial Secretary	30,000.00
24/01/2013	Unknown	Fuel	Fuel	Deputy Provincial Secretary	10,800.00
					120,800.00
Samlinsan Logging Company					
27/04/2012	15486	CHQ	Logging business licence- part payment	Provincial Treasurer	100,000.00
4/05/2012	15491	CHQ	Logging business licence- part payment	Provincial Treasurer	100,000.00
22/05/2012	15493	CHQ	Logging business licence- part payment	Provincial Treasurer	50,000.00
30/05/2012	15494	CHQ	Logging business licence- part payment	Provincial Treasurer	30,000.00
5/06/2012	15495	CHQ	Logging business licence- part payment	Provincial Treasurer	50,000.00
2/10/2012	25530	CHQ	Logging business licence- part payment	Provincial Treasurer	30,000.00
					360,000.00
Samlinsan Logging Company					
30/05/2012	Unknown	Cash	Logging business licence- part payment	Premier	5,000.00
14/02/2013	25547	Cash	Logging business licence- part payment	Premier	50,000.00
					55,000.00
Samlinsan Logging Company					
1/10/2012	Unknown	Fuel	Fuel	Unknown	3,600.00
11/10/2012	Unknown	CHQ	Logging business licence- part payment	Unknown	24,000.00
31/10/2012	MR King	Fuel	Fuel	Unknown	3,600.00

5/11/2012	25536	CHQ	Logging business licence- part payment	Unknown	100,000.00
5/11/2012	25537	CHQ	Logging business licence- part payment	Unknown	12,000.00
14/11/2012	Unknown	Fuel	Fuel	Unknown	2,457.00
19/12/2012	Unknown	Fuel	Fuel	Unknown	8,400.00
19/12/2012	Unknown	Fuel	Fuel	Unknown	3,600.00
27/02/2013	25548	CHQ	Logging business licence- part payment	Unknown	100,000.00
28/02/2013	25573	Cash	Logging business licence- part payment	Unknown	30,000.00
13/03/2013	25574	CHQ	Logging business licence- part payment	Unknown	30,000.00
28/03/2013	25561	CHQ	Logging business licence- part payment	Unknown	70,000.00
					387,657.00

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Samlinsan Logging Company					
29/05/2013	Unknown	Fuel	Fuel	Senior Works Officer	5,655.00
30/05/2013	Unknown	Fuel	Fuel	Senior Works Officer	3,800.00
30/05/2013	Unknown	Ration	Ration	Senior Works Officer	725.00
					10,180.00
Samlinsan Logging Company					
26/04/2013	Unknown	Fuel	Fuel	Premier	5,280.00
1/05/2013	25579	Cash	Logging business licence- part payment	Premier	20,000.00
3/05/2013	Unknown	Fuel	Fuel	Premier	3,925.00
10/05/2013	Unknown	Cash	Logging business licence- part payment	Premier	10,000.00
10/05/2013	25564	CHQ	Logging business license- part payment	Premier	100,000.00
15/05/2013	Unknown	Cash	Logging business licence- part payment	Premier	3,620.00
16/05/2013	Unknown	Cash	Logging business licence- part payment	Premier	40,000.00
30/05/2013	Unknown	Ration	Ration	Premier	12,960.00

12/06/2013	Unknown	Fuel	Fuel	Premier	747.00
3/07/2013	Unknown	Ration	Ration	Premier	684.00
3/07/2013	Unknown	Spare Parts	Spare parts	Premier	15,712.00
8/07/2013	Unknown	Fuel	Fuel	Premier	685.00
27/07/2013	Unknown	Fuel	Fuel	Premier	1,987.00
29/07/2013	Unknown	CHQ	Logging business licence- part payment	Premier	30,000.00
29/07/2013	Unknown	Cash	Logging business licence- part payment	Premier	10,000.00
31/07/2013	Unknown	Ration	Ration	Premier	10,248.00
31/07/2013	Unknown	Spare parts	Spare parts	Premier	18,668.00
2/08/2013	Unknown	Spare parts	Spare parts	Premier	20,880.00
2/08/2013	Unknown	Fuel	Fuel	Premier	2,900.00
9/08/2013	Unknown	Ration	Ration	Premier	3,735.00
19/08/2013	Unknown	Ration	Ration	Premier	2,600.00
19/08/2013	Unknown	Ration	Ration	Premier	2,600.00
24/08/2013	Unknown	Fuel	Fuel	Premier	2,732.00
26/08/2013	Unknown	CHQ	Logging business licence- part payment	Premier	5,000.00
30/08/2013	Unknown	Ration	Ration	Premier	5,111.00
31/08/2013	Unknown	Spare parts	Spare parts	Premier	4,890.00
8/09/2013	Unknown	Cash	Logging business licence- part payment	Premier	1,000.00
26/09/2013	Unknown	Cash	Logging business licence- part payment	Premier	3,000.00
30/10/2013	Unknown	Ration	Ration	Premier	5,705.00
22/11/2013	Unknown	Cash	Logging business licence- part payment	Premier	15,000.00
25/11/2013	Unknown	Cash	Logging business licence- part payment	Premier	10,000.00
27/11/2013	Unknown	Ration	Ration	Premier	2,072.00
13/12/2013	Unknown	Cash	Logging business licence- part payment	Premier	1,000.00
4/03/2014	15522	CHQ	Logging business licence- part payment	Premier	10,000.00
					382,741.00
Samlinsan Logging Company					
26/04/2013	25578	Cash	Logging business licence- part	Premier	20,000.00

			payment		
3/06/2013	25581	Cash	Logging business licence- part payment	Premier	18,000.00
9/07/2013	25584	CHQ	Logging business licence- part payment	Premier	45,000.00
9/07/2013	25584	Cash	Logging business licence- part payment	Premier	5,000.00
15/07/2013	25585	Cash	Logging business licence- part payment	Premier	30,000.00
16/07/2013	Unknown	Ration	Ration	Premier	15,120.00
17/07/2013	Unknown	CHQ	Logging business licence- part payment	Premier	20,000.00
18/08/2013	Unknown	Cash	Appreciation	Premier	500.00
					153,620.00
Samlinsan Logging Company					
30/04/2013	25557	CHQ	Logging business licence- part payment	Unknown	280,000.00
					280,000.00
Samlinsan Logging Company					
28/07/2014	200327	CHQ	Logging business licence- part payment	Deputy Provincial Secretary	10,000.00
14/08/2014	744478	Cash	Logging business licence- part payment	Deputy Provincial Secretary	14,000.00
31/08/2014	744482	Cash	Logging business licence- part payment	Deputy Provincial Secretary	15,000.00
3/09/2014	Unknown	Fuel	Fuel	Deputy Provincial Secretary	5,800.00
24/10/2014	Unknown	Fuel	Fuel	Deputy Provincial Secretary	14,700.00
28/10/2014	Unknown	Ration	Ration	Deputy Provincial Secretary	15,000.00
15/11/2014	Unknown	Fuel	Fuel	Deputy Provincial Secretary	5,800.00
					80,300.00
BINTAN MINING					
31/12/2014	Unknown		Mining business licence	Unknown	632,500.00
					632,500.00
APID					
1/05/2014	15532		Mining business licence	Senior Accountant	150,000.00

					150,000.00
MUGABA ATOLL					
12/05/2013	15503		Logging business licence	Senior Accountant	100,000.00
19/05/2013	15504		Logging business licence	Senior Accountant	150,000.00
19/11/2013	25599		Logging business licence	Deputy Provincial Secretary	100,000.00
					350,000.00
ETH GLOBAL INVESTMENT AND PARTNERS					
12/12/2012	WBC000362	CHQ	Log shipment fee per cubic	Unknown	11,173.07
16/01/2013	WBC000435	CHQ	Log shipment fee per cubic	Unknown	10,047.62
21/01/2013	WBC000460	CHQ	Log shipment fee per cubic	Unknown	4,007.62
6/02/2013	WBC562702	CHQ	Log shipment fee per cubic	Unknown	12,660.88
6/03/2013	WBC562765	CHQ	Log shipment fee per cubic	Unknown	6,583.15
21/05/2013	WBC562885	CHQ	Log shipment fee per cubic	Unknown	8,048.96
21/05/2013	WBC562885	CHQ	Log shipment fee per cubic	Unknown	9,287.88
21/05/2013	WBC562885	CHQ	Log shipment fee per cubic	Unknown	11,995.36
21/06/2013	WBC000686	CHQ	Log shipment fee per cubic	Unknown	7,812.56
21/06/2013	WBC000686	CHQ	Log shipment fee per cubic	Unknown	4,783.62
21/06/2013	WBC000686	CHQ	Log shipment fee per cubic	Unknown	2,505.10
21/06/2013	WBC000686	CHQ	Log shipment fee per cubic	Unknown	4,002.87
15/08/2013	WBC000854	CHQ	Log shipment fee per cubic	Unknown	6,001.78
15/08/2013	WBC000854	CHQ	Log shipment fee per cubic	Unknown	12,800.36
15/08/2013	WBC000854	CHQ	Log shipment fee per cubic	Unknown	2,152.23
15/08/2013	WBC000854	CHQ	Log shipment fee per cubic	Unknown	4,013.13
4/09/2013	WBC000892	CHQ	Log shipment fee per cubic	Unknown	2,321.96
4/09/2013	WBC000892	CHQ	Log shipment fee per cubic	Unknown	1,304.75
					121,502.90
				Total	\$3,084,300.90

3.3 Appendix 3: The unsupported payments from Provincial main bank account extracted from the bank statements

Date	Cheque #	Amount (\$)
1st April 2012 to 31st March 2013		
4/04/2012	1084679	12,000.00
4/04/2012	1084639	3,300.00
5/04/2012	1084677	30,000.00
5/04/2012	1084655	20,808.60
5/04/2012	1084675	12,000.00
5/04/2012	1084678	10,450.00
5/04/2012	1084676	10,000.00
5/04/2012	1084658	4,450.00
5/04/2012	1084680	2,000.00
11/04/2012	1084974	30,000.00
11/04/2012	1084673	8,000.00
18/04/2012	1084671	8,000.00
19/04/2012	1084662	8,000.00
19/04/2012	1084661	3,300.00
20/04/2012	1084667	18,178.30
20/04/2012	1084665	10,000.00
20/04/2012	1084663	10,000.00
20/04/2012	1084666	7,500.00
20/04/2012	1084664	3,300.00
23/04/2012	to b/ chq 135084	9,500.00
24/04/2012	1084670	10,000.00
24/04/2012	1084668	7,000.00
25/04/2012	1084669	10,000.00
26/04/2012	1084683	10,000.00
26/04/2012	1084672	3,300.00
26/04/2012	1084681	3,173.30
26/04/2012	1084682	2,000.00
27/04/2012	1084687	4,000.00
27/04/2012	1084686	4,000.00

27/04/2012	1084690	4,000.00
27/04/2012	1084685	3,300.00
27/04/2012	1084689	3,300.00
27/04/2012	1084684	3,000.00
27/04/2012	1084688	3,000.00
30/04/2012	1084691	20,000.00
1/05/2012	1084692	30,000.00
3/05/2012	1084694	20,000.00
3/05/2012	1084691	9,000.00
3/05/2012	999998	9,000.00
3/05/2012	1084693	6,000.00
3/05/2012	1084692	4,000.00
3/05/2012	9999999	4,000.00
4/05/2012	1084704	30,000.00
4/05/2012	1084696	22,000.00
4/05/2012	1084695	15,000.00
4/05/2012	1084699	8,000.00
4/05/2012	1084702	5,000.00
4/05/2012	1084703	3,300.00
8/05/2012	1084700	15,497.62
9/05/2012	1084708	30,000.00
9/05/2012	1084698	18,623.00
9/05/2012	1084707	13,062.19
9/05/2012	1084706	8,000.00
10/05/2012	1084713	13,565.29
10/05/2012	1084710	10,000.00
11/05/2012	1084709	10,700.00
11/05/2012	1084705	10,350.00
11/05/2012	1084715	10,000.00
14/05/2012	108714	3,300.00
15/05/2012	1084701	2,520.00
22/05/2012	1084716	50,000.00

25/05/2012	1084712	28,496.30
12/06/2012	1084717	23,162.00
12/06/2012	1084647	3,700.00
13/06/2012	1084718	20,000.00
13/06/2012	1084720	3,000.00
20/06/2012	1084721	6,000.00
22/06/2012	u/e wbc c/chq	4,000.00
5/07/2012	1084723	100,000.00
9/07/2012	1084724	47,000.00
10/07/2012	1084725	15,000.00
11/07/2012	1084726	8,000.00
12/07/2012	1084729	33,300.00
12/07/2012	1084730	6,600.00
12/07/2012	1084731	6,600.00
12/07/2012	1084728	5,000.00
13/07/2012	1084733	20,000.00
13/07/2012	1084732	3,000.00
13/07/2012	1084727	1,500.00
16/07/2012	1084734	30,000.00
17/07/2012	1084735	6,000.00
18/07/2012	1084736	5,500.00
20/07/2012	1084738	15,000.00
20/07/2012	1084737	10,000.00
20/07/2012	1084739	5,000.00
24/07/2012	1084740	20,000.00
25/07/2012	1084741	30,000.00
30/07/2012	1084742	30,000.00
1/08/2012	1084745	3,300.00
1/08/2012	1084744	1,500.00
2/08/2012	1084748	6,000.00
2/08/2012	1084746	3,300.00
3/08/2012	1084743	

		1,494.00
6/08/2012	1084747	3,000.00
15/08/2012	credit reversal	20,000.00
15/08/2012	u/e wbc c/chq	8,000.00
15/08/2012	u/e wbc c/chq	2,050.00
16/08/2012	1084751	6,000.00
17/08/2012	u/e wbc c/chq	3,000.00
24/08/2012	1084753	90,000.00
11/09/2012	1084754	4,000.00
12/09/2012	1084755	10,000.00
14/09/2012	1084758	3,000.00
17/09/2012	1084757	7,260.00
17/09/2012	1084756	2,490.00
19/09/2012	1084759	2,000.00
21/09/2012	1084760	10,000.00
25/09/2012	1084761	2,000.00
1/10/2012	1084765	15,000.00
2/10/2012	1084763	4,000.00
4/10/2012	1084765	10,000.00
4/10/2012	1084767	4,000.00
4/10/2012	1084766	2,000.00
4/10/2012	1084765	1,000.00
5/10/2012	1084769	14,000.00
11/10/2012	1084768	3,500.00
12/10/2012	1084773	20,000.00
16/10/2012	1084774	27,280.00
16/10/2012	1084771	25,440.00
16/10/2012	1084770	25,080.00
16/10/2012	1084775	10,000.00
16/10/2012	1084772	7,750.00
17/10/2012	1084780	18,433.00
17/10/2012	1084776	16,500.00

17/10/2012	1084779	13,328.00
17/10/2012	1084777	13,200.00
17/10/2012	1084778	10,500.00
17/10/2012	1084781	9,900.00
17/10/2012	1084782	9,900.00
17/10/2012	1084784	9,900.00
17/10/2012	1084783	7,000.00
18/10/2012	1084786	80,000.00
18/10/2012	1084785	9,900.00
19/10/2012	1084787	34,200.00
24/10/2012	1084789	18,312.00
26/10/2012	1084790	8,160.00
29/10/2012	1084792	6,940.00
30/10/2012	1084794	15,000.00
2/11/2012	1084796	1,500.00
5/11/2012	1084798	8,558.00
6/11/2012	1084799- wbc b/chq	28,768.00
6/11/2012	u/e wbc c/chq	20,000.00
6/11/2012	1084795	6,122.00
6/11/2012	1084797	1,140.00
12/11/2012	1084800	54,000.00
19/11/2012	1281001	8,380.00
20/11/2012	1281002	51,495.00
20/11/2012	u/e wbc c/chq	15,000.00
23/11/2012	1281004	50,000.00
23/11/2012	1281005	3,500.00
11/12/2012	1281007	3,000.00
12/12/2012	1281008	1,500.00
13/12/2012	u/e wbc c/chq	16,000.00
30/01/2013	1281011	33,600.00
1/02/2013	1281021	23,100.00
1/02/2013	1281017	16,500.00

1/02/2013	1281020	13,800.00
1/02/2013	1281019	10,800.00
4/02/2013	1281023	166,500.00
4/02/2013	1281022	23,100.00
4/02/2013	1281015	23,100.00
4/02/2013	1281018	9,900.00
7/02/2013	1281025	3,500.00
18/02/2013	1281026	12,000.00
21/02/2013	1281027	3,600.00
27/02/2013	1281028	72,000.00
8/03/2013	1281029	30,000.00
25/03/2013	1281031	3,794.00
26/03/2013	1281033	8,000.00
		\$ 2,556,410.60
1st April 2013 to 31st December 2014		
11/04/2013	1281030	5,500.00
15/04/2013	1281034	65,000.00
15/04/2013	1281036	57,510.00
15/04/2013	1281037	49,960.00
15/04/2013	1281035	12,270.00
15/04/2013	1281039	8,000.00
16/04/2013	1281042	13,605.00
16/04/2013	1281043	13,605.00
17/04/2013	1281046	26,000.00
17/04/2013	1281045	13,605.00
18/04/2013	1281038	5,274.00
18/04/2013	1281040	14,105.00
18/04/2013	1281041	13,605.00
18/04/2013	1281049	20,000.00
18/04/2013	1281044	13,605.00
18/04/2013	1281048	978.88
22/04/2013	1281047	10,000.00
26/04/2013	1281050	5,000.00
26/04/2013	1281051	3,700.00

1/05/2013	1281053	100,524.00
1/05/2013	1281054	15,661.52
1/05/2013	1281065	15,350.00
1/05/2013	1281056	10,000.00
1/05/2013	1281064	8,000.00
1/05/2013	1281055	5,000.00
1/05/2013	1281066	5,000.00
2/05/2013	1281032	32,500.00
2/05/2013	1281057	16,200.00
2/05/2013	1281058	15,700.00
2/05/2013	1281061	10,000.00
2/05/2013	1281060	7,000.00
2/05/2013	1281067	5,000.00
2/05/2013	1281059	5,000.00
2/05/2013	1281063	3,800.00
2/05/2013	1281062	3,500.00
6/05/2013	1281068	4,000.00
9/05/2013	1281069	8,783.00
10/05/2013	d/chq	5,150.00
13/05/2013	wbc b/chq	100,000.00
13/05/2013	1281071	25,000.00
13/05/2013	1281072	10,000.00
13/05/2013	1281070	3,500.00
14/05/2013	1281073	10,000.00
15/05/2013	1281075	45,000.00
21/05/2013	1281076	4,000.00
21/5/201	u/e westpac b/chq	5,000.00
29/05/2013	1281078	5,000.00
31/05/2013	1281080	50,000.00
31/05/2013	1281079	29,000.00
6/06/2013	1281081	60,000.00
21/06/2013	1281082	5,000.00

24/06/2013	1281084	50,000.00
24/06/2013	1281093	48,401.00
24/06/2013	1281083	31,064.61
24/06/2013	1281089	26,895.00
24/06/2013	1281095	18,000.00
24/06/2013	1281088	17,495.00
24/06/2013	1281094	15,540.00
24/06/2013	1281085	12,495.00
24/06/2013	1281086	12,495.00
24/06/2013	1281087	12,495.00
24/06/2013	1281103	12,000.00
24/06/2013	1281096	9,000.00
24/06/2013	1281100	7,400.00
24/06/2013	1281098	7,200.00
24/06/2013	1281105	6,000.00
24/06/2013	1281099	5,600.00
24/06/2013	1281101	5,000.00
24/06/2013	1281097	1,500.00
25/06/2013	1281090	4,500.00
25/06/2013	1281092	4,500.00
25/06/2013	1281091	4,500.00
26/06/2013	1281106	28,000.00
27/06/2013	1281107	5,540.00
10/07/2013	1281108	50,000.00
18/07/2013	1281109	30,000.00
25/07/2013	1281110	5,000.00
29/07/2013	1281111	30,000.00
20/08/2013	dish chq	1,500.00
26/08/2013	1281114	204,950.00
26/08/2013	1281116	43,000.00
3/09/2013	1281113	45,000.00
3/09/2013	1281124	16,000.00
3/09/2013	1281126	7,000.00

3/09/2013	1281119	4,400.00
3/09/2013	1281120	2,900.00
3/09/2013	1281122	2,900.00
6/09/2013	1281121	30,750.00
12/09/2013	1281127	36,188.00
16/09/2013	1811125	23,000.00
18/09/2013	1281128	36,500.00
1/10/2013	1281129	3,600.00
18/10/2013	1281130	4,000.00
21/10/2013	1281132	20,000.00
21/10/2013	1281131	12,500.00
21/10/2013	1281131	12,000.00
21/10/2013	1281133	6,094.00
21/10/2013	1281135	480.00
4/11/2013	1281137	10,000.00
15/11/2013	1281138	400.00
19/11/2013	1281140	85,000.00
20/11/2013	1281139	10,000.00
25/11/2013	1281144	4,000.00
6/12/2013	1281146	800.00
9/12/2013	1281148	12,000.00
9/12/2013	1281147	11,845.00
9/12/2013	1281136	3,800.00
10/12/2013	1281149	2,000.00
24/12/2013	lency tangosia	15,000.00
21/01/2014	1281125	95,657.00
21/01/2014	1281141	15,000.00
22/01/2014	1281154	124,950.00
22/01/2014	1281151	50,000.00
24/01/2014	1281153	23,000.00
27/01/2014	1281155	14,000.00
31/01/2014	1281156	16,000.00
		\$ 2,445,826.01
	Total	\$ 5,002,236.61

3.4 Appendix 4: PCDF unsupported payments extracted for 16th April 2012 to 22nd May 2014 via PCDF bank account statement

Date	Cheque #	Amount (\$)
16/04/2012	00823655	10,000.00
11/05/2012	00823656	30,000.00
11/06/2012	00823657	8,000.00
21/06/2012	00823658	6,000.00
29/06/2012	00823659	2,000.00
21/11/2012	00823660	8,000.00
21/11/2012	00823661	8,000.00
30/05/2013	00119001	3,000.00
31/05/2013	00119002	12,000.00
11/06/2013	00119003	3,000.00
17/06/2013	00119004	3,000.00
18/06/2013	00119005	1,000.00
1/09/2013	00119031	4,000.00
24/09/2013	00119006	4,320.00
8/10/2013	00119010	150,000.00
8/10/2013	00119011	138,250.00
9/10/2013	00119012	10,990.00
21/10/2013	00119013	8,550.00
22/10/2013	00119014	76,000.00
23/10/2013	00119015	37,142.86
24/10/2013	00119018	80,000.00
24/10/2013	00119016	50,000.00
25/10/2013	00119019	82,000.00
25/10/2013	00119021	5,117.00
28/10/2013	Debit Ref:Chq#119020 Chq issued	115,350.00
28/10/2013	00119017	23,997.80
28/10/2013	00119023	14,000.00
28/10/2013	Debit Ref:Chq#119022 fast clearance	12,600.00
1/11/2013	00119030	40,000.00
1/11/2013	00119024	11,000.00
1/11/2013	00119026	3,351.00
5/11/2013	00119027	40,000.00
5/11/2013	Debit Ref:Chq# 00119025 Chq issued	2,050.00
8/11/2013	00119028	3,500.00
15/11/2013	00119029	49,683.80
20/11/2013	00119034	49,654.10
20/11/2013	00119032	46,085.40

20/11/2013	00119035	19,000.00
20/11/2013	00119033	12,808.40
15/01/2014	Debit Chq issued #00119034	49,654.10
15/01/2014	00119032	46,085.40
31/01/2014	008323662	240,000.00
6/05/2014	00119036	6,000.00
16/05/2014	00119037	3,000.00
22/05/2014	00119039	1,500.00
	Total	\$ 1,529,689.86

4.0 AUDIT ACTION PLAN

Audit Issue #	OAG Recommendations	Detail Action that is to be / has been Taken	Responsible Officer	Target Date
1	OAG recommends that all provincial cheque books to be under the custodian of the Provincial Treasurer and to be locked away in a safe or steel cabinet at the Provincial Treasury Office.	<i>No executive response received within the timeframe given</i>	Nil	Nil
2	OAG recommends that the Provincial Government: <ul style="list-style-type: none"> Perform monthly bank reconciliations for its three active bank accounts; Ensure that the preparer and reviewer sign off the monthly bank reconciliations and; Ensure to maintain proper filing of all monthly bank reconciliations. 	<i>No executive response received within the timeframe given</i>	Nil	Nil
3	OAG recommends that the Provincial Government: <ul style="list-style-type: none"> Immediately update its provincial receipts register book; Immediately recover all current receipts books that are in circulation and return them to the Provincial Treasurer for recording and to be used by the authorised officers to collect the provincial internal revenue and; Ensure to properly safeguard the unused receipts books by keeping them in the Treasurer's room in a secured cabinet. 	<i>No executive response received within the timeframe given</i>	Nil	Nil
4	OAG recommends that the Provincial Government: <ul style="list-style-type: none"> Ensure that only officially appointed provincial revenue collectors are allowed to collect revenue on behalf of the province and; Ensure that the revenue collecting activities highlighted above are referred to relevant authorities for further investigation. 	<i>No executive response received within the timeframe given</i>	Nil	Nil
5	OAG recommends that the Provincial Government: <ul style="list-style-type: none"> Ensure all cheque books and provincial accounting documents are strictly under the custodian of the Provincial Treasurer; 	<i>No executive response received within the timeframe given</i>	Nil	Nil

Audit Issue #	OAG Recommendations	Detail Action that is to be / has been Taken	Responsible Officer	Target Date
	<ul style="list-style-type: none"> Must not write and sign any cheque without the existence of properly authorised payment voucher and genuine supporting documents; Complies with proper payment process as required in the PFMO 2008 and Financial Instructions and the PCDF procurement guidelines and; Must maintain a good filing system for the payment vouchers and supporting documents. 			
6	OAG recommends that the Provincial Government: <ul style="list-style-type: none"> Ensure all provincial cheque books are locked in safe cabinet under the custodian of the Provincial Treasurer. 	<i>No executive response received within the timeframe given</i>	Nil	Nil
7	OAG recommends that the Provincial Government: <ul style="list-style-type: none"> Ensure all provincial disbursements are under the authority of the provincial executive, the accounting officer and to be supported with appropriate supporting documentations (requisition form, payment voucher and quotations etc.). All payments must be in line with the annual budget of the province. 	<i>No executive response received within the timeframe given</i>	Nil	Nil
8	OAG recommends that the Provincial Government: <ul style="list-style-type: none"> Immediately establish a creditor register and update it regularly; Immediately establish a schedule of repayments of these arrears and; Ensure that tender processes are in place for provincial procurements. 	<i>No executive response received within the timeframe given</i>	Nil	Nil
9	OAG recommends that the Provincial Government: <ul style="list-style-type: none"> Ensure the Provincial Financial Management Ordinance 2008 is adhered to and; To ensure further investigation is carried out on employees involved in authorising the cheque payments and the matter should be referred to the appropriate authorities if criminality is involved. 	<i>No executive response received within the timeframe given</i>	Nil	Nil