KIRIBATI NATIONAL AUDIT OFFICE

KNAO

AUDIT FOR AN IMPACT FOR THE PUBLIC

Auditor-General Report on The Accounts of the Government of the Republic of Kiribati for the Year Ended 31 December 2012

Part 1: Revenue and Expenditure Government of Kiribati Ministries.

August 2014

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i) Guide to Reading this audit report

This audit report is Part 1 of the whole of Government annual account and contains the report on the financial performance of each individual ministry for year ended 31 December 2012. Each report discussed audit results on revenue and expenditure the latter of which include other commitments such as debt servicing, other government expenses and local contribution to development fund.
These commitments are further elaborated in Part 2.

Audit Opinion
For the first time in a decade the Audit Office conducted an "Exit meeting" with Ministries and, based on the results of such meeting, issue an audit opinion that will portray the performance of the Ministry in managing its operations during the year under review. Following the audit opinion, as was in previous reports, are analyses and audit findings on areas being audited for the year.

The audit was being planned and performed to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the annual accounts did not have material misstatements, whether caused by fraud or error.

Revenue
The actual revenue is analysed and compared with the approved estimated and followed by audit findings, recommendation and responses to recommendations from ministries.

Expenditure
The actual expenditure for ministries is analysed and compared with approved budget and again followed by audit findings and recommendations and responses to recommendation from ministries.

Most of the expenditure items or operational costs are further examined. Again each findings and recommendation has to be provided with responses from concerned ministries and included in the section under Management Response.

The responses from Ministries if agreed upon during the Exist Meeting will change the contents of our audit report. On the other hand, if no consensus resolution is reached during the Exist Meeting, our findings and recommendations will remain and the ministries' responses written in italic will be included as part of the report.

In summary the report has now four sections: 1) Audit Opinion, 2) Audit Findings, 3) Recommendations and 4) Management Responses from the Ministries and these are attached as Annex F.

The currency used in this report is the Australian Currency.

ii) Acronyms

ADB – Asian Development Bank
AO – Accountable/Accounting Officer
BOS – Board of Survey
CPA–Commonwealth Parliamentarian association
EU – European Union
FR – Financial Regulation
FTC – Fishing Training Centre
GL – General Ledger
GRR – General Receipt
HQPV – Head Quarter Payment Voucher
KIT – Kiribati Institute of Technology
KNAO – Kiribati National Audit Office
KPF – Kiribati Provident Fund
KPPS – Kiribati Police and Prison Services
LCDF – Local Contribution to Development Fund
LPO – Local Purchase Order
MCTTD – Ministry of Communication, Tourism and Transport Development
MFAI – Ministry of Foreign Affairs and Immigration
MFED – Ministry of Finance and Economic Development
MFMRD – Ministry of Fisheries and Marine Resources Development
MHMS – Ministry of Health and Medical Services
MISA – Ministry of Internal and Social Affairs
MLHRD – Ministry of Labor and Human Resource Development
MLPID – Ministry of Line and Phoenix Island Development
MOE – Ministry of Education
MPWU – Ministry of Public Works and Utilities
MTC – Marine Training Centre
OAG – Office of the Attorney General
OB – Office of Te Beretitenti
PSC - Public Service Commission
PSO – Public Service Order
PV – Payment Voucher
PVU – Plant Vehicle Unit

iii) Definition

Unqualified Opinion – an unqualified opinion should be expressed when the auditor concludes that the financial statements give true and fair view or are presented fairly, in all respects, in keeping with the applicable financial reporting framework. When expressing an unqualified opinion, the opinion paragraph of the auditor's report should state that the financial statements give true and fair view or are presented fairly, in all material respects, in keeping with the applicable financial reporting framework *(ISSAI 1700, forming an Opinion and Reporting on financial statements).*

Qualified Opinion – should be expressed when the auditor concludes that an unqualified opinion cannot be expressed but that the effect of any disagreement with management, or limitation on scope, is not as material and pervasive as to require an adverse opinion or disclaimer of opinion. A qualified opinion should be expressed as being **"except for"** the effects of the matter to which the qualification relates *(ISA 705, paragraph 7).*

Adverse Opinion – should be expressed when the effect of a disagreement is so material and pervasive to the financial statements that the auditor concludes that a qualification of the report is not adequate to disclose the misleading or incomplete nature of the financial statement *(ISA 705. Paragraph 8)*

Disclaimer Opinion – should be expressed when the possible effect of a limitation on scope is so material and pervasive that the auditor has not been able to obtain enough appropriate audit evidence, and, accordingly, is unable to express an opinion on the financial statements *(ISA 705, paragraphs 9-10). This also applies to entities that do not have any records at all from which a financial statement could be reconstructed.*

iv) Foreword

In strengthening the accountability, transparency and integrity of Government and public sector entities, re ISSAI 12, it is of paramount importance:

> "*To ensure that elected officials act in the best interests of the citizens they represent, governments and public sector entities need to be accountable for their stewardship over, and use of, public resources.*"

As had been repeatedly quoted in previous audit reports, the public audit by definition is not only an expression of opinion on financial statement but also to bring about reform to government financial operation and better reporting so that the public are better informed on how well their scarce resources have been managed and whether public funds appropriated have been used as intended.

As is being echoed around the globe, "*Auditing is one of the key pillars for a healthy democracy in any country and as an early warning system in identifying problems which if not addressed in time could derail the accomplishment of Government social and economic targets*".

In enhancing the above the Audit Office had embarked on a new errand, which of course has its challenges and difficulties, and this is on the introduction of "Exit meeting" with Ministries and the issuing of audit opinions the ultimate aim of which, among others, include; i) a walk through the audit findings with each respective Ministry, ii) making aware each Ministry and of course readers of the report, of the type and why such opinion is issued and iii) to assist in creating a receptive culture to good governance as without one would weaken striving attempts of any evolving economy.

Acknowledgment

At this juncture I would like to acknowledge and convey with gratitude our heartfelt thanks to the staff of the Ministry of Finance and Economy Development under the leadership of the former Accountant General, Mr.Tekiera Ruaia, who had tirelessly lent a hand to our audit staff and provided the required information and documentations on a timely manner even to the extent of having to set aside their urgent tasks in order to assist.

In particular I would like to convey our gratitude to Mr. Ruaia for having been such a wonderful and helpful leader without whose support we would not have had the full support and responsiveness from his staff. You have shown and been a portrait of a good leader throughout your tenure of Accountant General and we wish you all the best in your future endeavours.

To our auditors I would like to thank you all wholeheartedly for the notable stride and immense improvement you had put into your audit works on the government financial year, 2012. Without such enthusiasm in delving into new areas, some which could be cumbersome, while others pose difficulties and challenges, this report would not have been as extensive and revealing as now presented. You all had collaboratively taken a step further in walking our mission "audit for an impact for the public" and I commend you all on your strenuous efforts.

I sincerely thank you all for your contributions in one way or another towards the success completion of the 2012 audit report on both Part 1 and Part 2 of the annual account of the Government of Kiribati.

28/8/14

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Ms. Matereta Raiman **Date:**

Auditor General

1 EXECUTIVE SUMMARY

1.1 Introduction

This part of the audit report sets out the analysis of revenue and expenditure in respect of individual ministries, department, debts servicing and other statutory expenditure for year ended 31 December 2012.

Budget result

The results of the audit for the 2012 Consolidated Funds were still identical to previous years audit findings as remedial actions would not be effected until 2013. A notable achievement however was realised on the actual revenue collected in 2012 of $91.3m which was 48% above the actual revenue collected in 2011. As a result the government consolidated fund showed a substantial turnaround from a debit balance of over $10.2 m to a credit balance of $11.6 million as at 31 December 2012.

However, as stated in Part 2 of this report, the Local Contribution to Development Fund, Debt Servicing accounts still need to be improved and accounting treatment of operational costs for each ministries be properly synchronized with MFED's record. As mentioned in the report, these expense accounts, which are parts of the Consolidated Fund, still contained material misallocation/ miss-postings and most were without proper reconciliation statements.

Additionally, each government ministry should be encouraged and supported to find effective and efficient ways and means of collecting government revenue and always keep and maintain proper record of arrears of revenue as required under relevant sections of the Public Finance (Control and Audit) Ordinance 1976.

New Initiatives

In enhancing the above the Kiribati National Audit Office, for the first time in a decade, had included in the cycle of accountability, as had been highlighted under i) above, an "Exit" meeting with each Government Ministry and it is at this meeting responses provided by each entity are being deliberated upon and, based on the weight of the findings being agreed a final opinion is issued.

Legislative framework
The audit of the Consolidated Fund in respect of Ministries/Offices had highlighted the non-compliance of legislative requirements and those of significant matters arising from these audits as mentioned in the proceeding paragraphs. Consequently, these shortcomings have led to the ineffective reporting of revenue collection and payments, which have hindered the achievement of a sound financial statement/ Consolidated Fund.

Certainly, the next way forward is to minimise substantial amount of misallocation and to strengthen the collection of revenue, which could have been made if proper supervision and monitoring on staff responsible is periodically carried out by Senior Accountant of each Ministry.

Major audit findings uncovered while auditing revenue and expenditure are fully detailed below.

Please note that the term Accountable Officer (AO) has been used in this report as the officer responsible for the custody of public funds.

1.2 Audit Scope and Methodology

The audit was conducted in accordance with generally accepted auditing standard and the international auditing standard applicable to Kiribati.

Audit has been conducted in accordance with section 114 of the Constitution. Our audit aimed to find out how well ministries/offices have utilized or managed their approved budget for 2012 per Cap 79 and focused mainly on the comparison of the following:

1. Revenue estimate against actual revenue collections,
2. Expenditure estimate against actual amount spent, and
3. Supplementary Appropriations approved and the revised budget.

Large variances noted from the comparison were further examined by obtaining relevant sources or accounting documents from MFED and other ministries concerned.

1.3 2012 Expenditure and Revenue Budgets

As normally practiced in all democratic countries worldwide, Government has to prepare and approve annual budget. As usual, the budget, after being prepared by individual ministries/offices and approved by Cabinet, is normally debated and finally approved by Te Maneaba n Maungatabu at the end of each year. In its session held in December 2011, Te Maneaba Ni Maungatabu approved the 2012 expenditure budget of $95,289,009, of which $89,953,207was warranted per General Warrant No. 1/2012 or 2012 Appropriation Act assented by HE on 2nd May 2012(2011: $89,367,436), and a revenue budget of $70,769,458 (2011: $70,367,439).

1.4 2012 Development Projects Budget

The budget for development projects, both locally and externally funded were also approved by the Maneaba ni Maungatabu amounted to $6,987,345 m and $101,768,618 m, respectively. Major contributors for external funded projects include; Australia, New Zealand, World Bank, Taiwan, Japan, ADB and EU.

1.5 2012 Approved Supplementary Budget

Because it is likely that during the year the approved budget would not be sufficient to cater for unexpected, but necessary expenses, ministries have to seek for further budget provision from government via a supplementary budget. Thus during 2012, some ministries and offices requested for supplementary as well as Local Contribution to Development Fund, Debts servicing and Other government expenses giving a total for supplementary appropriation of $8,317,191 (made up of $8,241,588 and $75,603) ($5,767,175: 2011)

Thus given the approved supplementary, the original budget had therefore increased from $95,289,009 to $103,606,200. As was the case for previous years, the revised budget was still less than the actual expenditure by 3.58 % or $3.7m.

1.6 Over/ Unauthorised Expenditure

According to the 2012 annual accounts, twelve ministries/ offices together with the debt servicing expenses account have exceeded their revised budgets as follows:

Table 1

	2011				2012			
Names	Revised Budget	Actual Expenditure	Net Saving	Over or Unauthorized	Revised Budget	Actual Expenditure	Net Saving	Over or Unauthorized
Support to the Beretitenti	$1,024,737	$1,315,423		($290,686)	$1,028,580	$1,173,889		($145,309)
Public Service Office	$631,019	$598,112	$32,907		$594,484	$594,534		($50)
Judiciary	$1,409,097	$1,454,680		($45,583)	$1,565,650	$1,554,034	$11,616	
Police and Prisons	$6,773,422	$7,160,239		($386,817)	$7,030,624	$6,916,415	$114,209	
Public Service Comm.	$204,546	$225,515		($20,969)	$230,629	$214,455	$16,174	
Ministry of Foreign Affairs	$840,562	$931,447		($90,885)	$1,161,884	$1,286,197		($124,313)
Ministry of Internal & Social Affairs	$2,766,518	$2,762,582	$3,936		$2,829,486	$2,912,865		($83,379)
Ministry of Environment Land & Agriculture Dev.	$2,675,813	$2,655,750	$20,063		$2,519,000	$2,583,528		($64,528)
ManeabaniMaungatabu	$2,182,870	$2,280,802		($97,932)	$2,258,470	$2,585,247		($326,777)
Ministry of Commerce Industry& Cooperative	$1,052,812	$1,070,568		($17,756)	$1,187,389	$1,174,931	$12,458	
Kiribati National Audit Office	$574,200	$575,038		($838)	$671,653	$692,282		(20,629.00)
Office of the Attorney General	$459,226	$498,450		($39,224)	471,229	$568,614		($97,385)
Ministry of Fisheries& Mineral Resources Dev.	$1,795,462	$1,875,815		($80,353)	$2,079,548	$1,958,883	$120,665	
Ministry of Health & Med. Service	$14,802,718	$14,309,843	$492,875		$14,121,242	$14,053,019	68,223.00	
Ministry of Education	$17,158,020	18,294,094		($1,136,074)	$18,638,444	$18,963,531		($325,087)
Ministry of Comm., Trans and Tourism Development	$3,340,678	$3,274,321	$66,357		$2,652,888	$2,626,603	$26,285	
Ministry of Finance & Economic Development	$2,124,528	$2,389,819		($265,291)	$3,140,594	$3,033,267	$107,327	
Ministry of Public Works & Utilities	$2,473,272	$2,439,342	$33,930		$2,284,380	$2,350,110		($65,730)
Ministry of Labour & Human Resources Dev.	$3,165,520	$3,449,139		($283,619)	$3,350,964	$3,888,698		($537,734)
Ministry of Line & Phoenix Island Development	$3,278,756	$3,600,521		($321,765)	$2,678,756	$3,667,198		($988,442)
Debt Servicing Expenses	$1,425,579	$4,433,029		($3,007,450)	$5,165,187	$7,202,573		($2,037,406)
Other Govt Expenses	$17,519,572	$$17,194,709	$324,863		$19,892,742	$19,266,026	$ 626,716.00	
Contribution to Develop	**7,455,678**	**7,424,679**	**30,999**		**$8,052,378**	**$8,052,378**		**0**
Total	**$95,134,613**	**$100,213,917**	**$1,005,930**	**(6,085,242.00)**	**103,606,201**	**107,319,277**	**1,103,673.00**	**(4,816,769.00)**

1.7 Huge Over spent by Ministries

As highlighted in the table above, the total excess unauthorised expenditure exceeded the approved budget by $4.8m in 2012 ($6.0min 2011) and the bulk of the overspent stemmed from Debt Servicing Expenses amounted to $2,037,386 (2011:$3,007,450)

The major contributors to the above unauthorised expenditure were the MLPID (see comment in Part 2), MLHRD, the Maneaba ni Maungatabu and MOE. Other ministries with over expenditure were detailed in Appendix B of this report.

1.8Other Government Expenses

As depicted in the table above, there was a net saving of over $626k, meaning some outputs for this expense account had been unnecessarily inflated. The supplementary budget approved in December 2012 seemed to be unnecessary and should not have been approved.

Further explanation is required for this unnecessarily approved supplementary budget.(See Part 2 para 4.3 on page 25)

1.9 Inadequate collection of revenue/ recording of Arrears of Revenue

Recommendation

To ensure all revenue staffs should comply with the existing regulations on revenue so that effective and efficient collection of government revenue is made timely. Those staffs whose performance deemed poor should be removed and may be on the other hand they need training on the jobs.

Findings and analysis

Despite rules and regulations in respect of revenue collection, most ministries have not been very efficient in collecting their revenue as per approved revenue estimate. These regulations resemble internal controls over the collection of revenue and they were also designed for effective and efficient collection of government revenue. Further, another most common problem that leads to poor revenue collection relates to the poor performance of staff concerned either in their commitment towards their job or the failure in ensuring proper and regular monitoring of staff performance.

Thus the problem of poor revenue collection stems from the inability of most ministries to comply with such regulations. One notable example is revenue from land lease/rent, which I believe should be able to reduce Land rent Government paid to land owners, has not been properly managed nor monitored regularly.

2. COMPLIANCE WITH LEGISLATIVE REQUIREMENTS

2.1 Legislative compliance

We noted not much attention was paid to the provisions of governing legislations and regulations by Accountable/Accounting officers therefore we highly recommend that all supervisors should make sure their accounting officers have on hand and observe governing legislations to guide them when managing public funds.

2.2 Breaches of significant legislation

During the audit, our main focus is on the Government of Kiribati financial reporting obligations. As part of our planning we identified CAP 79 the Public Finance (Control and Audit) Ordinance 1976 and Financial Regulations as key legislation and regulation to which Accountable Officers (AO) should comply. While our focus is on financial reporting obligations, we do maintain an awareness of other legislation that impacts on the government Ministries. We noted the following breaches of legislation:

2.2.1 Non-compliance with CAP 79 Public Finance (Control and Audit Ordinance) 1976 as amended

- **Section 36 (1)**

  Under this section '*the accounts of the receipt of revenue by the Departments of Government and the accounts of every receiver of money which is by law payable to the Government shall be subject to examination by the Auditor General in order to ascertain that adequate regulations and procedure have been framed to secure an effective check on the assessment, collection, and proper allocation of revenue, and the Auditor General shall satisfy himself that any such regulations and procedures are being duly carried out'.*

  It is very difficult for auditors when auditing Ministries or offices records to check the accuracy of revenue collected or receipted for 2012. Most of the ministries and departments relied on the records of MFED. It is the sole responsibility of the ministries or departments to maintain their revenue records for purposes of reconciliation with MFED.

2.2.2 Non- compliance with Financial Regulations (FR)

- **Section 168**

"It explains that every accounting officer (AO) shall maintain a vote ledger so as to show at any time in report of every sub-head of a head, as applicable, under his control: (a) the amount authorised including any supplementary authorisation, virement etc."

- Audit found that this accounting record had not been maintained by most of the Ministries/ departments to record their spending against the budget leading to un-authorised expenditure or over spending made by most Ministries/ offices in 2012.

- ***Chapter 17 - Section 341 and 346 (1) and (2)***

"It states that Boards of Survey (BOS) will be held after the close of business on the last working day of each financial year and before the opening day of business on the first of the new financial year to examine the cash as defined in regulation 101 and bank balance."

"Also, the annual BOS is required to check the cash book and register of stamps, as applicable, by casting entries for the month and verifying balances with the actual cash and stamps etc, on hand."

"Surprise boards shall be subject to such conditions and shall carry such verifications and checks as may be detailed on their appointment."

- Audit noted that no annual or surprise boards of survey convened on the last working day or at any time appointed by of each financial year. Most of the Ministries/ offices failed to conduct the BOS as required by these regulations.

Moreover, there are many relevant sections or provisions of the Financial Regulation and some are clearly mentioned in this report, which found to have not been regularly followed by those staff concerned. Complying with such regulation would contribute a lot to generating a reliable and accurate financial report.

3Government Ministries

Apart from the audit scope above, a comparative analysis of revenues and expenditure for 2012, in respect of all ministries/offices' outputs and other government expenses as disclosed in the management report together with the result of the audit carried out in some ministries / offices are provided below.

3 OFFICE OF TE BERETITENTI (OB)

3.1.0 Audit Opinion:

A qualified audit opinion was issued due to the following issues:

i) Overspending of expenditure budget, excluding MFED direct debit

ii) Poor custody of financial documents

3.1.1 CONTROL OVER EXPENDITURE

Recommendation:

- Accounting documents should be kept at all times for audit purposes and reference of the Ministry.
- Any salary entries for new employees should be checked against the appointment letter by the responsible officer.
- Management needs to review KPF contribution to check that contribution was not double paid to employees.
- The posting of expenditure into the vote ledger system should be up to date and to agree with Management report
- The ministry should avoid any private or unofficial calls by employees using the Ministry official lines.
- Regular monthly reconciliation should be conducted to ensure that all transactions are being accounted for.

Findings & analysis:

3.1.2 Comparative expenditure against budget 2010-12

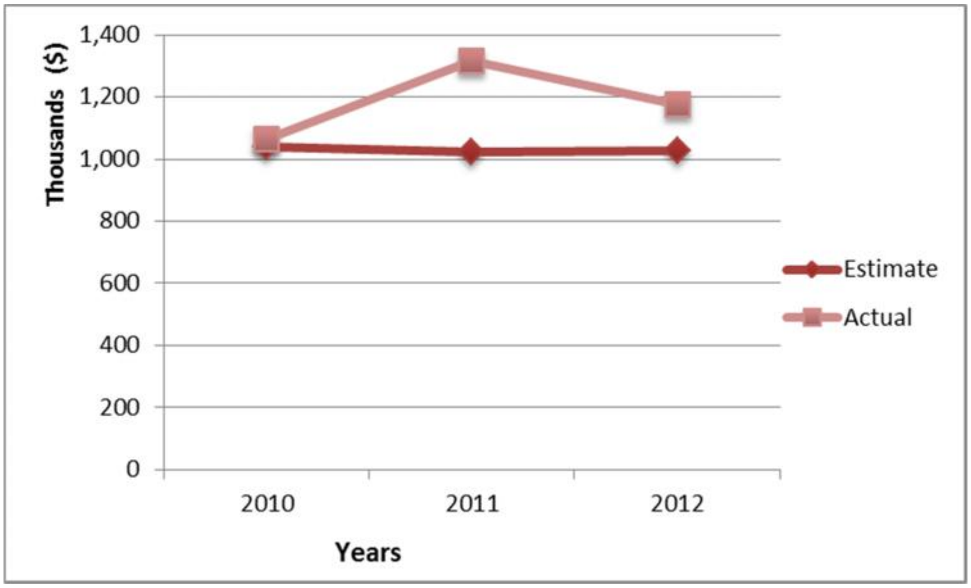


Fig. 3.1A: OB Expenditure against budget 2010-12

The level of actual expenditure was right above estimates meaning that the Ministry had overspent for the past three years 2010-12. The overspent in 2012 was decreased by $145k compared to 2011($290,686).However, it is pleasing to note from the graph that even with a steady budget level for the last three years the spending incurred had been reduced when compared with some Ministries, as could be sighted below that continuously incur an overspent even with an increased budget level.

3.1.3 OB Expenditure against budget by divisions 2012

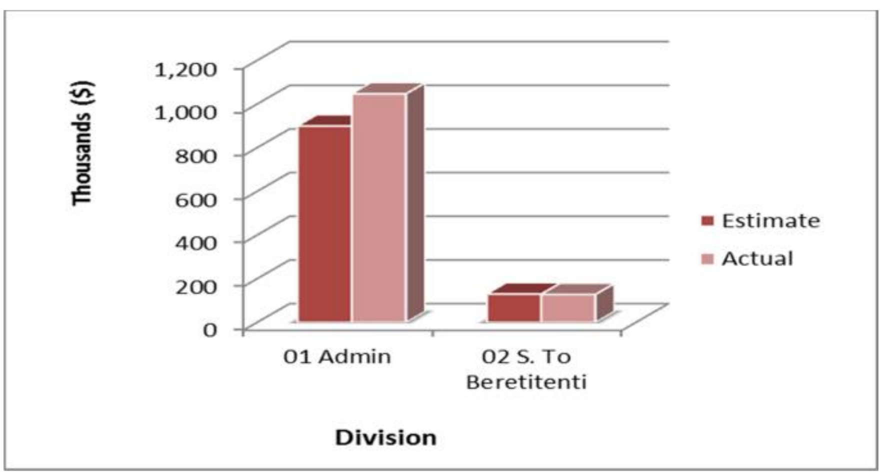


Fig. 3.1B: 2012 Expenditures against budget by divisions

There were only two divisions for OB as highlighted in the graph. Division 02 was well performed with an underspent of $2k while division 01 overspent by $147k and the bulk of this overpayment comes from external travel. (Refer Appendix E for the detail of Expenditures by Outputs)

3.1.4 External Travel

The ministry overran its budget for external travel by over $74k which should have been catered for by submitting supplementary budget to parliament for approval. Due to the absence of supplementary budget, such variance was deemed a deviation from the requirement of the Appropriation Act 2012.
Furthermore, there were no supporting documents for travelling claims no. TC 781/12 & 671/12 amounted $13,210.20 and $3,475.20 respectively and thus precluding us from verifying their accuracy.

Management Response:

3.1.5 Internal travel and Transport

As in the case of 3.2.3 above, the ministry also overran its budget for Internal Travel by $13,642. It was further noted with concern that internal transfer of $15k was made, reducing the revised budget to $102k (Original budget $117k) and ultimately causing the said overspent. Had the $15K internal transfer not been made, such overspent would not have been reported.

Management Response:

3.1.6 OVERTIME

The ministry reported a total overspending of over $14k (Please refer Table below). As supplementary for this overspending was not submitted to Parliament for approval, it deemed an unauthorized expense or a deviation from the Appropriation Act 2012.

Management Response:

3.1.7 Electricity

- A number of electricity bills for division 01 were not posted and no record for division 02 by the Ministry in the vote ledger system.
- On a GL, two electricity payments totalled $6,450.50 for Foreign Affairs on PV no. 1622 & 1621 were wrongly posted under OB.

Management Response:

3.1.8 Hire of Plant and vehicle

Budget	94,802
Management report	140,967
(Over)/Under	-46,165

The above $46k overpayment was resulted from paying other charges that were not budgeted for. As a supplementary budget for this overpayment was not submitted to Parliament, this was thus deemed a deviation from the requirement of the Appropriation Act 2012.

Management Response:

3.1.9 CONTROL OVER VOTE LEDGER

Recommendation:

Management should maintain and update the vote ledger to ensure that all payment transactions are posted correctly.

Findings & Analysis:

The audit revealed that the posting to the vote ledger is not up to date as indicated by a number of incomplete information i.e. only 17 Pay periods posted for salaries hence the last date of posting is the 24th August 2012.

Management Response:

3.2PUBLIC SERVICE OFFICE (PSO)

3.2.0 Audit Opinion:

A qualified audit opinion was issued for PSO due to the following issues:

i) Poor Recording of significant documents,

ii) lack of accountability and commitment of staff

3.2.1CONTROL OVER EXPENDITURE

Recommendation

- The Ministry should maintain the good control of expenditure in future operations.
- Overpaid salaries should be quickly recovered from concerned officers and accounting documents and records should be kept and provided when sought during the audit.
- Management should pay its electricity bills on a timely basis to avoid un-appropriated payment in the current budget also to thoroughly check bills prior payment to avoid double payments.
- Supporting documents should be readily available at all times for audit purposes.

Findings and analysis:

3.2.1.1 PSO Budget expenditure summary

Expenditure	2010	2011	2012
Estimate	$ 648,918.00	$ 631,019.00	$ 594,484.00
Actual	$ 647,082.00	$ 598,112.00	$ 594,534.00
(Over)/under	**$ 1,836.00**	**$ 32,907.00**	**-$ 50.00**

3.2.1.2 Comparative Expenditure against Budget for years 2010-12

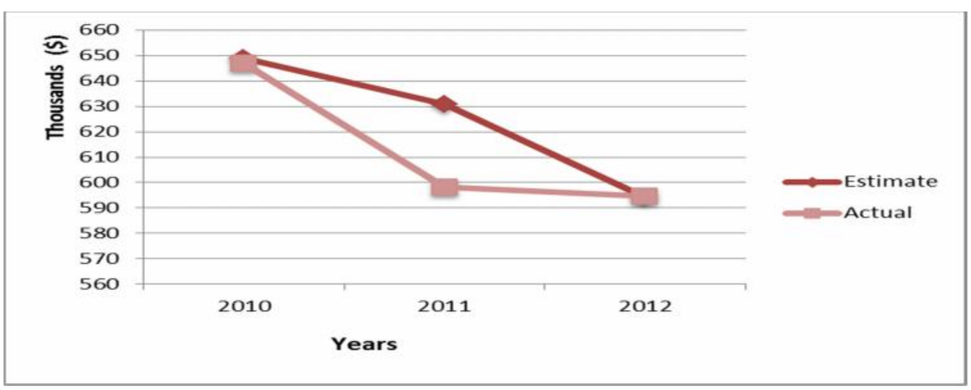


Fig. 3.2A: Expenditure against budget for years 2010-12

The Ministry should be commended for having been able to manage its budget of $594,484 which had been reduced even to a lesser aggregate than its actual spending in 2011 of

$598,112. For comparison its budget for 2011 was $631,019 thus denoting a drastic reduction of $36,535.

Even with a net overspending of $50 which resulted from an excess spending in the leave grant of $375 this is immaterial when compared to the reduction in the budget level, as mentioned above, by $36k. (Refer Appendix E for the detail of Expenditure by Outputs)

3.2.1.3 PSO Expenditure against budgets by divisions 2012

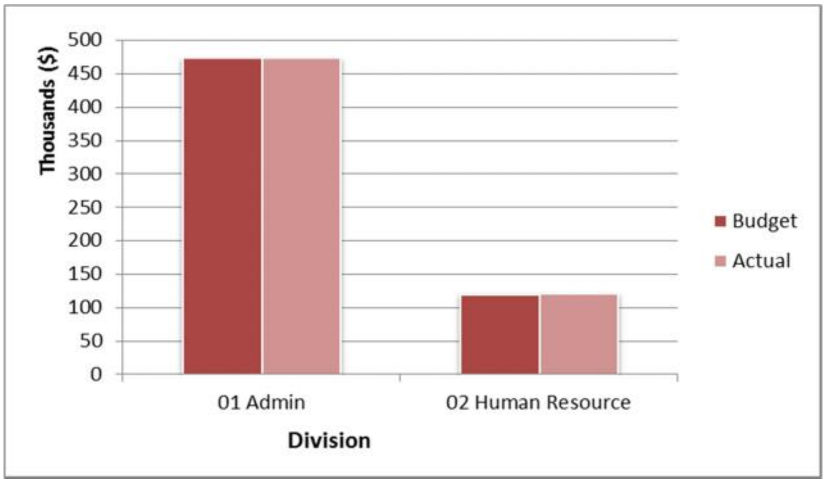


Fig. 3.2B: 2012 expenditure against budget by divisions

The above graph illustrated the point already raised in the aforementioned comment. (Refer Appendix). However the following issues were noted after a thorough review of some output allocations.

3.2.2 Overpaid Salaries

i. Contract appointment for Registry clerk should be ended on the 31/09/12 however continued to pay until 14/12/12 without any leave balances. Total overpaid salary was $1,083 including pay periods 31/11/12 & 14/12/12 signed by two different people totalled $394.

ii. Retirement date for former Assistant Secretary was 6/09/12and prior retirement he had a negative balance of 29.5 days meaning the officer had overstayed such a number of days. In fact the officer continued to receive salary into his bank account until17/05/13 last pay. Therefore total overpaid salary was $6,304.

Management response:

3.2.3 Leave grant and passage

Overall we were satisfied with leave grant only an issue with an overpayment of $375 which is equivalent to one employee's due. For leave passage the audit noted one significant PV no. 28/12 misplaced and the responsible officer was unable to trace it.

Management response:

3.2.4 Overtime

After testing some selected overtimes, the audit found that one significant overtime docket amounted $1,176.24 iro Acting EA for pay period 15/06/12 was missing therefore we are not able to confirm the accuracy of this overtime.

Management response:

3.2.5 Electricity and Gas

i. Total electricity bill as per sighted invoices was $12,800.15 agreed to Management report however inclusive of payment related to 2011 amounted $4,947.65. The remaining balance of $7,852.50 was current electricity bill for 2012.

ii. Electricity bill related to periods 17/11/11 to 16/12/11 paid for in 2012 was found double paid on PV 34/12 and PV 182/12.

Management response:

3.2.6 External Travel

After a review of some selected external travels the audit found one official travel in respect of a director without any invitation attached. The same officer returned on the 26th Nov 2012 as per itinerary however retired his imprest on the 16th May 2013 about 6 months after travel.

Prior Years External travels

- One significant travelling claim amount $847.95 in respect of registry clerk was an incurred travel expense in 2009 which was just retired in 2012.
- Two significant travelling claims i.r.o Secretary amounted $1,065.55 & 674.27 were made on the same date 21/12/11, however both claims were paid in 2012 on PV no. 01/12 & 02/12 respectively.

Management response:

3.2.7 CONTROL OVER VOTE LEDGER

Recommendation:

The posting to the vote ledger should be well up to date and proper reconciliation should be implemented by the ministry against Finance records.

Findings & Analysis:

Vote book is not updated by the ministry as indicated mainly by the late posting of some output allocations i.e. only 17 pay periods for Salaries and KPF contributions were reflected in the vote ledger and the last date of posting was in August. As we compared to management report we found variances for salaries and KPF amounted 39k and 7k respectively meaning that there was no reconciliation.

Management Response:

3.2.8 CONTROL OVER GRR & LPO

Recommendation:

The ministry should maintain GRR & LPO register aside having a record from the Finance to rely on; this is to ensure that the use and movements of such accounting books are all recorded and maintained.

Findings & Analysis:

The audit found that the Account section within PSO did not maintain GRR and LPO register but relied on Finance records.

Management Response:

.

3.2.9 OTHER COMMITMENTS/LCDF

Recommendation

The concerned ministry has to ensure that the approved amount under local funding should be fully utilized during the year to give a more realistic budget.

Findings & Analysis

3.2.9.1 Kiribati Housing Subsidy

The audit confirmed the receipt of subsidy amounted $250,000 by the Kiribati Housing Corporation.

3.2.9.2 Local Contribution to Development Fund: Local and Overseas Training

PSO has two funded activities under the Local Development Fund namely Local and Overseas Training valued at $100,000 and $213,245 respectively. Upon review of records in respect of these two activities, the total budgeted amount of $313,245 was correctly receipted as p. 59 of Annual account 2012. It was noted, however, that the Disbursement of fund by Finance was total up to only some $33,459 (Refer p.77of same account) meaning that the remaining balance of $279,786 was being miss-allocated to other expense accounts. (Please refer to appendix E)

Management Response:

3.3 JUDICIARY

3.3.0 Audit Opinion:

We issued a qualified audit opinion due to the followings:

i) Poor collection of Revenue,

ii) Poor reconciliation,

iii) Overspending of the budget

3.3.1 CONTROL OVER REVENUE

Recommendation

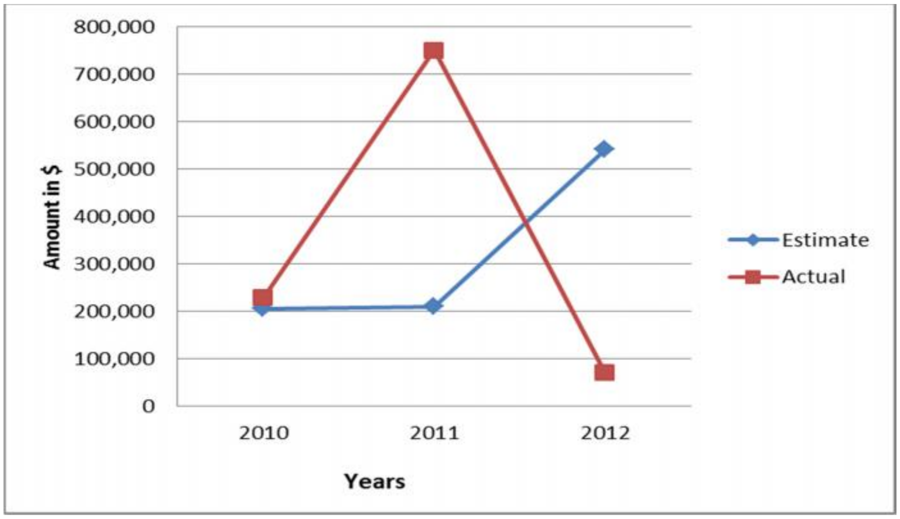
- Management must ensure to strengthen system that all revenue is collected in an efficient and effective manner to avoid accumulated arrears.
- Management should constantly follow up payments from clients to avoid accumulation or delay in payment of their dues. In addition, management needs to send debit notes as part of their reminder giving the client deadline to make prompt payment.
- It is the responsibility of the Judiciary Accountant to reconcile their accounts with the MFED in order to update all records to their correct figure.

Finding and analysis

3.3.1.1 Judiciary Revenue Summary

Revenue	**2010**	**2011**	**2012**
Estimate	$ 205,200.00	$ 209,340.00	$ 541,200.00
Actual	$ 228,545.00	$ 750,595.00	$ 70,629.00
(Over)under	**-$ 23,345.00**	**-$ 541,255.00**	**$ 470,571.00**

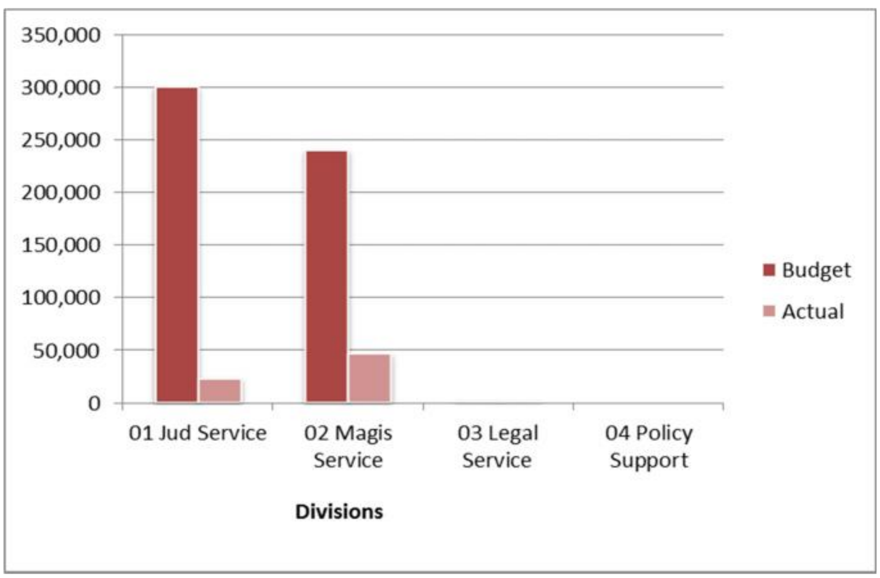
3.3.1.2Comparative Revenues against Budget 2010-12



The above graph shows that revenue estimate had been increased over the last three years while actual collection were fluctuated with a huge shortfall of collection was experienced in 2012.

Management Response:

3.3.2 Revenue against Budget by divisions 2012



The major revenue of the Judiciary derived from Court fines, Court fee, Practicing fees and People's lawyer admission fees.

3.3.3Court fine

Court fines depend on the court decision and judgment according to the nature and kind of rules that were neglected as follows: drinking beers (under age), riding without vehicle license and driving without illuminating light. An outstanding amount of $11,577(court fine) was noted during the audit and this was due to non-payment of fines ordered by the Court.

Management response:

3.3.4Practicing fees

The revenue has been understated by $300.00, resulted from none payment of practicing lawyer's fees by some clients, despite being issued with invoices or reminding letters to pay up their fees.

Management response:

3.3.5 Revenue Reconciliation

Audit identified a variance between the management report and high court record. This variance resulted from a direct debit to MFED from outer Island.

	Court fine	Court fee
High court record	$5,423.50	$44,488.25
MFED record	$23,215.00	$46,928.00
Variance	$17,791.50	$2,439.75

Management response:

3.3.6 CONTROL OVER EXPENDITURE

Recommendation:
Management must strictly control or reduce the level of expenditure during the year in order not to exceed the approved budget.

Findings and analysis

Judiciary Expenditure summary

Expenditure	**2010**	**2011**	**2012**
Estimate	$ 1,455,221.00	$ 1,409,097.00	$ 1,565,650.00
Actual	$ 1,477,883.00	$ 1,454,680.00	$ 1,554,034.00
(over)under	**-$ 22,662.00**	**-$ 45,583.00**	**$ 11,616.00**

3.3.6.1 Comparative Expenditure against Budget 2010-12

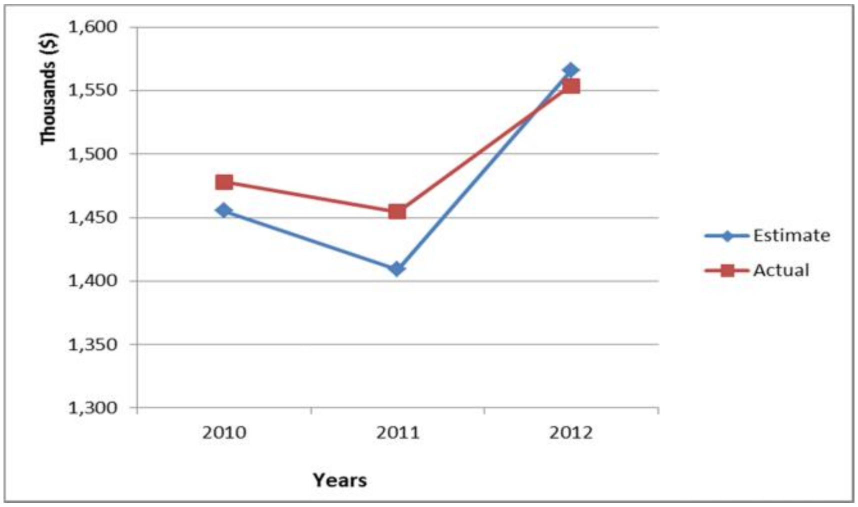
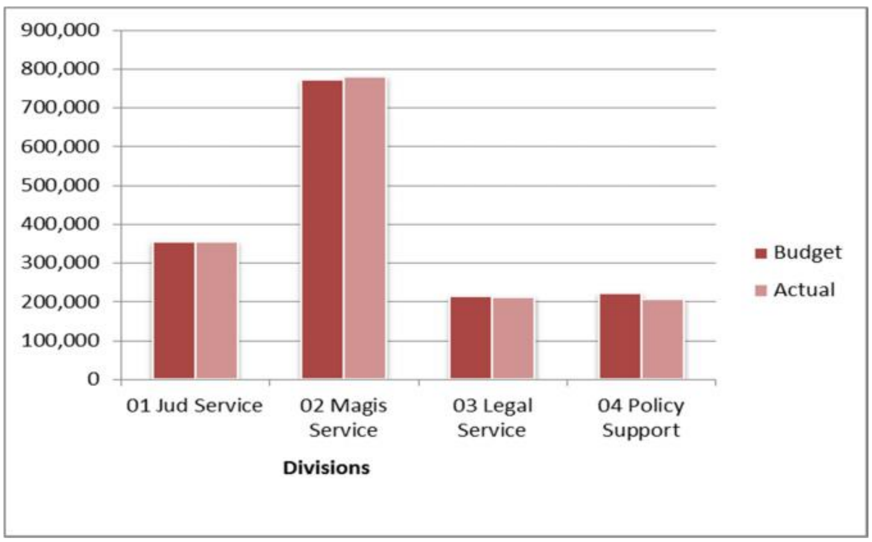


Fig.3.3A: Budget against Actual expenditure 2010-12

As shown in the above graph, it is evident that the Ministry has been approved the correct budget level of $1.56 million as opposed to $1.4 million in the past two years and as such it has a net saving of $11,703 for the first time in four years

3.3.6.2 Expenditure against Budget by divisions 2012



As highlighted by the graph the bulk of overpayment comes from division 02 Magistrate for Allowances and internal travel both having $5k. (Refer to Appendix E for the details of output by divisions)

Management response:

3.3.7 CONTROL OVER VOTE LEDGER

Recommendation

To ensure that all payment transactions are maintained and accounted for in the vote book **in** order to reflect the actual expenditure on each output head against the budget.

- Vote Ledger for controlling expenditure should be maintained for each output recording the actual expenditure for the year.
- Transfer of funds from one head to another should be promptly made and recorded in the vote book to provide sufficient provision to such exhausted head before payment is made.
- Any supplementary warrant approved should be reflected in the vote books for the year.
- The monthly reconciliation of expenditure should be made by the Judiciary with MFED to clear any error occurred or avoid the huge variance or over payment.

Findings & Analysis:

Audit noted a Lack of proper reconciliation between Judiciary and MFED records causing variances in some expenditure codes detailed in the table below: and thus lead to system not update in the management report and vote book.

Code	Details	Posting update	Reconcile/Vote book/M. Report	Notes
E1101,02,03,04-0000-21A	Salaries	No	No	1

Audit check found the total variance of $35,922.65.

Management response

3.4 POLICE AND PRISON SERVICES

3.4.0 Audit Opinion:

Because of the under collection of revenue of$6k and other findings as stated below we have therefore issued a Qualified Audit Opinion for KPPS.

3.4.1Revenue (Budget)

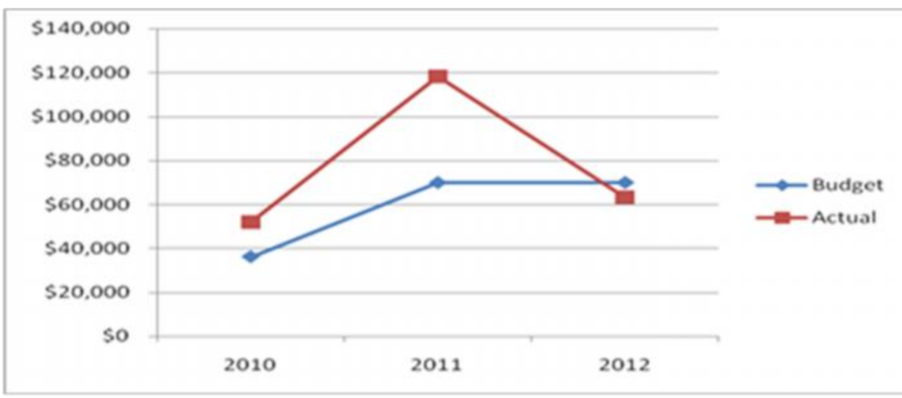
Recommendation:

- The KPPS should find ways and means of generating its budgeted revenue more efficiently.

Findings and analysis:

3.4.1.1 KPPS Revenue summary collection:

	2010	2011	2012
Budget	$36,180	$69,900	$69,900
Actual	$51,972	$118,192	$63,378
Under/(Over)	($15,792)	($48,292)	$6,522



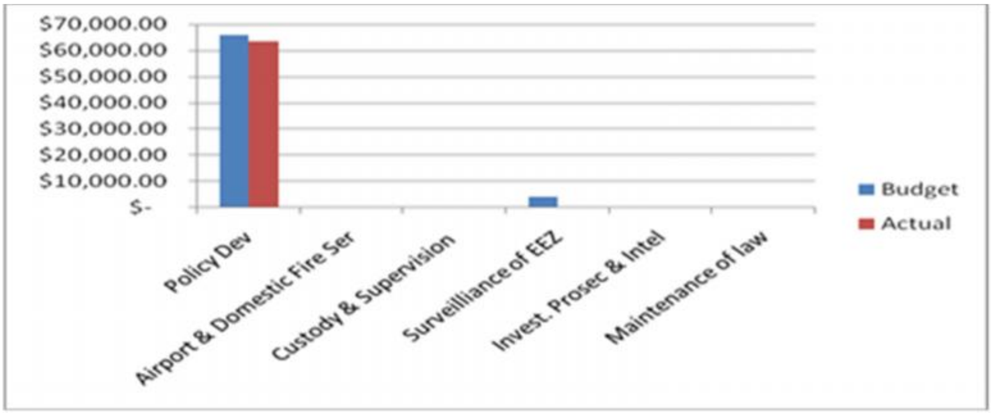
The above graph clearly indicated that the KPPS was unable, for the first time, to collect its estimated revenue for 2012. The bulk of the under collection was to the none-collection of revenue estimate of $4,000 for Surveillance of EEZ. This was inconsistent with the 2011 revenue collections, when KPPS collected more than $5k, exceeding the same $4,000 estimated revenue from the Surveillance of EEZ.

3.4.1.2 2012 KPPS Revenues against budget by divisions.

Division	Budget	Actual	(0ver)/Under
Policy Dev	**$ 65,900.00**	**$ 63,378.00**	**$ 2,522.00**
Airport & Domestic Fire Ser			**$ -**
Custody & Supervision			**$ -**
Surveillance of EEZ	**$ 4,000.00**		**$ 4,000.00**

Invest. Prosec& Intel			$ -
Maintenance of law			$ -
Total	**$ 69,900.00**	**$ 63,378.00**	**$ 6,522.00**

Comparative graph of Bugdet revenue against actual per division



As noted above, it quite apparent that KPPS major revenue collection was generated from policy development. For the first time in 2012, another part of this division: Hire of Police Band collected only $300 from the total revenue estimate of $3,600. (Refer appendix E).

3.4.2 Expenditure (Budget)

Recommendation:

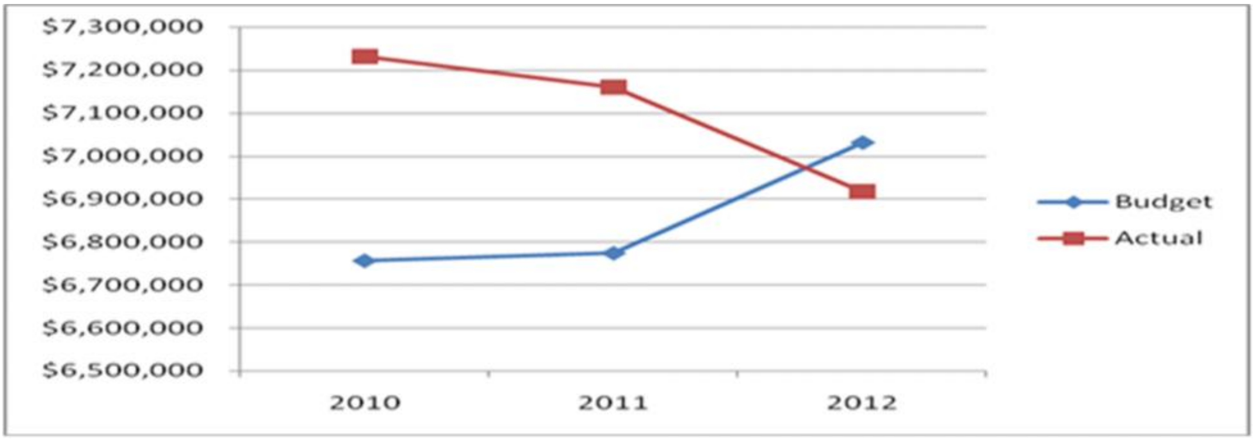
KPPS should provide a more realistic expenditure budget to avoid substantial unutilized funds.

Finding and Analysis:

3.4.2.1 Comparative Expenditure against budget.

Table below is a comparison figure between the estimate and the actual expenditure for the years ended 2010 to 2012.

Year	Budget	Actual	(Over)/Under
2010	$ 6,755,810	$ 7,232,178	$ (476,368)
2011	$ 6,773,422	$ 7,160,232	$ (386,817)
2012	$ 7,030,624	$ 6,916,415	$ 114,209

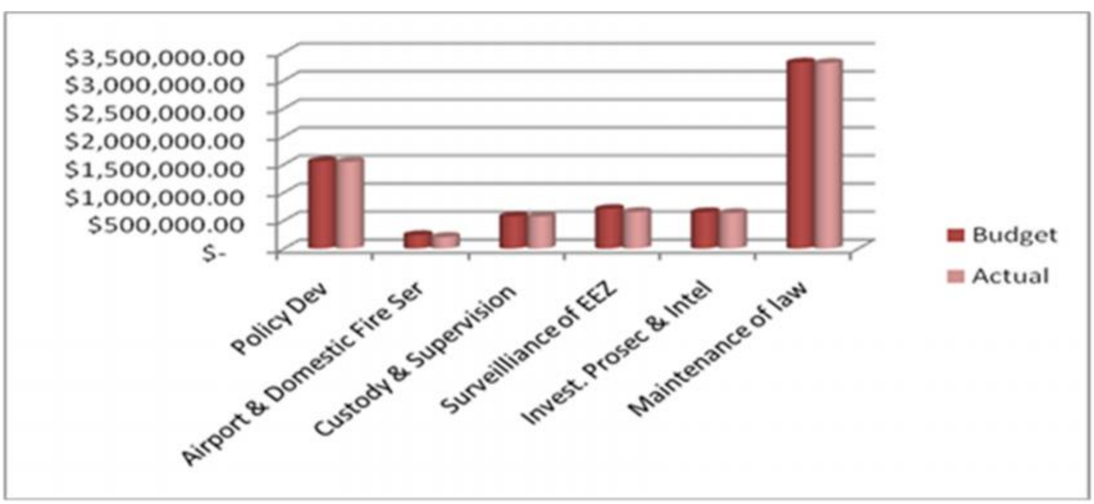


The above graph indicated that for the last two years (2010-2011) KPPS had continued to operate in a deficit of more than $476k and $386k respectively. Conversely, in 2012 given an increase budget of over $7m, KPPS had now been able to report a net saving of over $114k.

3.4.2.2 2012 KPPS Expenditure against budget by divisions

Table below show the Ministry expenditure against budget by division for 2012

Division	Budget	Actual	(0ver)/Under
Policy Dev.	$ 1,553,599.00	$ 1,546,205.00	$ 7,394.00
Airport & Domestic Fire Ser	$ 237,732.00	$ 207,239.00	$ 30,493.00
Custody & Supervision	$ 571,869.00	$ 571,574.00	$ 295.00
Surveillance of EEZ	$ 704,724.00	$ 653,016.00	$ 51,708.00
Invest. Prosec& Intel	$ 646,734.00	$ 631,575.00	$ 15,159.00
Maintenance of law	$ 3,315,966.00	$ 3,306,806.00	$ 9,160.00
Total	**$ 7,030,624.00**	**$ 6,916,415.00**	**$ 114,209.00**

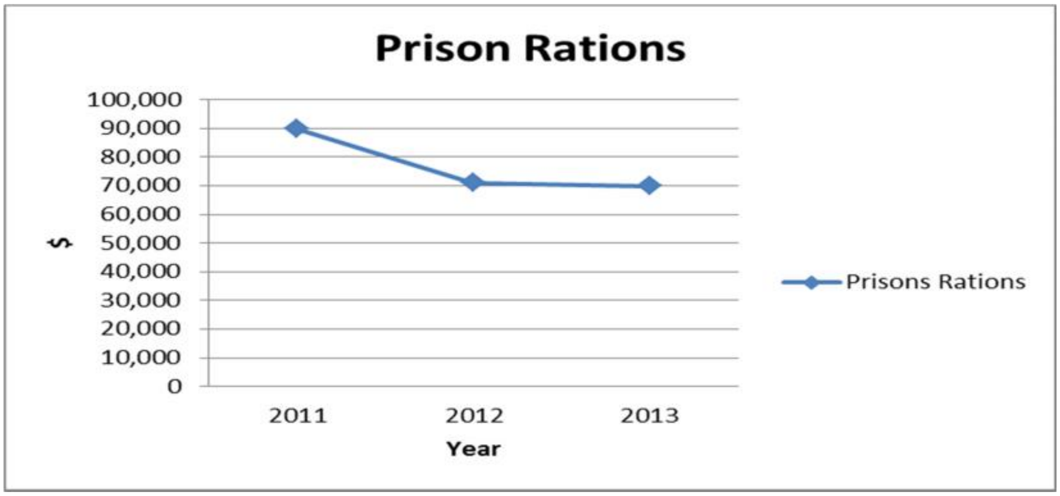


The graph above showed that some of the provisions were too excessive. For instance, the provisions for Surveillance of EEZ and Airport and Fire of over $50k and $30k, respectively, were deemed too excessive. KPPS needs to revise its estimate for these two outputs, or undertake more surveillance duties to make use of the approved provision (refer appendix E).

3.4.3 Prison Rations

Findings and analysis:

3.4.3.1 Comparative Expenditure for Prison ration for years 2011-13



From the above graph we have noted that the expenditure was high in 2011 by $89k followed by 2012 $71k and 2013 $70k respectively. However for each year the KPPS almost spend 100k for rations only hence the need for management to put in place an effective internal control on payment for rations as indicated below:

Illustration figures for the above table:

Year	Amount
2011	$98, 796
2012	$71, 102
2013	$69, 968

Recommendation

- Kiribati Police and Prison Services (KPPS) should maintain a good control of expenditure on ration and other operational expenses and,
- To ensure that the records must be reviewed and maintained separately by sustaining a ledger card and cross referencing the supplier invoices against Prison records prior processing payments by an authorized officer.

Management Response:

3.4.3.2 Fish and Bread

Findings:

i) Bread and Fish

The bread and fish ration for prisoners was normally provided or supplied by some police officers without being contracted out to other registered suppliers.
The audit confirmed the payment claims of $40, 742.55 (for 2012 and 2013) to suppliers were not scrutinized properly nor paid based on the supplier's record/invoice. As confirmed, KPPS did not keep its own record or maintained a register to record the quantity of bread or values of fish received on each particular day. Thus supplier's invoices could not be cross-checked with KPPS records to ensure that the amount on the supplier's invoice is correct.

The total payment for bread and fish ration for 2012 and 2013 are summarized below:

Year	Items	Amount
2012	Bread	6, 049.00
	Fish	16, 494.80
2013	Bread	6, 131.00
	Fish	12, 067.75
Total		**$40, 742.55**

In addition the account unit has failed to review the prison's records and if it is continuously not maintained and reviewed; there will be high risk of overspending and unnecessary payments.

ii) The Payment of $40, 742.55 was not procured.

As there was no bid made for suppliers, a deviation from the requirement of the Procurement Act 2002, determining whether the cost of the bread and fish delivered as above is reasonable could not be made.

Recommendation:
The audit strongly recommends that the KPPS should maintain a register to record fish and bread delivered by suppliers. Put in place a strong internal control system over all its payments, including payment for ration.
KPPS should ensure provisions of the Procurement Act are observed and adhered to for selecting a supplier.

Management Response:

3.4.3.3 RKS Teanoai Register

Findings:

i. The store register for 2012 (to 2014) was missing and therefore we were unable to determine the number of items recorded during the three (3) said years. However, the number of items counted on the 16th May 2014 would be treated as surpluses.

II. The Cook has failed to maintain his register upon arrival of RKS Teanoai for submission to Account Unit for scrutiny.

3.4.3.4 Retaining of Try Store key

Findings:

- The audit noted that when RKS Teanoai anchored ashore the key was then handed to Senior Officer, RKS Captain. The Cook officer is responsible to retain the key with him at all times and to ensure that the try store is always locked. Should any rations gone missing he is solely responsible for such losses.

Recommendation:

Management should take appropriate actions against the Cook officer (CO) and not Senior Officer (SO) accordingly.

Management Response:

3.4.3.5 Hand over Statement

Findings:

- No hand over statements being made as well as handed over tasks between the two responsible officers.
- As the hand over was not properly done the audit noted the weaknesses as indicated below:

  i. No stock taking when responsibility was taken over for Bairiki and Betio prison

  ii. No register provided to the officer taking over the responsibility as he was using his diary to record daily rations for Betio prison other than the ration register.

  iii. Items were scattered inside the Sgt. Room such as 8 ox & palm, 6 tin fish plus 9 bags of rice found inside the wardens' office and not in the store room.

  iv. The sgt. had just updated his ration register for Betio upon resuming duty.

Rations issued out

Date	Population	rice	sugar	milk	tin meat	tin fresh	tea	fresh fish	Bread	soap	moon tiger	matches	razor	toilet paper
1/5/2014	63	28602	5292	900	-	11050	740	-	-	-	-	-	-	-
2/5/2014	63	28602	5292	900	-	-	370	-	-	-	-	-	-	-
3/5/2014	62	28148	5208	900	-	-	370	-	-	-	-	-	-	-
4/5/2014	62	28148	5208	900	6726	850	370	-	-	-	-	-	-	-
5/5/2014	65	28418	5460	900	-	10625	370	-	-	-	-	-	-	-
6/5/2014	65	28148	5544	1800	-	-	370	-	-	-	-	-	-	-
7/5/2014	66	29964	5544	900	-	11900	740	-	-	-	-	-	-	-
8/5/2014	66	29964	5460	900	-	11900	370	-	-	-	-	-	-	-
9/5/2014	65	29510	5460	900	-	-	370	-	-	-	-	-	-	-
10/5/2014	65	29510	5460	900	-	-	370	-	-	-	-	-	-	-
11/5/2014	65	29510	5460	900	7068	850	740	-	-	-	-	-	-	-
12/5/2014	66	29510	5544	900	-	-	370	-	-	-	-	-	-	-
13/05/2014	66	19964	5628	900	-	-	370	-	-	-	-	-	-	-
14/05/2014	67	30418	5628	900	-	-	370	-	-	-	-	-	-	-
15/05/2014	67	30418	5628	900	-	425	370	-	-	-	-	-	-	-
16/05/2014	67	30418	6048	900	-	-	370	-	-	-	-	-	-	-
17/05/2014	72	32688	6048	900	7866	-	740	-	-	-	-	-	-	-
18/05/2014	72	32688	6048	1800	-	850	370	-	-	-	-	-	-	-
19/05/2014	72	32688	6048	900	-	-	-	-	-	-	-	-	-	-
Total Balance		**568408**	**106008**	**18900**	**21660**	**48450**	**8510**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Ration received from Bulky container

1/5/2014		108840	-	-	7824	20400	-	-	-	-	-	-	-	-
2/5/2014		145120	50000	10800	-	20400	-	-	-	-	-	-	-	-
7/5/2014		-	-	-	-	-	-	-	-	-	-	-	-	-
11/5/2014		217680	-	-	-	-	-	-	-	-	-	-	-	-
14/05/2014		-	50000	10800	-	-	-	-	-	-	-	-	-	-
17/05/2014		36280	-	-	-	-	-	-	-	-	-	-	-	-
18/05/2014		-	-	-	15648	-	-	-	-	-	-	-	-	-
19/05/2014		181400	-	-	-	-	-	-	-	-	-	-	-	-
Total Balance		**689,320**	**100,000**	**21,000**	**23,472**	**40,800**	-	-	-	-	-	-	-	-

Closing Balance	**120,912**	**6,008**	**2,700**	**1,812**	**7,650**	**8510**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Audit Counting	**163,260**	**63,500**	**2,700**	**9,128**	**5,950**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Variances by grams	**42,348**	**69,508**	**-**	**7,316**	**1,700**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Variances by quantity	**2 bags**	**1 bags**	**-**	**22**	**-4**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Recommendation:

The management should consider this seriously and must perform necessary actions to avoid what has been done as stated above in future times.

Management Response:

3.4.3.6 Monthly Returns

Findings:

- As observed monthly returns were not submitted to Head Quarter (HQ) for scrutiny purposes. This indicated that the responsible officer (RO) for Betio and Bairiki Prison failed to maintain their returns as required.

Recommendation:

The management should take note of this and to ensure that all returns are submitted to HQ on a monthly basis or as when required.

Management Response:

3.4.3.7 Physical Stock taking at Prison HQ office plus Betio and Bairiki Prison

Findings:

i. Prison Headquarter office

- The ledger card per items were maintained and recorded accordingly. This indicated a proper control over rations supplied and issued out to both prisons Betio and Bairiki.

ii. Betio Prison

After a review of May 19, 2014 register balance against the audit counting the audit noted the discrepancies for Betio prison register records as indicated below

These variances were predominantly due to the oversight on the part of the responsible officer to update his records upon receiving and issuing out rations.

iii) Bairiki Prison

- After a review (in May 19, 2014) on register balance against the audit counting the audit noted the discrepancies for Bairiki prison register record as indicated below:

Management Response:

3.4.3.8 CONTROL OVER IMPREST - Travelling claim

Findings:

False claim

- The audit noted that the receipts attached to travelling claim form was deemed improper as the date of receipts claimed did not match with the date undertaken during the journey whereas the shopping was being done while on board. This claim must be notified at first instance upon submission of Travelling Claim form by Account Unit and enquire the right receipts and explanation from the claimant as indicated below:

Recommendation:

Travelling claims must be checked and notify false invoices at the first instance upon the submission of Travelling Claim form by Account Unit and to enquire the right receipts and invoices from the claimant in order to avoid false claims.

Management Response:

3.5 PUBLIC SERVICE COMMISSION (PSC)

3.5.0 Audit Opinion

Because of a Poor Reconciliation found during the auditing, we have therefore issued a Qualified Audit Opinion for PSC's 2012 financial operation.

3.5.1CONTROL OVER EXPENDTIDURE

Recommendation:

- **Public Service Commission** should provide a more realistic expenditure budget to avoid substantial unutilized funds.

- Management must conduct regular reconciliation with the Ministry of Finance to ensure that all particular transactions are captured in both records.

Findings and analysis

3.5.1.1 PSC Budget Expenditure Summary

Expenditure	2010	2011	2012
Estimate	$ 208,424.00	$ 204,546.00	$ 230,629.00
Actual	$ 243,044.00	$ 225,515.00	$ 214,455.00
(Over)/Under	**-$ 34,620.00**	**-$ 20,969.00**	**$ 16,174.00**

Comparative Expenditure against Budget

Below are comparative figures for the estimates and the actual expenditure for the years ending 2010 to 2012(Refer Appendix E for the details of expenditure by Output)

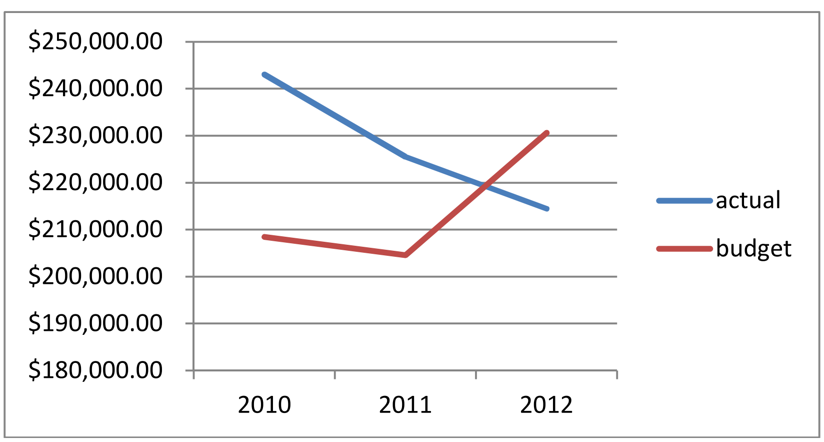


Fig.3.5A: Budget against Actual expenditure 2010-12

The Public Service Commission reported a net saving of $16,173 (Budget-Actual: $230,629-$214,456), which was a major improvement when compared to its performance in years 2010 and 2011. Despite such net saving, some of the outputs of the Commission exceeded budget as detailed in the table below:

Table.3.5.1

Exp Code	Cost Description			Budget for	Actual	(Over)/Under
20	KPF contribution			$ 4,760	$ 5,035	$ (275)
23	Allowances			$ 25,404	$ 29,317	$ (3,913)
30	Internal travel			$ 12,567	$ 25,948	$ (13,381)
41	Entertainment			$ 4,058	$ 4,424	$ (366)
60	Hire of plant & vehicles			$ 19,870	$ 26,198	$ (6,328)
	Total			$ 66,659	$ 90,922	$ (24,263)

As illustrated in the table above, such outputs exceeded budget by $24,263, meaning the total unspent amount should be over $40k (Please refer to appendix 1) Thus there would not be any budget overruns as highlighted, if Accounting Staff for PSC carried out a proper reconciliation on the above outputs before end of financial reporting period for 2012.

Explanation on each of the excess spending shown above is required.

Management Comment:

3.5.2 Outstanding Bill (Telecoms)

Recommendation

Management needs to strengthen the control of maintaining reconciliation on a monthly basis to ensure that all payments are accounted for in the system.

Findings & Analysis:

Audit noted accumulated outstanding bills for years 2003-2009 in the sum $9,741.76 that had been carried forward and just paid in 2012. This confirms lack of reconciliation on a regular basis by the accounting staff.

Management response:

3.6 MINISTRY OF FOREIGN AFFAIRS & IMMIGRATION (MFAI)

3.6.0 Audit Opinion:

A qualified audit opinion issued for MFAI due to the following issues

i) Overspending of approved budget

ii) Lack of Monitoring of staffs

3.6.1 CONTROL OVER REVENUES

Recommendation

- MFAI needs to encourage divisions to collect revenue target as pledged under budget policy.
- A more realistic budget for revenue outputs should be provided by the Ministry before the beginning of the year.
- MFAI should perform a monthly reconciliation with Finance to ensure that actual revenues collected are posted in the Attaché system.
- Management should strictly ensure that one senior officer has to review the daily collections and to ensure cash is deposited on a daily basis.
- MFAI account personnel needs to frequently refer to and comply with all sections of the Financial Regulation, Store Regulation and National Condition of Service as this is where important and legally documented guidance, rules and system of internal controls are specifically spelt out.

Findings and analysis:

3.6.1.1 MFA Budget Revenue Summary

Revenue	2010	2011	2012
Estimate	$ -	$ 89,751.00	$ 100,000.00
Actual	$ 32,465.00	$ 93,527.00	$ 99,370.00
(Over)/Under	**-$ 32,465.00**	**-$ 3,776.00**	**$ 630.00**

Comparative Revenue against Budget for years 2010-12

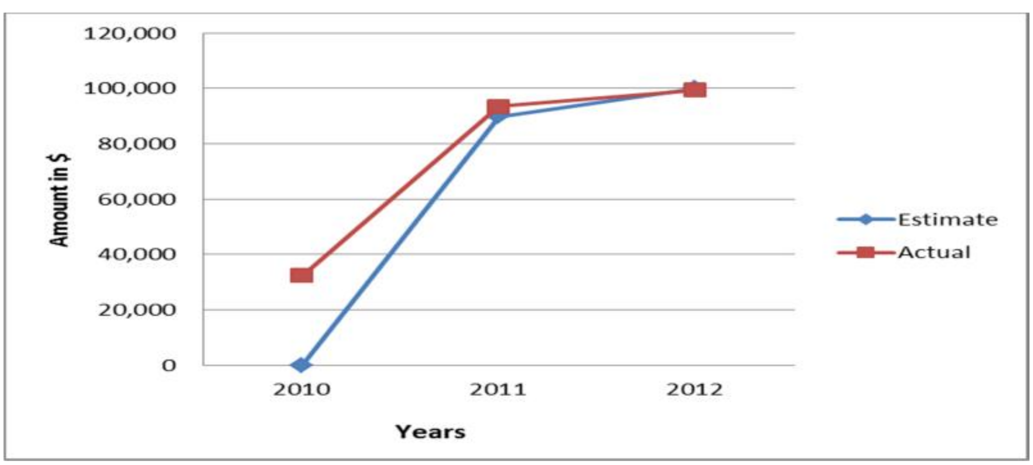
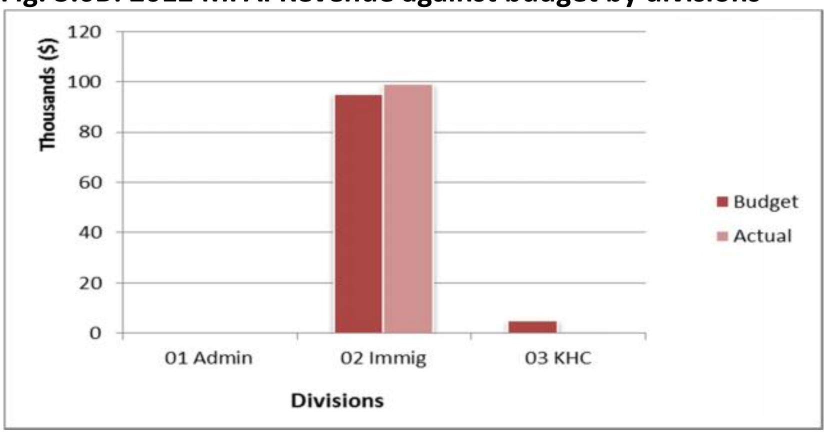


Fig. 3.6A: Revenue against budget for years 2010-12

The graph shows that in 2010 there was no revenue projection while a balance of $32k collected during the year. In 2012 the Ministry had estimated to collect revenue of $100,000. In 2012 the Ministry's division: Immigration, reported the actual revenue collection of $98k against a budget of $95k (i.e. excess collection $3,910). In contrast, Kiribati High Commission collected only $460[1] from its total revenue budget of $5,000 resulted in a reported revenue shortfall of $4,540. As a result, MFAI reported, at year end 31 December 2012, an insignificant net under collection of $630. (Refer Appendix E for the detail of Revenues by Outputs)

3.6.22012 MFAI Revenues against budget by divisions

Fig. 3.6B: 2012 MFAI Revenue against budget by divisions



Overall Division 02 had contributed a lot to the collection of revenue with an excess amount of$3.9k (net) made up of over collection of $78.1k from Visa charges plus under collection of $74.2k in respect of Immigration fees.

Management Response:

3.6.3 Visa fees

Reported in 2012 account Visa fees were over-collected by $73k (net)[2] while immigration and other charges were under collected by $74k. This is the evidence of an unrealistic budget given by the Ministry.(Refer Appendix E for detail of Revenues by Output)

Other Revenues

The audit noted that there are other revenues not accounted for in the Account but are reflected under Project revenues No.4 account. These are as follows:

Code Revenue Amount

[1] The actual amount of collection by KHC was too small to be shown on the graph

[2] VISA charges (1402-02) $78.1 K Visa fees (1403-02) $4.5k

N1402-4380A Passport 163,525

0005-02A Security bond 3,000

3.6.4 Revenue system weaknesses

From a discussion with the cashier the audit noted the following issues:

- No one reviewed revenue collections at the end of the day.
- Deposited revenue is not checked by the most senior officer to ensure that collections are actually deposited.
- Collections were not deposited on a daily basis but twice a week (Tuesday &Thursday) and sometimes could be delayed due to work load.

The above issues are the result of the direct deviation from sections 38 to 48 of the Financial Regulation.

Management Response:

3.6.5 Revenue Reconciliation

Below is a reconciliation of revenue between Attaché system (Finance) and Foreign Affairs account for the year ended 31st December 2012.

Code	Revenue	MFAI	Finance	Variance
C1402-02A	Visa fees (Work Permit)	84,690	83,620	1,070
C1402-03A	Immigration charges	15,750	15,750	0
	Total	**100,440**	**99,370**	**1,070**

Management Response:

3.6.6 CONTROL OVER EXPENDITURE

Recommendation:

- Management needs to strictly control or reduce the level of expenditure for a fiscal year in order not to exceed the approved budget from Parliament.
- The overpayment of salary should be quickly recovered from the concerned officer.
- Management needs to strictly monitor telephone calls to avoid personal calls and such unofficial calls should be recovered immediately from concern users.

Findings and analysis

3.6.6.1 MFAI Budget Expenditure Summary

Expenditure	**2010**	**2011**	**2012**
Estimate	$ 1,153,473.00	$ 840,562.00	$ 1,161,884.00
Actual	$ 1,222,957.00	$ 931,447.00	$ 1,286,197.00
(Over)/Under	**-$ 69,484.00**	**-$ 90,885.00**	**-$ 124,313.00**

Comparative Expenditure against Budget 2010-12

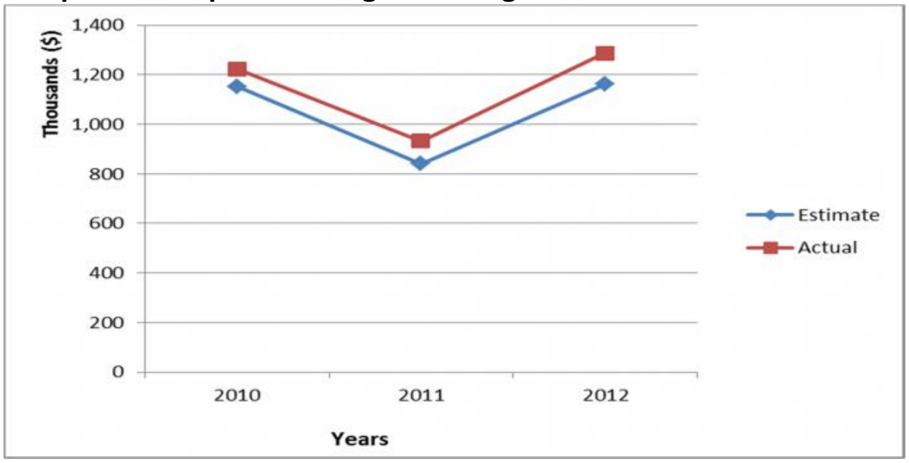
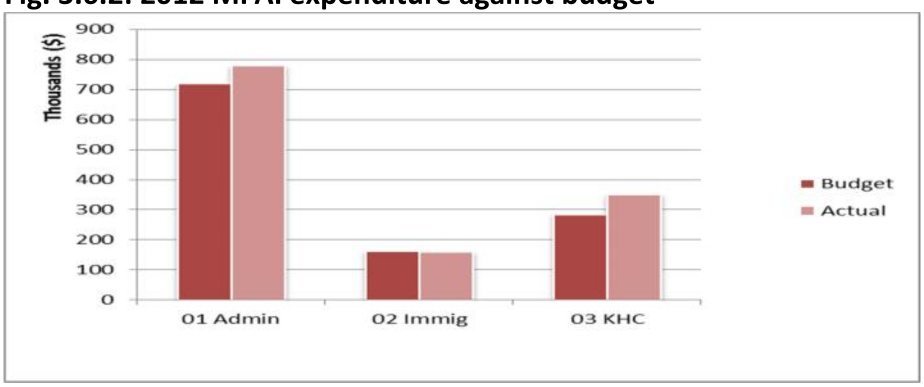


Fig.3.6C: 2012MFAI expenditure against budget

The level of expenditure for the past three years 2010-12 were right above the estimate level by respective amounts of $69k, $90k and $124k. An analysis indicates that the over payment kept increasing over the years by 31% and 37% if we compared annually.

3.6.6.2 2012 MFAI Expenditure against budget by divisions

Fig. 3.6.2: 2012 MFAI expenditure against budget



Illustrated in the graph division 01 & 03 had contributed a lots to the over budget by $60k and $66k respectively. (Refer to Appendix E for the details of over budget by outputs)

3.6.7 Salaries

- Total salary for the year was under budget by over $12k
- A variance of $11,384 was found between Management report and payroll costing meaning that one pay period had been omitted in the account.

<u>Overpaid Salary</u>

Our walkthrough of payroll document for leave without pay indicates that there had been an overpaid of salary in respect of one employee amounted $2,192. The approval date for leave without pay was the 24/02/12 but the officer continues to receive cash salary beyond this date until payment of salary was ceased on the 01/06/12. If the officer continues to receive his/her salary during the leave without pay period, then justification on such anomaly should be provided otherwise such overpayment of salary would now be regarded as a cash loss.

Management Response:

3.6.8Outstanding Electricity

Electricity during the year had been noted over budget by $8,445and the consumption of electricity was mainly from the Admin division.

Management Response:

Other issues:

In 2012 there were unrecorded payment transactions on electricity for the months of September, October, November and December. Outstanding electricity bills amounted 7,401.00 for 2011 were paid out from the 2012 approved budget on the 15/05/2012.

3.6.9OTHER COMMITMENT

Recommendation

The Ministry of Foreign Affairs has to ensure that the approved amount to cater for activities under the Local Contribution Fund should be fully utilized otherwise if not utilized during the year should not be included in the budget in the first place.

Findings & Analysis

Local Contribution Development Fund

The amount of $64,837 was catered for the procurement of vehicles for the Kiribati High Commission in Suva Fiji and was receipted in the Local Contribution to Development Fund as per page 59 of the 2012 Annual Account. It was noted however, that such amount was not recorded (on pages 76 – 86 of 2012 Annual Account) as payment from the Local Contribution to Development Fund. The overall impact of such error is the incorrect balance of the LCDF being reflected in the Government Annual Account as at 31 December 2012.

Management Response:

3.7 MINISTRY OF INTERNAL & SOCIAL AFFAIRS (MISA)

3.7.0 Audit Opinion:

We issued a qualified audit opinion for MISA due to the following issues:

i) under collection of revenue, ii) overspending and iii) Lack of proper reconciliation

3.7.1CONTROLS OVER REVENUES

Recommendation

- MISA needs to encourage divisions to collect revenue target as pledged under budget policy or to provide a more realistic revenue budget estimate.
- MISA should perform a monthly reconciliation with Finance to ensure that actual revenues collected are posted in the Attaché system.
- Management should strictly ensure that one senior officer reviews the daily collections and the form "A" prior to actual depositing of cash at the bank.

Findings and analysis:

3.7.1.1 MISA Budget Revenue Summary

Revenue	2010	2011	2012
Estimate	$ 58,160.00	$ 58,160.00	$ 81,160.00
Actual	$ 53,892.00	$ 75,406.00	$ 77,056.00
(Over)/Under	**$ 4,268.00**	**-$ 17,246.00**	**$ 4,104.00**

Comparative Revenue against Budget for years 2010-12

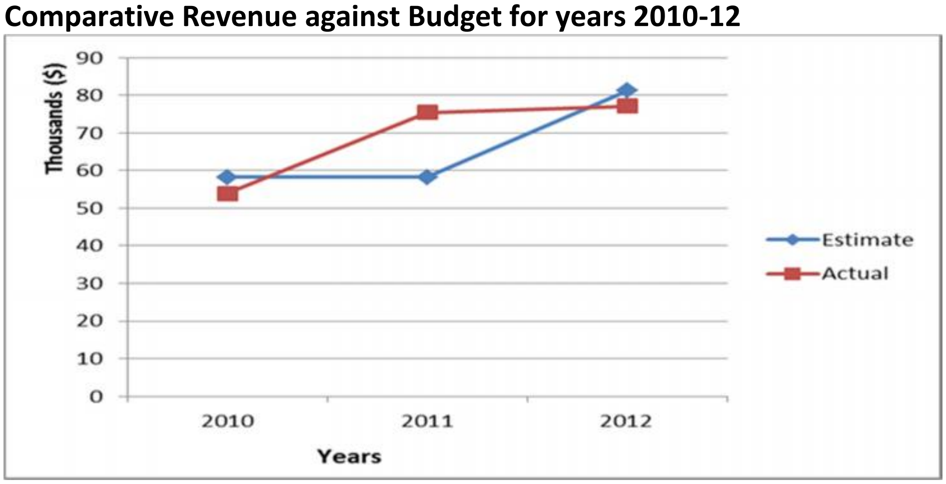


Fig. 3.7A: Revenue against budget for years 2010-12

As shown in the above graph revenue collections kept increasing over the years. However in 2012, but with an increase in revenue budget level when compared with previous years, there was an under collection of 4k.

The revenue shortfall in 2012 was due mainly to the under collection of revenues from subheads as detailed in 3.1.3 below.

3.7.1.2MI(S)A Revenues against Budget by divisions

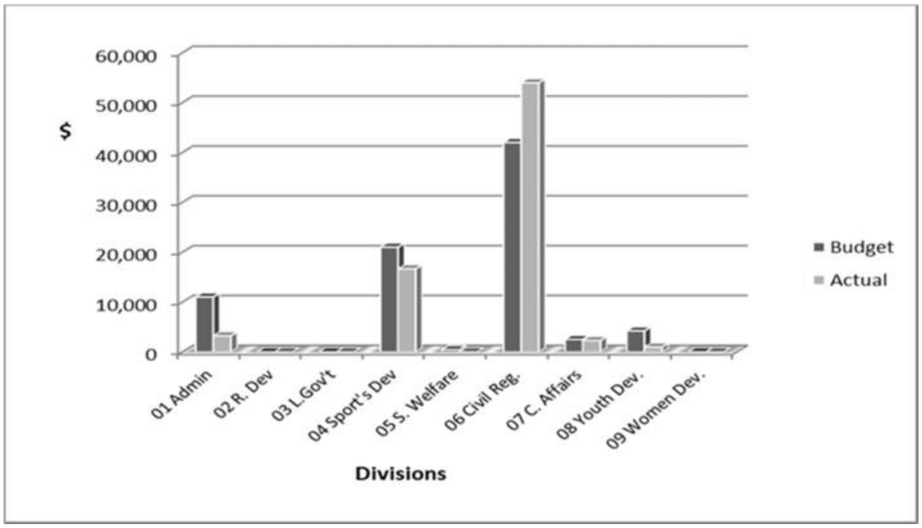


Fig. 3.7B: 2012 MI(S)A Revenue against budget by divisions

3.7.2 Revenue Reconciliation

The proper revenue reconciliation between the MI(S)A and MFED's record was not made by the responsible officers as evidenced by revenue variances detailed in the table below.

Revenue	MISA	Finance	Variance
Charter to Banaba	4,097	3,224	873
Civil Registration	22,579	53,952	-31,373
KNYC Maneaba	1,006	950	56
Total Variances	27,682	58,126	$30,444

The negative variance of over $31k was justifiable by the fact that sometime customers were told by the Civil Registration office to pay for the marriage, birth certificate etc, directly at the cashier MFED. However, both MFED and MI(S)A are responsible for regularly reconciling their records.

The positive variances, however, was the result of lack of proper reconciliation of records between the two Ministries.

Management Response:

3.7.3CONTROL OVER EXPENDTIDURE

Recommendation:

- Management needs to strictly control or reduce the level of expenditure at end of a fiscal year in order to avoid overspending of the approved budget.
- Salary section should review the omission noted below and to ensure that all salary payments for the year are reflected in the account.
- Management should provide a more realistic budget figure to ensure that any payments made are within the budget.
- Management should have a control mechanism in place to monitor telephone calls i.e. to maintain a telephone register that keep records of official and non-official calls.

Findings and analysis

3.7.3.1 MISA Budget Expenditure Summary

Expenditure	**2010**	**2011**	**2012**
Estimate	$ 2,658,588.00	$ 2,766,518.00	$ 2,829,486.00
Actual	$ 2,615,055.00	$ 2,762,582.00	$ 2,912,865.00
(Over)/Under	**$ 43,533.00**	**$ 3,936.00**	**-$ 83,379.00**

3.7.3.2COMPARATIVE EXPENDITURE AGAINST BUDGET FOR YEARS 2010-12

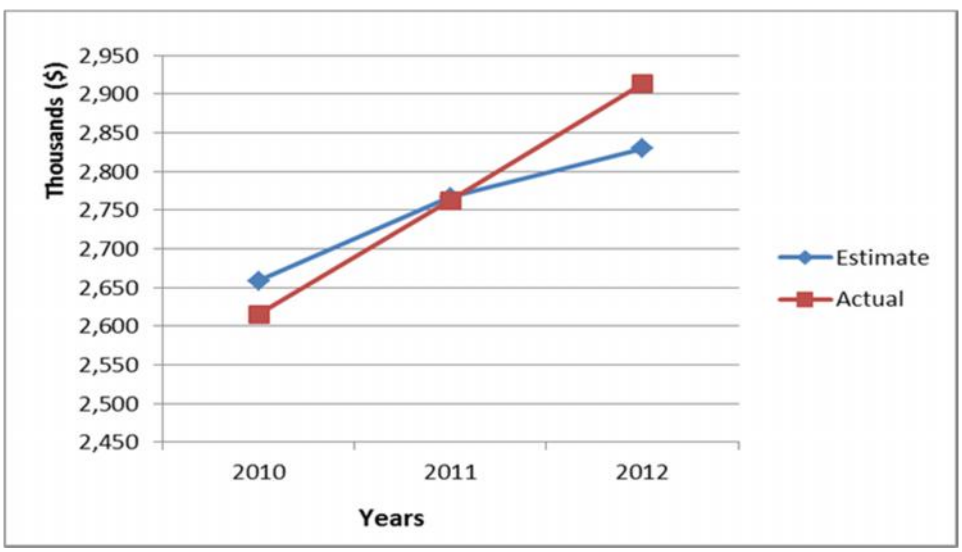


Fig. 3.7C: Expenditure against budget for years 2010-12

Figure 3c shows that Expenditure in 2012 had exceeded budget by $83k (Budget: $2,829,486, Actual: $2,912,865) compared to the underpayments of 43k & 4k in 2010 & 2011 respectively. (Refer Appendix E for the details of overspent amount)

3.7.3.3MI(S)AEXPENDITURE AGAINST BUDGET BY DIVISIONS

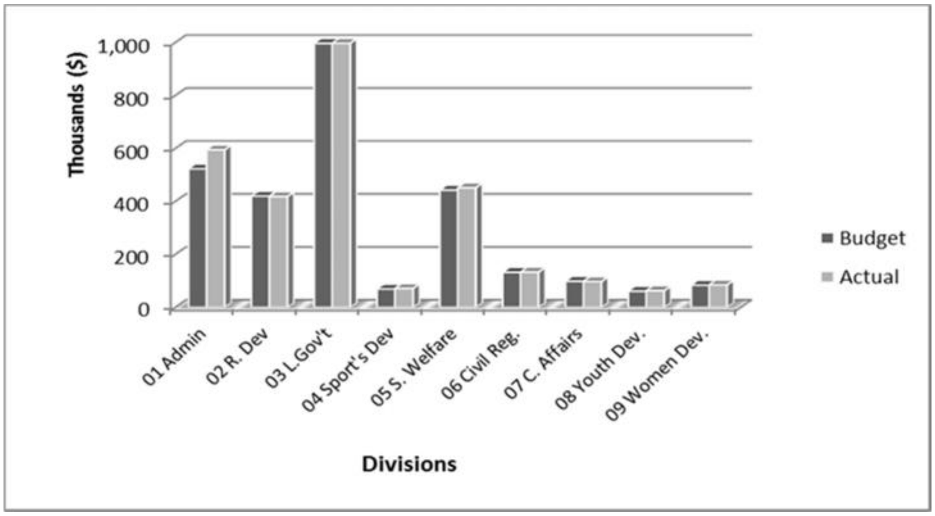


Fig. 3.7D: 2012 MI(S)A Expenditure against budget by divisions

As illustrated in figure 3.7D the bulk of overspent in 2012 stemmed from division 01 Admin amounted to $71k. However the overall overspent were mainly reflected on the following accounts :(Refer Appendix E for the details of overspent amount)

Item	Overspent ($)
Overtime	13,870
Temporary Assistance	24,971(net)
Hire of Plant & Vehicle	29,190
Electricity & Gas	11,078

The control over expenditure was inadequate as indicated mainly by a number of overspent outputs.

3.7.4Salary

The audit found a variance between Management Report and Pay costing of $112,818 equivalents to 2 pay periods not reflected in the account.

Balance as per Account (MR: MFED) $1,546,340.27
Balance as per Pay Costing (MI(S)A) $1,659,158.03
Variance $(112,817.76)

The variance above had understated the MI(S)A 2012 salary expense.
It was further noted that the original approved budget of $1,751,783 was too excessive when compared to the actual salary expense of $1,546,340.

Management Response:

3.7.5LOG BOOKS

Recommendation

Management should ensure that Log books should be maintained by drivers to show any official trips taken at a given time and date.

Findings and analysis

There were three vehicles used by the Ministry such as BG 039, BG 058 and DC 136. After a review, it was noted that both BG 039 & 058 log books were not maintained and reviewed by concerned officers.

Management Response:

3.7.6OTHER GOVERNMENT EXPENSES

Recommendation

- Reconciliation of government expenditures should be set as a priority by two Ministries (MI(S)A & Finance)
- A more realistic budget figure should be given by the Ministry in regard to significant under and over budget of other government expenditures.

Findings & Analysis

3.7.6.1 Support Grant

Budget $1,220,000
Actual $1,138,658
(Over)/Under $81,342

As per balance disclosed in the account Support Grant was under budget by $81k. According to the MI(S)A record total disbursement of support grant to the outer islands was some $1,224,327 hence not agreed to Actual amount resulting in a variance of $85,669. This indicates that there are warranted payments amounted $85k not recorded by the Finance.

3.7.6.2Elections

Budget 152,370
Actual 65,925
(Over)/Under 86,445

The audit noted that over 50% was not utilized for this expense giving an under-spent of $86k. Per MI(S)A record total disbursement of payments was $90,591.38 quite over the Actual per Finance giving a difference of 24,666.38 hence this indicate a number of returns not yet processed by the Finance.

3.7.6.3Ferry Services

Budget	22,757
Actual	1,980
(Over)/Under	20,777

Almost the whole budgeted amount was not utilized during the year as shown by an under budget of $20k. As per MI(S)A records the amount of disbursement for ferry services was nil balance however there were two payments of same amount as per Finance related to ferry services allocated or charged under national election. Such payments were not yet corrected by MI(S)A.

Management Response:

3.8 MINISTRY OF ENVIRONMENT LANDS & AGRICULTURAL DIVISION (MELAD)

3.8.0 Audit opinion

We issue a Qualified Audit Opinion for MELAD for the year ended 31 December 2012. The qualification will be based on significant matters as discussed in detail below.

i. **Not responding to Audit queries**
ii. **Lack of reconciliation**
iii. **Reconciliation must be conducted with MFED**
iv. **Failure to provide update list of staff**
v. **Misallocation receipts numbers as stated in 3.8.10**

3.8.1 Revenue (AGRICULTURE)

Recommendation

Management must ensure that significant streams of revenue are consistently stated and to maintain all records to update particular transactions.

Finding and Analysis

- Lack of reconciliation between the finance and Ministry
- Missing PV # 7101 to7150, 6901 to 6950, 7133-7150 & 6918-6950 not appeared on the cashbook.
- Audit also confirms some missing GRR.
- Misallocation of receipt numbers 816079-816095 amounted to $1,011.65 allocated under form A10/10 code C16040000001A quarantine should be livestock code C1604000000A

Receipt Number	Amount
778289-778328	$120
778329-778368	$76.50
778369-777806	$140
777865-777936	$90
777703-777743	$10
777956-777785	$375
Total	$811.50

Management response:

3.8.2Non-expendable items (agriculture)

Recommendation

It is highly recommended that the Ministry should maintain and update stores ledger records at all times to enable to take into account all items purchased.

Finding and Analysis

Audits discover that the register remained missing providing inadequate testing to confirm the items purchase.

Date	PV#	Supplier	# of items order	Cost of items	Appropriate	Allocation	Recorded in S/L	Location of items
17/8/12	207/12		1 grass cutter	390.00		1604-40		
18/6/12	169/12		1 photocopy	44.50		1604-40		
13/12/12	330/12		2 water pump	1,389.50		1604-40		Ald off
16/2/12	60/12		1 water horse	152.40		1604-40		
22/2/12	66/12		1 torch	95.00		1604-40		watchman
24/1/12	40/12		2 roller fence	600.00		1604-40		

Management response:

3.8.3Outstanding Sublease 2012(lands)

Recommendation

Management must strengthen and enforce collection procedures to ensure that all outstanding sub leases are paid accordingly.

Finding and Analysis

Audit identified an outstanding sublease of 3/4 million which is equivalent to $766,108.30 that remained unsettled by land tenants. (Refer attachment)

Management response:

3.9 MANEABA NI MAUNGATABU (PARLIAMENT)

3.9.0 AUDIT OPINION

We issue a Qualified Audit Opinion for MNM for the year ended 31 December 2012. The qualification was based the fact **MNM still continues to overrun its budget.**

3.9.1 REVENUE (Budget)

Recommendation:

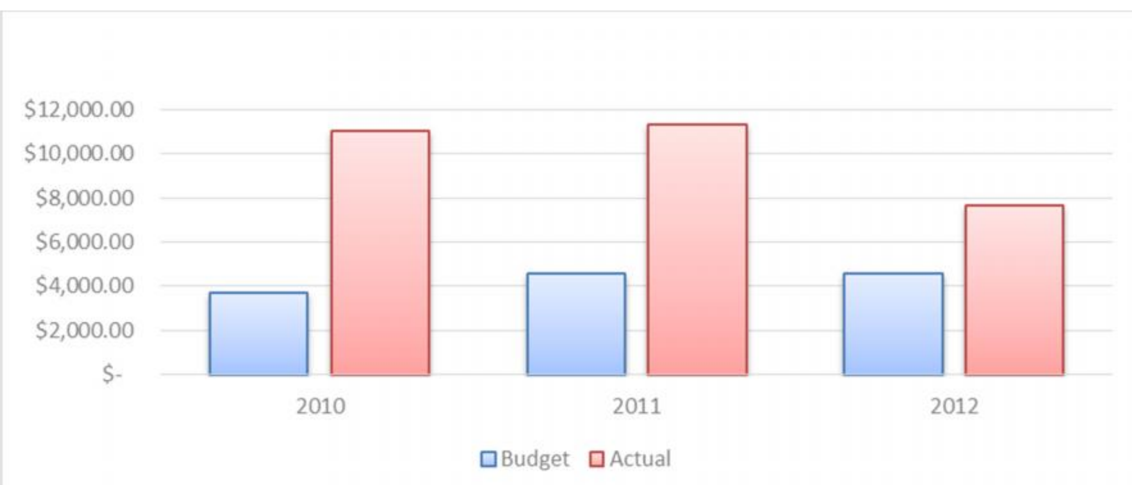
- The MNM should give a more realistic budget figure to ensure that any collection made are within the approved estimates

Findings and analysis:

3.9.1.1MNM REVENUE SUMMARY COLLECTION:

Revenue	2010	2011	2012
Estimate	$ 3,700.00	$ 4,600.00	$ 4,600.00
Actual	$ 11,055.00	$ 11,315.00	$ 7,664.00
(Over)/Under	**$ (7,355.00)**	**$ (6,715.00)**	**$ (3,064.00)**

3.9.1.2 MNM COMPARATIVE GRAPH OF BUDGET REVENUE

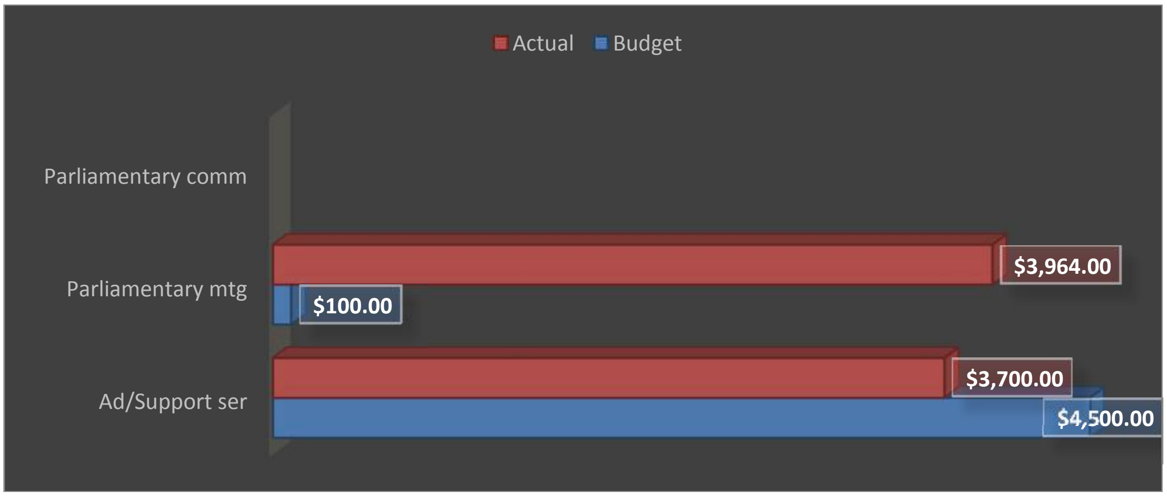


The above graph clearly displays the actual revenue collection of $7664 in 2012 exceeding estimate revenue of $4600 as compared to the 2010 and 2011 when MNM collected more than $11k respectively. Eventually it is quite clear that there was a decline in the revenue collection for 2012.

3.9.1.3 2012 MNM REVENUES AGAINST BUDGET BY DIVISIONS.

	Budget	Actual	(Over)/Under
Ad/Support ser	$ 4,500.00	$ 3,700.00	$ 800.00
Parliamentary mtg	$ 100.00	$ 3,964.00	-$ 3,864.00
Parliamentary comm			$ -

3.9.1.4 MNM COMPARATIVE GRAPH BUDGET REVENUE BY DIVISIONS



As noted above, it is apparent that MNM major revenue collection was generated from Parliamentary meetings. Another part of this division: Administration and Support Services, collected only $3700 from the total revenue estimate of $4500 (refer appendix one).

3.9.2 Expenditure (Budget)

Recommendation:

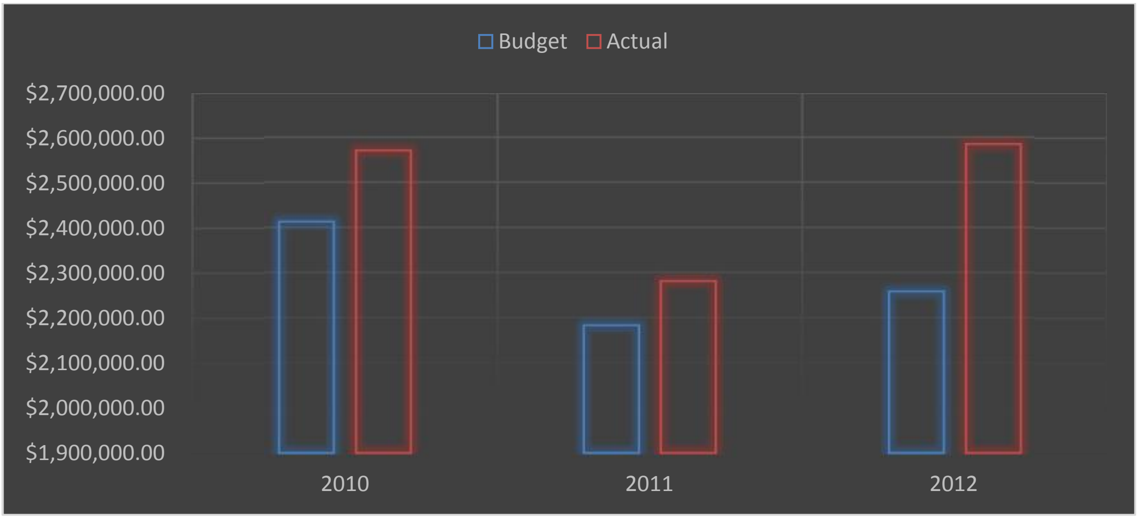
Management must continue to operate within or below the level of approved expenditure budget.

Finding and Analysis:

3.9.2.1 MNM EXPENDITURE SUMMARY

Expenditure	2010	2011	2012
Estimate	$ 2,412,759.00	$ 2,182,870.00	$ 2,258,470.00
Actual	$ 2,570,464.00	$ 2,280,802.00	$ 2,585,247.00
(Over)/Under	**$ (157,705.00)**	**$ (97,932.00)**	**$ (326,777.00)**

3.9.2.2 MNM COMPARATIVE GRAPH BUDGET EXPENDITURE

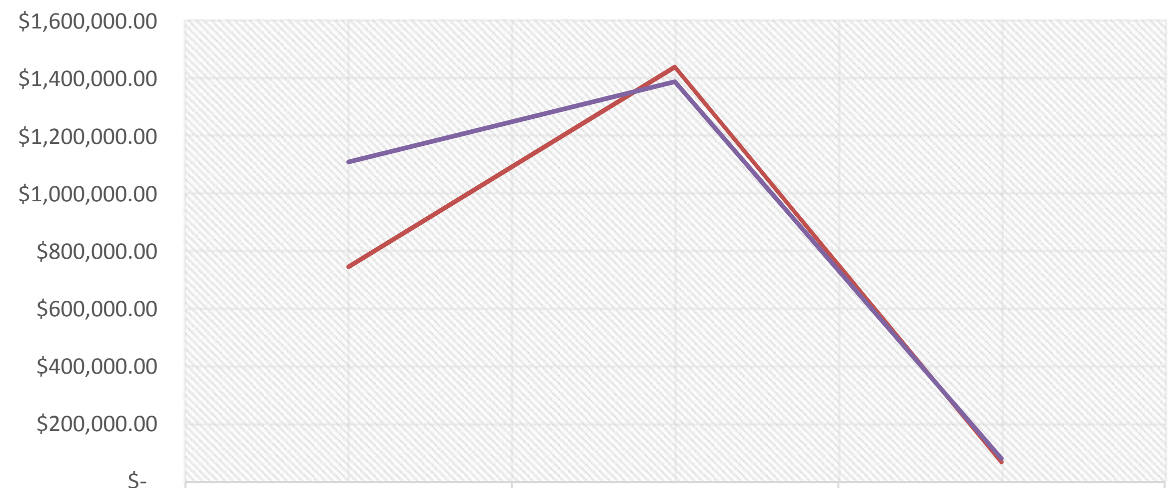


The above graph indicated that for the last two years (2010-2011) MNM had continued to operate in a deficit of more than $157k and $97k respectively. However, in 2012 given an increase estimate budget of over $2.2m, MNM still continues to overrun it budget spending by $326k.

3.9.2.3 2012 MNM EXPENDITURE AGAINST BUDGET BY DIVISION

	Budget	Actual	(Over)/Under
Ad/Support ser	$ 747,977.00	$ 1,112,911.00	$ (364,934.00)
Parliamentary mtg	$ 1,442,508.00	$ 1,392,089.00	$ 50,419.00
Parliamentary comm	$ 67,985.00	$ 80,248.00	$ (12,263.00)

3.9.2.4 MNM COMPARATIVE GRAPH AGAINST BUDGET BY DIVISION



	Ad/Support ser	Parliamentary mtg	Parliamentary comm
Budget	$747,977.00	$1,442,508.00	$67,985.00
Actual	$1,112,911.00	$1,392,089.00	$80,248.00

The graph above depicts the level of expenditure by division. As it clear from the MNM overall expenditure perspective, the bulk of the overspend derived from the Administration and Support services exceeding estimate budget by $364k. Another division which also contribute to the overspend is Parliamentary committee exceeding estimate budget by $12k. (Refer to appendix E)

3.10 MINISTRY OF COMMERCE INDUSTRY & COOPERATIVE (MCIC)

3.10.0 AUDIT OPINION

We issue a Qualified Audit Opinion for MCIC for the year ended 31 December 2012. The qualification was based on the following:

i) Failure in providing management responses to all audit queries spelt out in the report

ii) Failure to do monthly reconciliation

iii) Failure to comply with governing legislations, monitor deposits and ensure segregation of duties is observed

iv) Engaging long term temporary staff and paying their salaries from "Operational" output

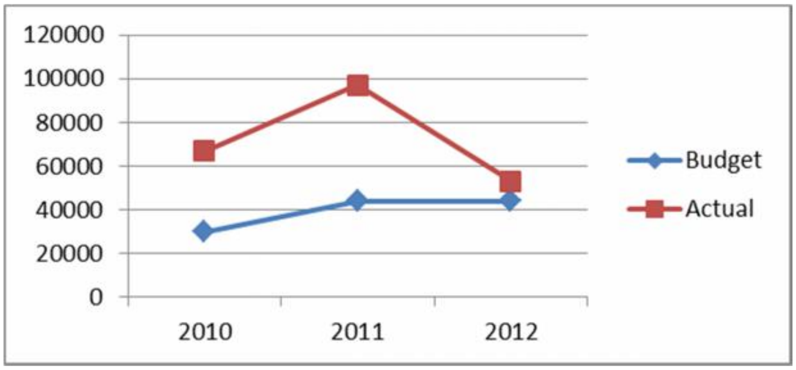
3.10.1 Control Over Revenue

Recommendation:

- MCIC must perform regular monthly reconciliation with Finance to ensure that actual revenues collected are posted in the Attaché system.
- Management has to ensure that each division achieves revenue targets as pledged under budget policy.
- The handling of cash in the account section should be well segregated and strictly controlled whereby the most senior account officer has to review daily collections and the cashier should not be given the responsibility to deposit.
- The senior accountable officer must ensure that daily deposit is made on timely basis and proper monitoring to check and review deposit.
- Senior Accountant and accounting staff should frequently refer to and comply with all Financial Regulations, Stores Regulation, NCS and other relevant accounting instructions.

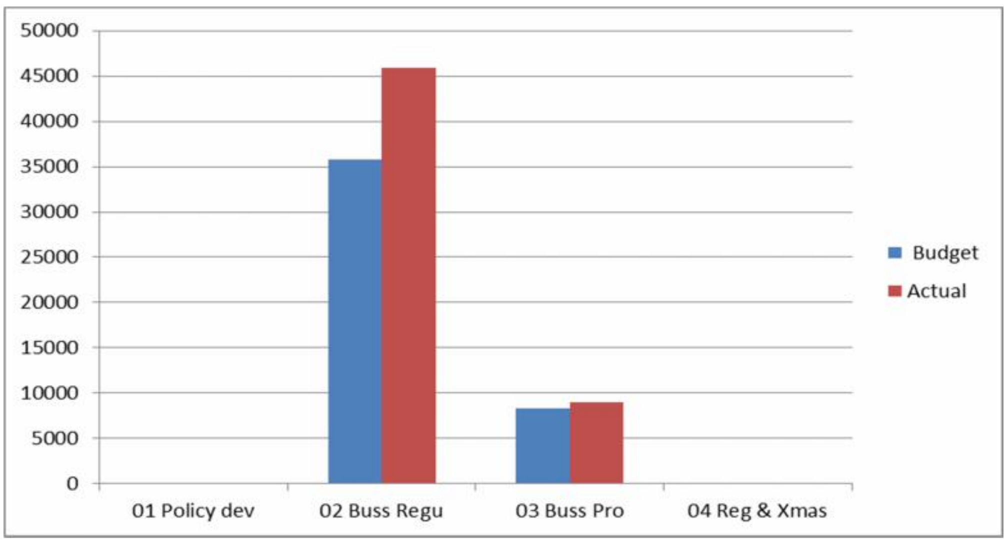
Findings and analysis

3.10.1.1 Comparative Revenue against Actual 2010-12



As indicated by the graph the Ministry's actual revenue collection in 2012 was down by 44% when compared to 2011. (2012 $54,871, 2011: $97,994), but still exceeded budget by $10,755 (2011:$44,116).

3.10.1.2 2012 MCIC Revenue against budget by divisions



The above graph shows that business regulation generate the most revenue collection of $45,864 over by $35,836 giving extra collection of $10,28 while the other divisions i.e Business promotion earned $9007 compared to estimate budget of $8,280, yielding extra revenue of $727.

The revenue estimate stated above was exactly the same with the 2011 revenue budget. Because of the increasing number of business activities especially in Moneylending and Private business, this has thus necessitated the budget increase in these outputs.

3.10.2 CONTROL OVER EXPENDITURE

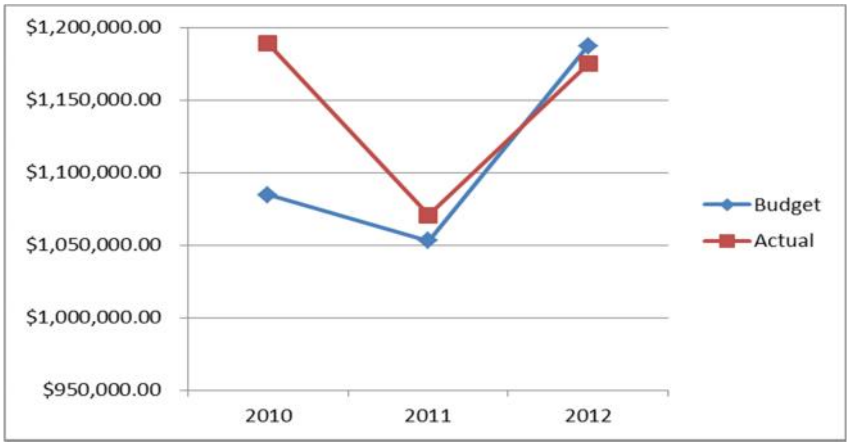
Recommendations:

- Management should continue to operate within its approved budget.

- Management must monitor and ensure that:
  Temporary staff has a valid appointment letter within a period of two months,
  Temporary salary package are charged to the Temporary Assistant subhead only
- Management must put in place strategies to monitor all calls and identified whether those call are official or private.
- Whether calls are private management must seek reimbursement from employee.

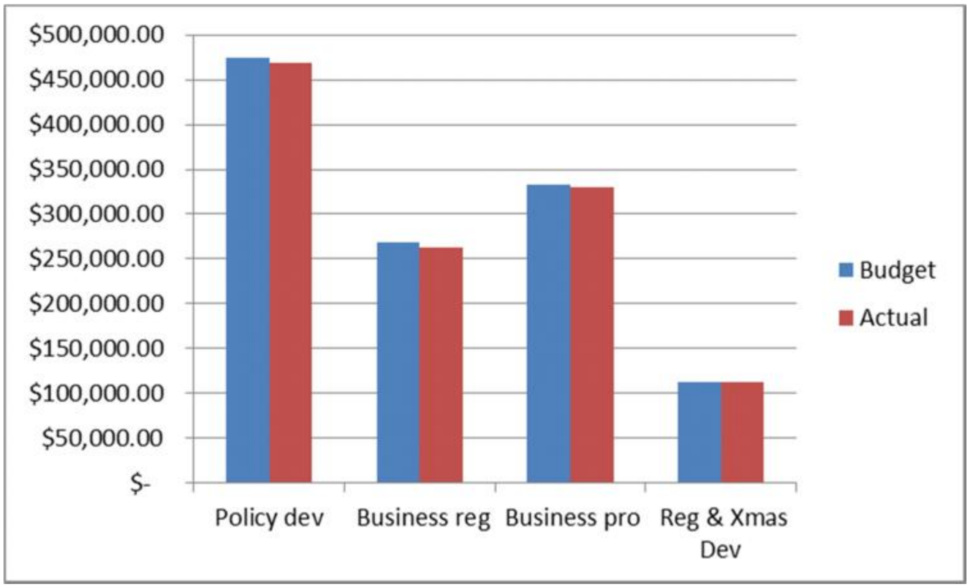
Finding and Analysis:

3.10.2.1 Comparative Expenditure against budget



Unlike previous years (when the Ministry reported net overspendings), the Ministry reported a net saving of $12,458. This is due mainly to a more accurate budget in 2012 compared to prior years..

3.10.2.2 2012 MCIC Expenditures against budget by divisions



The above graph illustrates the level of expenditure in each division. It is pleasing to note that each division had managed to maintain its expenditure within its approved budget.(Refer to Appendix E for details of expenditure by outputs.

3.10.3 Temporary Salaries

i. Understatement of Actual payment for Temporary Assistance

The actual total payments in respect of Temporary Assistance had been significantly understated when compared to the Management Report by $1,961.10 as per table below:

Item	***Audit figure (payroll extract)***	***Budget(Actual)/Management report***	***Variance***
Temporary salaries	*$23,974.10*	*$4,361.00*	***$19,613.10***

The excess payment of over $19k was made as OIC salary MFED had no control mechanism in place to be able to detect salary overpayment of temporary staff at MCIC.

Accommodating such temporary salary payment must have come from other provision that the auditors were not made aware of during the audit. Thus further explanation on this extra provision should be provided.

ii. Payment of temporary salary from Purchase Service Local: $4,522.10

One of the temporary staff was paid from the Purchase Service local: code: E18-01-50 instead of the temporary vote (code: E18-01-25). The duty of this temporary staff was to look after the Fruit Processing Machine (24/7), laying idle at the Ministry's yard at Temaiku. Payment of temporary salary from Purchase Service- Local was started from the beginning of 2012 and still continued to date. There were certain issues arise from this undertaking such as:

1) *The position was not included in the Ministry's Establishment Register*
2) *The recruitment for this temporary staff was not made in accordance with policy of the Ministry of Labor in which selection of temporary appointees should be made through the Ministry of labor*
3) *Proceeding with recruitment of such temporary staff without PSO's approval and*
4) *Allowing payment of salary from Purchase Service local.*

Issues one to three above are those which should be addressed by the MCIC while the fourth issue is for MFED to look into.

Adding $4,522.10 with $23,974.10 should increase the actual payment for Temporary Assistance to $28,496.20 and further increase a variance or understatement from $19,613.1 to $24,135.20.

Furthermore, the variance of $24,135.2 will change the Ministry's overall total expenditure from a net saving of $12,458[3] to an overspending of $11,677 (net).

3.10.4 Telecom Bill (Mobile call)

After the audit conduct it vouching through selection of payment voucher it was noted that that a few mobile call identified from payment voucher (PVs).

MCIC PV # 14/12 TSKL	$3,512.74
MCIC PV # 24/12 TSKL	$3,004.79
MCIC PV # 228/12 TSKL	$2,908.96
MCIC PV # 227/12 TSKL	$2,932.65
MCIC PV # 63/12 TSKL	$2,574.44
MCIC PV # 101/12 TSKL	$2,310.96
MCIC PV # 318/12 TSKL	$3,327.68
MCIC PV # 342/12 TSKL	$3,795.19
MCIC PV # 428/12 TSKL	$2,908.51
MCIC PV # 467/12 TSKL	$2,890.51

Management response:

3.10.5 CONTROL OVER IMPREST

Recommendation

Management should ensure to implement a policy on retiring special imprest in which all staff upon return from official overseas trip should retire their special imprest within a period of 10 working days.

[3] Refer to page 8 of the 2012 Annual Account

Findings and analysis

Audit found out that some imprest withdrawn were retired on the following years such as PV# 68/12, 41/12.

Management response

3.10.6 Controls over Vehicle Log book/Fuel Charge

Recommendation

That MCIC vehicles log book need to include the column for justification for re-fueling private vehicles.

Findings and analysis

Audit found that some private vehicles were being fuelled using the Ministry's credit fuel facility at Betio Gas station without written justification as detailed in the table below.

Date	***Registration #***	***Super litres***	***Diesel litres***	***Amount***
5/5/2012	*BC 2378*	*10*		*$11.90*
12/6/2012	*TC 5124*		*30*	*$43.50*
14/6/2012	*TC 5124*		*20.69*	*$30.01*
11/9/2012	*BC 2217*	*15*		*$17.85*
12/9/2012	*BC 2217*	*20*		*$23.80*
14/9/2012	*BC 2217*	*20*		*$23.80*
20/8/2012	*BC 2217*	*20*		*$23.80*
22/8/2012	*BTC 2398*	*10*		*$11.90*
24/8/2012	*BC 2217*	*20*		*$23.80*
27/8/2012	*BTC 2398*	*15*		*$17.85*
27/8/2012	*BC 2447*	*15*		*$17.85*
28/8/2012	*BA 1036*	*15*		*$17.85*
28/8/2012	*BC 2447*	*10*		*$11.90*
29/8/2012	*BTC 2398*	*15*		*$17.80*
12/8/2012	*BC 2217*	*20*		*$23.80*
16/8/2012	*BC 2217*	*20*		*$23.80*
30/7/2012	*BC 2217*	*10*		*$11.90*
30/7/2012	*BC 2036*	*10*		*$11.90*
16/7/2012	*TC 3007*	*5*		*$5.95*
3/7/2012	*TC 3007*	*10*		*$11.90*
3/7/2012	*TC 2202*	*10*		*$11.90*
5/7/2012	*TC 2145*		*40*	*$58.00*
10/7/2012	*BC 2378*	*20*		*$23.80*
20/7/2012	*TC 3007*	*15*		*$17.85*
21/7/2012	*BC 2217*		*10*	*$14.50*
No date	*BC 2217*	*15*		*$17.85*

The Ministry has the following vehicles:

Registration #	Comment
BG 196(transport)	*maintained*
TC 2154(DS)	*maintained*
TG001(Minister)	*maintained*
BTC 204(PS)	*maintained*
BTC 8381, 8382 M/bikes	

Furthermore, the consumption of petrol and oil should be controlled by the Senior Accountant of the Ministry, weekly. This is by way of checking the refueling sheets from local suppliers and invoices against the log book of the drivers. The log book entries should be checked by the Office Manager or Executive Assistant for accuracy on a weekly basis.

Management response

3.10.7 PROPER CUSTODY OF ACCOUNTING RECORDS OR BOOKS

Recommendation

All accounting records or books and documents should be kept in a locked cabinet or store room for future reference and audit purposes.

Sections 101 – 130 of the Financial Regulation should be complied with

Findings and analysis

During the audit, there were many instances where we could not be able to obtain records and all supporting documents that were selected for testing. The main reasons in having problems with the tracing of accounting records and documents are as follows;

1. No proper handing over statements made between the accounting staff moving out and the staff coming to take over the responsibilities.
2. Financial Records or documents may have been removed off site and not returned to their original place.
3. Responsible Accounting staffs were not frequently referring to the Financial Regulation when executing their financial duties.

Management Response

3.10.8 Unavailability of relevant information (Cooperative house rent).

Recommendation:

That the Ministry should provide all accounting or relevant information on all properties of the Kiribati Cooperative Society, rented to staff, for audit verification.

Finding and Analysis:

The audit could not extend further examination on the house rent of the Kiribati Cooperative Society division since the information was not provided during the audit. Even their response to our letter ref: MCV 44/1, sent on the 14/1/2014, was never received.

Management response:

3.11 OFFICE OF THE ATTORNEY GENERAL (OAG)

3.11.0 AUDIT OPINION

We issued a Qualified Audit Opinion for OAG for the year ended 31 December 2012. The qualification was based on significant matters as discussed in listed below.

i. **Overspend (expenditure).**
ii. **Lack of reconciliation result in misallocation and misposting.**
iii. **Unavailability of overtime docket.**
iv. **Vote book was not updated.**

3.11.1 CONTROL OVER REVENUES

Recommendation
Management must strengthen collection procedure relating to the sale of law books.

Findings and analysis:
When examining the accounts Audit found out that revenue has fallen below its revised budget level. The approved revised budget was $1020 but the Ministry managed to collect $78 which leads to revenue shortfall of $942.
As advised by the OAG, such revenue shortfall was expected due to the change in technology. OAG generates its revenue by selling law books, which are now available or accessible via the internet. Therefore the budget could just be a token figure to at least maintain a revenue code when a particular law is sought by anyone who may not be aware of or not able to access the international law website.

3.11.1.1 Comparative Revenue against Budget

Year	Budget	Actual	Over/Under
2010	$ 1,250.00	$ 576.00	$ 674.00
2011	$ 1,020.00	$ 505.00	$ 515.00
2012	$ 1,020.00	$ 78.00	$ 942.00

3.11.1.2 OAG comparative graph 2012

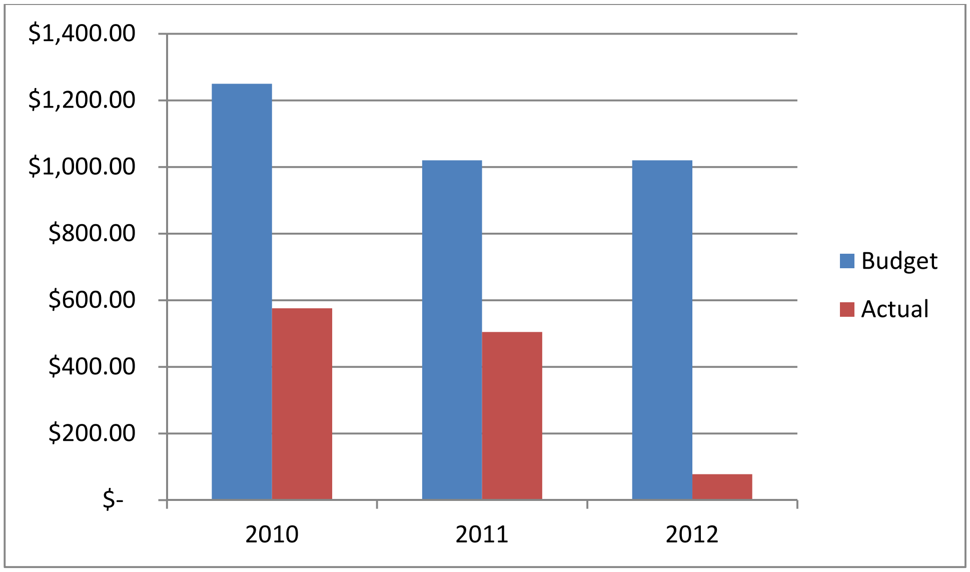


Fig.3.11A: 2012 OAG Comparative revenue figures 2010-12

The above graph shows comparative figures of revenue against budget for the year endings 2010 to 2012. The ministry had experienced shortfall in its main revenue for the 2010-2011. In 2012 the Ministry still continued difficulties providing it only earned actual revenue of $78 despite budget revenue of $1020. (Refer Appendix E for the detail of Revenues by Outputs)

3.11.2 CONTROL OVER EXPENDTIDURE

Recommendation:
Management should strictly control or reduce the level of expenditure during the year in order not to exceed the approved budget from Parliament.

Findings and analysis
Comparative Expenditure against Budget

Below is a comparison figure between the estimate and the actual expenditure for the year ending 2010 to 2012. (Refer Appendix E for the details of expenditure by Output)

3.11.2.1 OAG comparative expenditure against Budget

Year	Budget	Actual	(Over)/Under
2010	$ 471,275.00	$ 477,597.00	$ (6,322.00)
2011	$ 459,226.00	$ 498,449.00	$(39,223.00)
2012	$ 471,229.00	$ 568,614.00	$(97,385.00)

3.11.2.2 OAG comparative expenditure graph

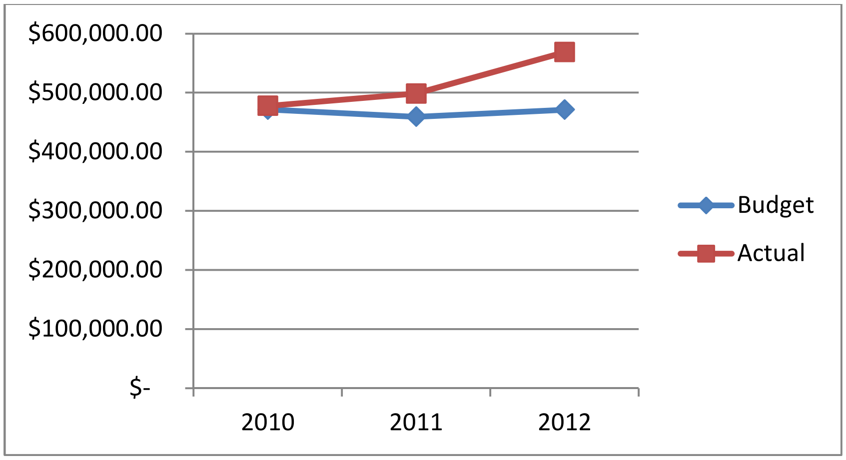


Fig.3.11B: Estimate against Actual expenditure 2010-12

As was the case in the last two years there was again an overspending of the budget and at a much higher level in 2012 of $97,385 when compared to 2010 and 2011; (2010 - $6,320 and $39,224 in 2011).

3.11.3Output exceed Budget

01 Policy Development					
Code	**Cost Description**		**Budget**	**Actual**	**(Over)/Under**
20	KPF Contribution		$ 5,280.00	$ 10,237.00	($ 4,957.00)
21	Salaries		$ 68,360.00	$ 98,986.00	($ 30,626.00)
22	Housing assistance		$ 6,358.00	$ 10,136.00	($ 3,778.00)
23	Allowances		$ 2,860.00	$ 7,904.00	($ 5,044.00)
24	Overtime		$ 6,120.00	$ 9,240.00	($ 3,120.00)
27	Leave grants		$ 3,296.00	$ 7,223.00	($ 3,927.00)
28	Transport to N/work		$ 14,820.00	$ 16,201.00	($ 1,921.00)
30	Internal travel		$ 6,120.00	$ 6,896.00	($ 776.00)
35	External travel		$ 51,000.00	$ 63,410.00	($ 12,410.00)
50	Purchases service-L		$ 26,500.00	$ 38,720.00	($ 12,220.00)
60	Hire Plant/Vehicle		$ 25,075.00	$ 48,628.00	($ 23,553.00)
64	Telecom		$ 31,774.00	$ 34,530.00	($ 2,757.00)
67	Electricity/Gas		$ 24,500.00	$ 29,685.00	($ 5,185.00)
02 Civil law					
22	Housing assistance		$ 21,957.00	$ 28,784.00	($ 6,827.00)
03 Criminal Prosecution					
21	Salaries		$ 41,626.00	$ 50,840.00	($ 9,214.00)

Management Response:

3.11.4 Store ledger

Recommendation:
Audit recommends management to conduct proper reconciliation to ensure there are no misallocations or misposting.

Finding and Analysis:
During the audit it was noted PV 149/12 and 90/12 related to the purchase of 1 air conditioning and 1 indoor modem misallocated to E200164A and E200150A when they should be charged to E200140A.

Management Response:

3.11.5 Unavailability of overtime docket

Recommendation:
Audit urges management to take precautionary measures to ensure records are safely kept and readily available for audit purpose.

Finding and Analysis:
The audit cannot verify the accuracy of the claim for overtime for the period 2/11/12 as there was no overtime docket provided for confirmation.

3.12 MINISTRY OF FISHERIES & MARINE RESOURCES DEVELOPMENT (MFMRD)

3.12.0 AUDIT OPINION

We issued an Unqualified Audit Opinion for MFMRD for the year ended 31 December 2012 due to the followings:

i) **Over collection of its major revenue**
ii) **Net savings in the budget of $120k**

3.12.1 REVENUE (Budget)

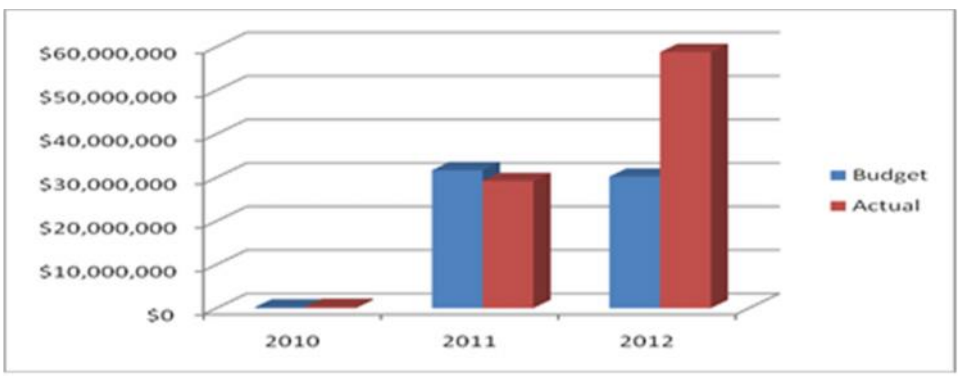
Recommendation:

- The Ministry should maintain its efforts in increasing its revenue collection rate.

Findings and analysis:

3.12.1.1 MFMRD Revenue summary collection:

	2010	2011	2012
Budget	$166,500	$31,675,050	$30,223,500
Actual	$311,372	$29,197,021	$58,829,791
Under/(Over)	($144,872)	$2,478,029	($28,606,291)

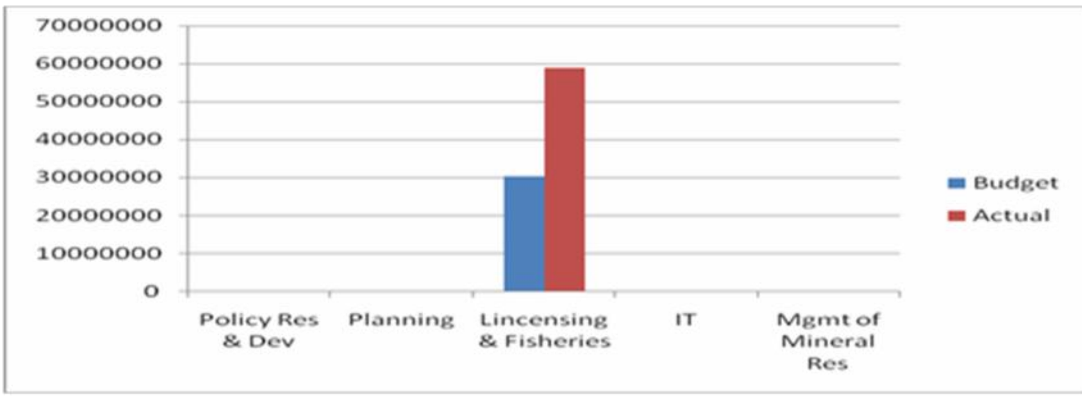


As observed from the above graph, the actual collection of $58m was twice the amount collected in 2011 and therefore the Ministry should be commended for such achievement. Based on this amount the Ministry should then increase its budget level for future fiscal years to commensurate with the increase in actual revenue collected. As noted in the appendix attached herewith the major contributor to the excess collection was the Fishing license.

3.12.1.2 2012 MFMRD Revenues against budget by divisions.

Division	Budget	Actual	(Over)/Under
Policy Res &Dev			
Planning			
Licensing & Fisheries	$ 30,223,500.00	$ 58,829,791.00	$ (28,606,291.00)
IT			
Mgmt of Mineral Res			

3.12.1.3 Comparative graph of Bugdet revenue against actual per division



Other revenue outputs contributing to such an increase include: Fish trans-shipment fees of $352k, Local fishing $56k and Fish and fish poster sales of $23k. The remaining output, namely, Vessel and Equipment Hire had not met its revenue target by a shortfall of $48K.

Management Response:

3.12.2 Expenditure (Budget)

Recommendation:

The Ministry should ensure the budget approved would be the amount required for its operations/activities for the whole year.

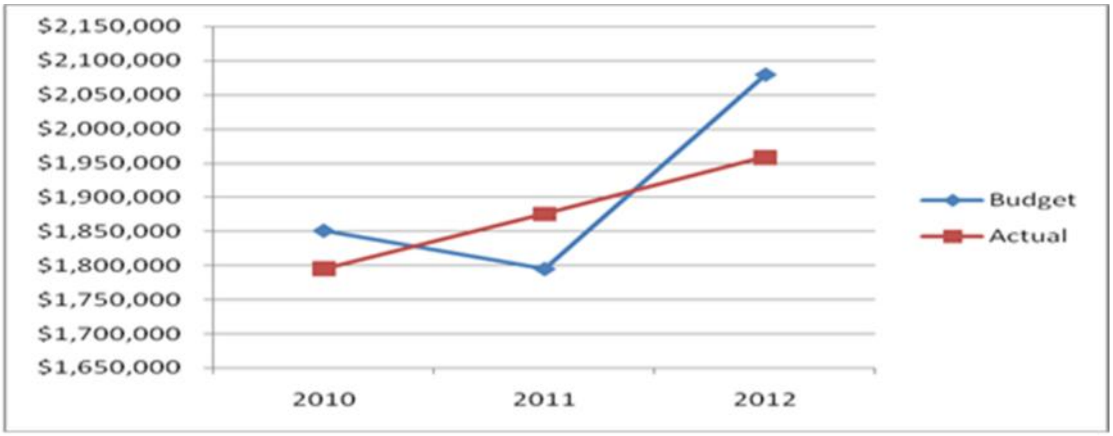
Finding and Analysis:

3.12.2.1 Comparative Expenditure against budget.

Table below is a comparison figure between the estimate and the actual expenditure for the year ending 2010 to 2012.

Year	Budget	Actual	(Over)/Under
2010	$ 1,851,366	$ 1,795,462	$ 56,672
2011	$ 1,795,462	$ 1,875,815	$ (80,354)
2012	$ 2,079,548	$ 1,958,883	$ 120,666

3.12.2.2 MFMRD comparative expenditure graph 2012



The above graph depicts an increase in the approved budget compared with the previous year and though the actual operational was constantly increasing, the Ministry was able to manage its operations within its budget allocation.

The outputs with excess savings at the end of the year include: Salary, Housing assistance and Temporary assistance.

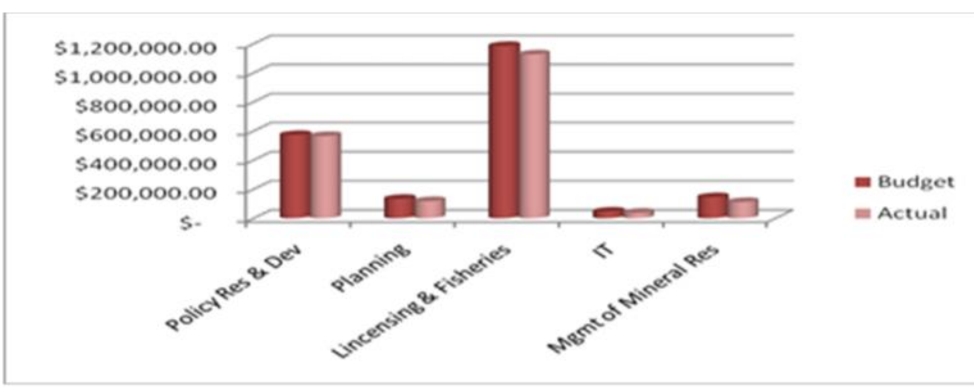
Management response:

3.12.2.3 2012 MFMRD Expenditure against budget by divisions

Table below show the Ministry expenditure against budget by division for 2012

Division	Budget	Actual	(Over)/Under
Policy Res &Dev	$ 572,261.00	$ 565,342.00	$ 6,919.00
Planning	$ 132,953.00	$ 117,632.00	$ 15,321.00
Licensing & Fisheries	$ 1,184,323.00	$ 1,126,747.00	$ 57,576.00
IT	$ 45,667.00	$ 37,629.00	$ 8,038.00
Mgmt of Mineral Res	$ 144,344.00	$ 111,533.00	$ 32,811.00

3.12.2.4 MFMRD comparative expenditure graph by divisions



The above depicts the performance of the Divisions and it is evident all Divisions except the Policy Division have maintained their spending within their allocated budget. The Policy division exceeded its operational budget by $14K.

Management response:

3.13 MINISTRY OF HEALTH & MEDICAL SERVICES (MHMS)

3.13.0 AUDIT OPINION

We issued a Qualified Audit Opinion for MHMS for the year ended 31 December 2012. The qualification was based on significant matters as listed below.

i. **Lack of maintaining Revenue register for recording number of patients being accommodated at Private wards.**
ii. **Lack of reconciliation.**
iii. **Overpayment of salary of one staff has not been recovered to date.**
iv. **Failure to maintained and updated store register.**
v. **Poor control over ration.**

3.13.1 CONTROL OVER REVENUES

Recommendation

- MHMS should perform a monthly reconciliation with Finance to ensure that actual revenues collected are posted in the Attaché system and both (MHMS and MFED) reported the same balances.
- Management has to ensure that each division achieves revenue targets as pledged under the budget policy.
- Outstanding revenues should be quickly collected and recovery actions should be enforced to those unreliable customers.
- The handling of cash in the account section should be well segregated and strictly controlled whereby the most senior account officer has to review daily collections and the cashier should not be given the responsibility to deposit.
- Accounting staff should frequently refer to and comply with all sections of financial regulation, Stores regulation and NCS.

Findings and analysis:

3.13.1.1Comparative Revenue against Budget

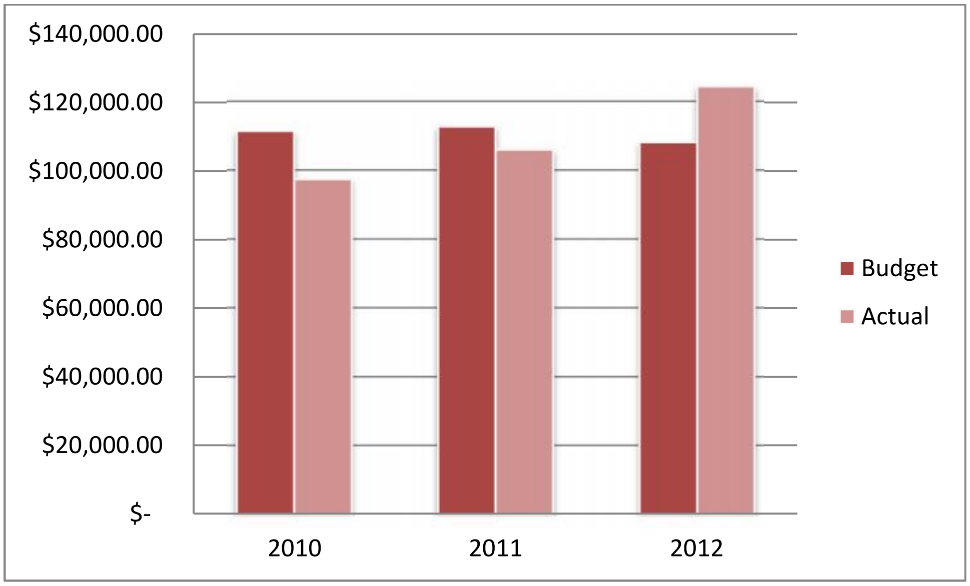


Figure 3.13A: 2012 MHMS Comparative revenue figures 2010-12

In 2012 the Ministry has improved its revenue collection as its actual collection exceeded the budget by $16,228 (Budget $108,126- Actual $124,354).

3.13.1.2 2012 MHMS Revenues against budget by divisions

Figure 3.13B below shows an overall picture of the Ministry type of revenues against budget for the year ending 31 December 2012.

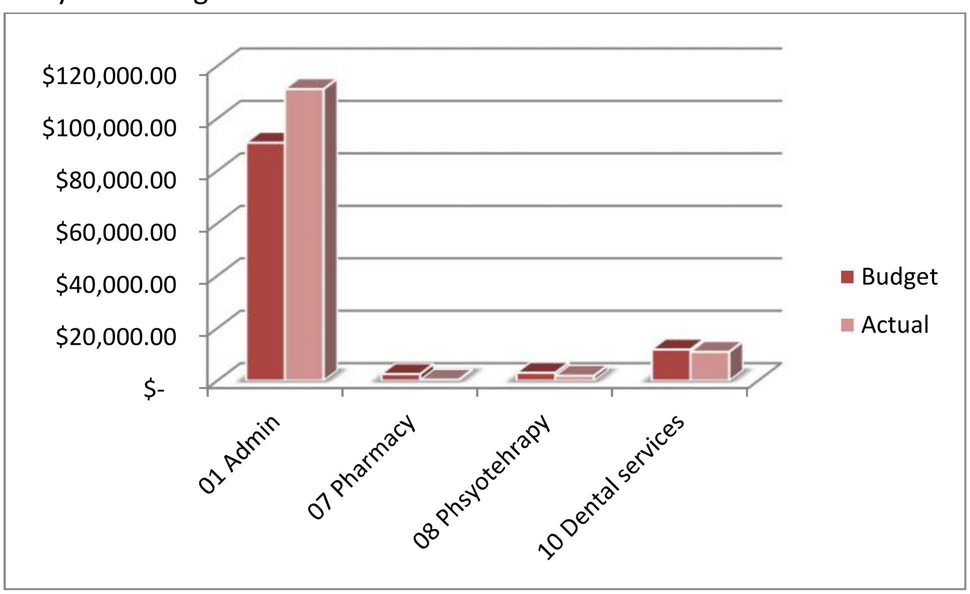


Figure 3.13B:2012 MHMS Revenues against budget

The Ministry main revenue was generated from Administration division basically derived from private ward, medical check-up fees, sundry revenue with an excess collection of $20,446, while other divisions achieved targets were: 07, 08 and 10.

3.13.2 Revenue from Private Ward

Recommendation

Audit recommended that the Ministry must maintain a register in order to record the number of patients being accommodated at the Private ward. This will assist accountable officers to check the number of days patients stayed at the ward against the payments.

Finding and Analysis

- Admission register for private ward in 2012 has still not been maintained. The register should include columns for: name of patient, room number occupied, number of days spent, amount paid and the receipt number.

Management response:

3.13.3 Revenue Control system

After reviewing the system the audit noted that there is no control over the collection of revenues such as follows:

- Duplicate receipt book number which has been used in 2012. (RR# 934601-934800 dated 12/1/12 to 17/1/12, RR# 934601-934800 dated 30/1/12 to 1/2/12)
- Omitted receipts from the Ministry register book.

993201-993400
934601-934800
945001-945200
946601-946800
980801-981000

- There's no daily deposit made by the cashier, however she argued that the deposit depends on the daily collection.
- No proper review by responsible officer to check that cash deposited agreed with cash summary.

- Form A lump sum not agreed with the general ledger as stated below:

Form A	RR#	Allocation	Cash book	GL	Variance
141/12	985517-985541	C2201-0000-02A	$155.00	$115.00	$40.00
150/12	995327-995356	C2201-0000-02A	$250.00	$255.00	$(5.00)

- Form A which has been omitted from General Ledger(Medical check-up):

Form A	RR#	Allocation	Amount
167/12	003201-003232	C2201-0000-02A	$160.00
170/12	003313-003340	C2201-0000-02A	$215.00
171/12	003341-003398	C2201-0000-02A	$495.00
			$870.00

Audit found a misallocation of receipts or revenue from various ministries to the MHMS general ledger amounted to $7,454.25 (refer Working paper). Thus such misallocation distorted the position of revenue collected from such ministries. That is, MHMS's revenue had been overstated while revenue for other ministries involved were understated by the amount referred to above.

Management response:

3.13.4 CONTROL OVER EXPENDTIDURE

Recommendation:

Management should strictly control or reduce the level of expenditure during the year in order not to exceed the approved budget from Parliament.

Findings and analysis

3.13.4.1 Comparative Expenditure against Budget

Below is a comparison figure between the estimate and the actual expenditure for the year ending 2010 to 2012

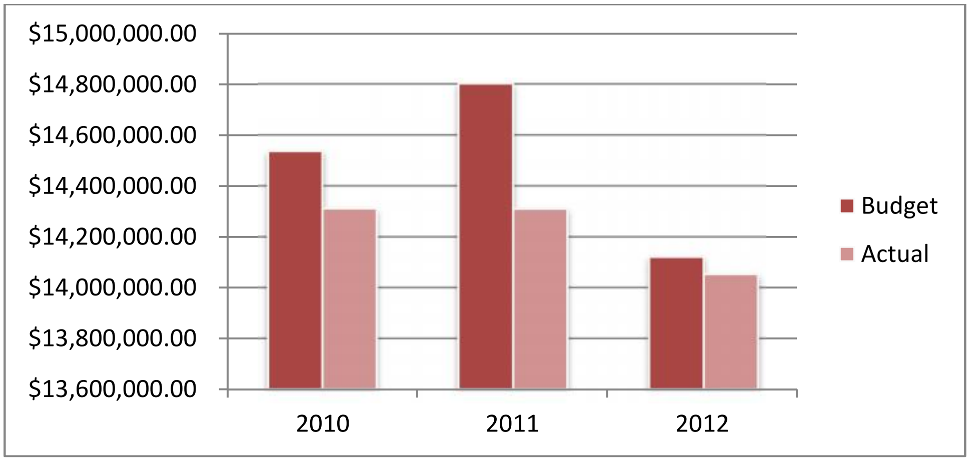


Fig.3.13C: Estimate against Actual expenditure 2010-12

The ministry reported a net saving of over $68k as detailed in the table below:

	2012	**2011**
Revised Budget	$14,121,242	$14,802,718
Actual Expenditure	$14,053,019	$14,309,843
(Over)/Under	$68,223	$492,875

As was in previous years, the Ministry has still managed to operate within its allocated budget. Based on the graph given the Ministry had a strong control over expenditure in 2010 and 2011 providing saving respectively ($225,880 and $492,875).However, In 2012 the level of budget approved of $14,121,242 has not been exceeded indicating that the Ministry has sustained control over expenditure.

Despite a strong control over MHMS's budget, from one point of view, this does not add values to the Ministry overall objectives of it operations. Diverting such savings to be used at other subheads/outputs that directly serve the real need of the growing number of patients and other stakeholders would be a better choice to make.

As can still be experienced, the surrounding environments, facilities, medical equipment, etc, still do not offer the best services needed for patients and the public. Upgrading the environment and buying new and effective medical equipment by using these savings could have improved the environment and conditions of all Government Hospitals**.**

3.13.5 2012 MHMS Expenditure against budget by divisions

Fig. 13.3D illustrates an overall picture of the Ministry expenditure against budget for the year ending 31 December 2012.

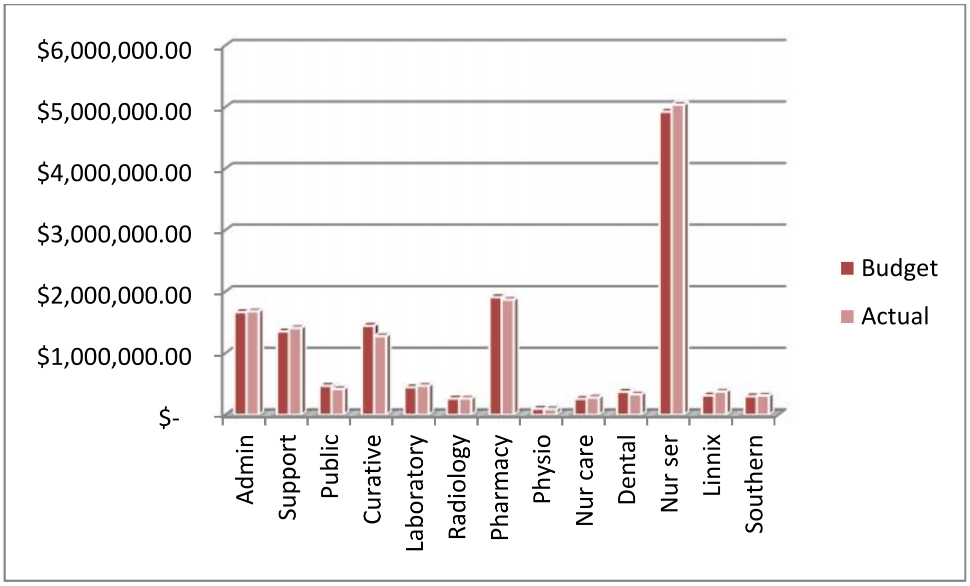


Fig. 3.13D: 2012 MHMSRecurrent Expenditures against budget

The above graph pictorially depicts Divisions with the highest level of payments. As highlighted in Figure 3d the Nursing services reported the highest excess payment of $112,555 followed by Administration and Supportive services: $13,445 and $55,863, respectively.

3.13.6CONTROL OVER PAYROLL

Recommendation

Management needs to strengthen the control of payroll system as follows:

- To strictly limit the access to the payroll database whereby only authorized personnel can access.
- For any cases where there is a new salary inclusive in the telmo salary list from Finance, a Payroll officer should check against appointment letter to ensure that a person is a newly appointed officer.
- Payroll officer needs to ensure that any changes of bank account should require a written advice from an employee.
- Salary division should review KPF contribution and to correct the balance accordingly.

Findings & Analysis:

As confirmed during the audit, one officer was overpaid by $1736.00 and this was due to an oversight on the part of the Ministry of Finance to cease the officer's salary on the specified date**.**

Year	Names	Amount	Effective date	Pay period
	Officer	$217	11/05/2012	4/05/2012
		$217		15/06/2012
		$217		29/06/2015
		$217		13/07/2012
		$217		27/07/2012
		$217		10/08/2012
		$217		24/08/2012

Management response:

3.13.7 Stores register

Recommendation:
That Management should open a store register to record all items that were purchased during the fiscal year as a means of ensuring items purchased are safely kept and properly accounted for.

Finding and Analysis:
The audit discovered that the MHMS had not maintained a Store register, precluding us from verifying stores records such as the accuracy of the cost/quantity of items ordered, name of suppliers, issuance date etc.
A Store register is one of the important requirements under the Stores Regulation with which all accounting staff should complied.
In the absence of the Store register, the responsible staff of MHMS had therefore deviated from the relevant provisions of the Stores Regulation.
Management response:

3.13.8 Ration

Recommendation:

- It is highly recommended that the MHMS must ensure that strong control mechanism be put in place to ensure proper records are maintained.
- Management should need to conduct regular physical stocktake on monthly basis with the supervisor (kitchen) in order to control the movement of stock and to know the stock level for reordering.
- Management must maintain a stock card for every item (foods) and properly accounted for all items purchased in the stock cards.

Finding and Analysis:

The control over ration at the Hospital Kitchen was deemed inadequate. As noted during the audit, there was no proper stocktaking done on a regular basis, stock cards were not maintained and the record kept by the Chief Cook was not regularly updated. As a result it was difficult to determine the actual balance of stock or food item on hand, those consumed and the level of re-order point**.** This is another direct deviation from the Stores Regulation.

Management response:

3.13.9Communication charges

Recommendation:

Management should ensure to reconcile its records with the MFED and vice-versa to enhance consistency and accuracy in their financial reporting. .

Finding and Analysis:

- Due to the lack of reconciliation of financial records between the MHMS and MFED a variance of $433.84 was noted and this arose from different amount in the payment voucher 3082/12 amounted to $10,326.05 and the General ledger$9892.21.
- It was also noted that Payment voucher # 3082/12($10,326.05) and 3083/12($37,027.11) respectively have been outstanding since 2008 but just paid in 2012.
- Audit confirmed the following missing Payment vouchers:; 915/12, 1867/12, 2758/12, 2934/12, 3040/12.
- Management need to go through their files to ensure that these records are kept in a safe place.

Management response:

3.13.10MISPOSTING (local referral)

Recommendation:

- Management must consider the important aspect of maintaining proper and accurate posting to ensure that all particular transactions are accounted for in their correct allocations.
- Must reconcile and update all records according to their allocations.

Finding and Analysis:

Audit check detected that two payment vouchers: ref: 25/09, 30/09dated: 21st Sept and 27th Sept, 2012, respectively, were related to copra payment at North Tarawa. Certainly, these two payments have been miss-allocated to the Local Referral by MFED. This anomaly had understated the Copra subsidy and overstated Local Referral subsidy account by the total amount of these payment vouchers.

Management response:

3.13.11Local Contribution to Development Fund

The Ministry had two locally funded projects namely: Overseas and Local referral of $400,000 and $335,350 respectively as reported on page 59 of the Annual Account. The actual use of these two projects showed overruns of $178,911.18 (i.e., $578,911.18-$400,000) and $3,150.71 (i.e $338,580.71-$335,350) for Overseas and Local Referral.

In-depth auditing on LCDF will be the subject of future audit. However, in the meantime and based on management report an explanation is required from MHMS on each of the above excess spending.

Management Response:

3.14 MINISTRY OF EDUCATION (MOE)

3.14.0 Audit Opinion

A Qualified Audit Opinion was issued due to the lack of proper internal control over the Ministries Revenue collection and a substantial over spending of the budget.

3.14.1 REVENUE (Budget)

Recommendation:

- The Ministry needs to strengthen its revenue collection procedures to minimize large variances between budget and actual collection.

Findings and analysis:

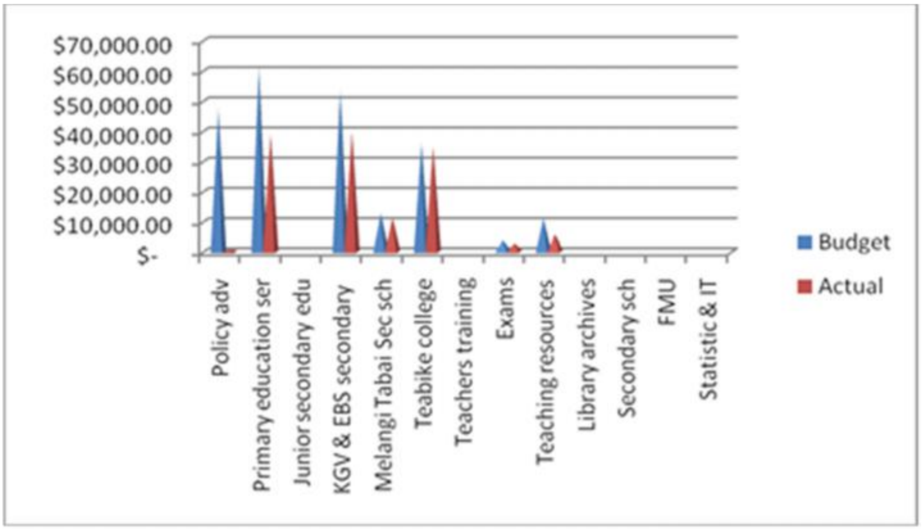
3.14.1.1 MOE Revenue summary collection:

	2010	2011	2012
Budget	$151,160	$157,384	$226,356
Actual	$134,170	$141,639	$135,096
Under/(Over)	$16,990	$15,745	$91,260

3.14.1.2 2012 MOE Revenues against budget by divisions.

Output	Budget	Actual	(Over)/Under
Policy adv	$ 47,328.00	$ 776.00	$ 46,552.00
Primary education ser	$ 61,512.00	$ 39,128.00	$ 22,384.00
Junior secondary edu			
KGV & EBS secondary	$ 53,516.00	$ 39,958.00	$ 13,558.00
Meleangi Tabai Sec sch	$ 12,900.00	$ 11,380.00	$ 1,520.00
Teabike college	$ 36,000.00	$ 34,999.00	$ 1,001.00
Teachers training			
Exams	$ 3,900.00	$ 2,789.00	$ 1,111.00
Teaching resources	$ 11,200.00	$ 6,067.00	$ 5,133.00
Library archives			
Secondary sch			
FMU			
Statistic & IT			

3.14.1.3 MOE Comparative graph of Bugdet revenue against actual per division



The graph above illustrates trends for revenue projections and collections per division. It is evidenced from the above, as earlier alluded divisions within the Ministry had failed to meet their revenue budget.

3.14.2Control over revenue

Recommendations:

- *The handling of cash in the account section should be well segregated and strictly controlled whereby the most senior account officer has to review daily collections and the cashier should not be given the responsibility to deposit.*
- *The senior accountable officer must ensure that daily deposit is made on timely basis and to conduct regular monitoring to check and review the deposit.*

Finding and Analysis:

- *The audit noted a lack of control over the revenue collection since no one reviewed the collections at the end of the day.*
- *The deposit made has not been checked and reviewed by the accountable officer to ensure the collection is actually deposited.*
- *No GRR register to record the number of Receipt book used.*
- *Audit detected receipt numbers 930411 to 930600 with total amount $10,550.50 did not appear in the cashbook.*

Date	Receipt #	Recorded cashbook & form A	Receipts not appeared	Total amount not appeared cashbook/undeposited
2/12/2011	930401-930600	Form A 56/11 rr 930401-407	930411-930600	$10,550.00
		Form A 02/12 rr 930408-410		

- Audit could not locate the whereabouts of the missing receipts as shown below:

Date	Receipt #	Receipts cashbook & Form A	Receipt not appeared cash book.
5/12/2011	930801-931000	Form A 55/11 930801-930806	930978-931000
		Form A 58/11 930806-930832	
		Form A 11/12 930833-930850	
		Form A 12/12 930851-930904	
		Form A 14/12 930905-930969	
		Form A 21/12 930970-930977	
7/12/2011	932201-932400		932201-932400
20/1/2012	936201-936400	Form A 10/12 rr 936201-208	936209-936242
		Form A 81/12 rr 936243-936274,77,78,79,80	936275-936276
		Form A 82/12 rr 936281-306	936307-936400
6/2/2012	939601-939800	Form A 22/12 rr 939601-939618	939619-939800
18/7/2012	966001-966200		966001-966200
27/12/2012	004801-005000	Form A 01/2013 rr 004801-004824	004825-005000

- The audit detected that the amount of $662.50 was the total for the original receipts that deemed cancelled in the receipts book but duplicate copies were not cancelled as can been shown below:

Receipts	Amount	Remarks
086008	37.50	Original copies cancelled but duplicate copies not cancelled.
086010	37.50	Original copies cancelled but duplicate copies not cancelled.
086015	37.50	Original copies cancelled but duplicate copies not cancelled.
086017	37.50	Original copies cancelled but duplicate copies not cancelled.
086021	150.00	Original copies cancelled but duplicate copies not cancelled.
086022	87.50	Original copies cancelled but duplicate copies not cancelled.
086028	125.00	Original copies cancelled but duplicate copies not cancelled.
086030	37.50	Original copies cancelled but duplicate copies not cancelled.
086032	75.00	Original copies cancelled but duplicate copies not cancelled.
086018	37.50	Original copies cancelled but duplicate copies not cancelled
Total	**$662.50**	

Management Response:

3.14.3 EXPENDITURE (Budget)

Recommendation:

Management must control or reduce the level of expenditure during the year in order not to exceed the approved budget.

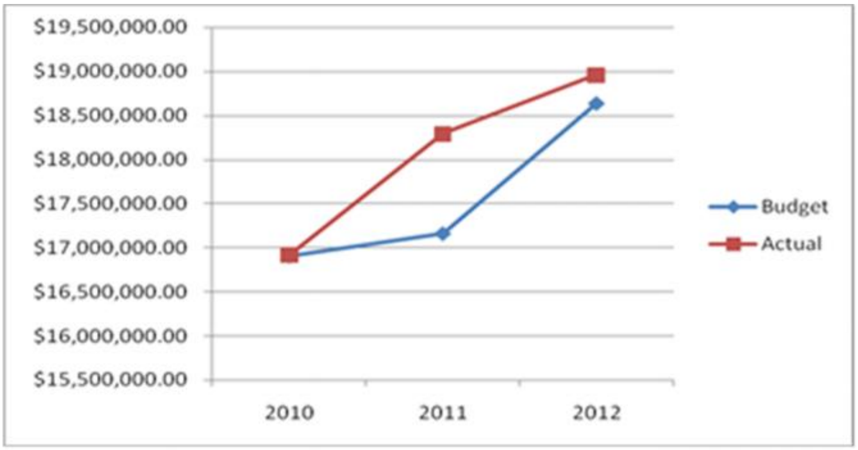
Finding and Analysis:

3.14.3.1 Comparative Expenditure against budget.

Table below is a comparison figure between the estimate and the actual expenditure for the year ending 2010 to 2012.

Year	**Budget**	**Actual**	**(Over)/Under**
2010	$ 16,901,176	$ 16,920,584	$ (18,868)
2011	$ 17,158,020	$ 18,294,094	$ (1,136,074)
2012	$ 18,638,444	$ 18,963,531	$ (325,087)

3.14.3.2 Comparative expenditure graph 2012



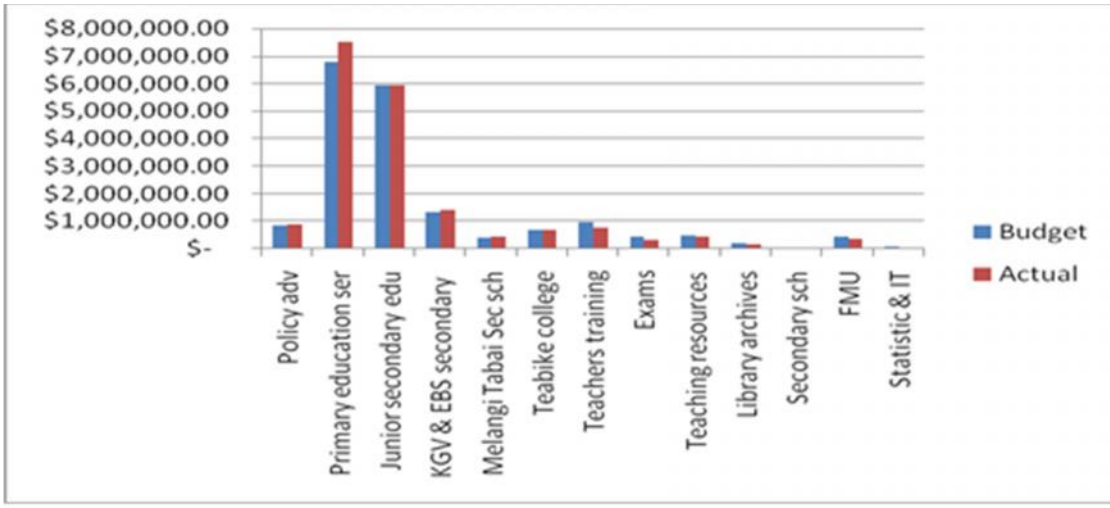
As could be sighted from the table and graph above the Ministry, as in previous years, had again exceeded its budget despite an increase in the budget level of over $1.4m. It is obvious the Ministry had failed to manage its spending within the approved budget.

3.14.3.32012 MOE Expenditure against budget by divisions

Table below shows the Ministry expenditure against budget by division for 2012.

Output	Budget	Actual	(Over)/Under
Policy adv	$ 847,873.00	$ 880,521.00	$ (32,648.00)
Primary education ser	$ 6,771,778.00	$ 7,505,885.00	$ (734,107.00)
Junior secondary edu	$ 5,928,983.00	$ 5,927,060.00	$ 1,923.00
KGV & EBS secondary	$ 1,352,240.00	$ 1,395,722.00	$ (43,482.00)
Melangi Tabai Sec sch	$ 394,232.00	$ 443,316.00	$ (49,084.00)
Teabike college	$ 691,564.00	$ 671,075.00	$ 20,489.00
Teachers training	$ 958,624.00	$ 787,071.00	$ 171,553.00
Exams	$ 439,914.00	$ 308,528.00	$ 131,386.00
Teaching resources	$ 477,969.00	$ 438,295.00	$ 39,674.00
Library archives	$ 197,336.00	$ 168,878.00	$ 28,458.00
Secondary sch	$ 44,137.00	$ 44,137.00	$ -
FMU	$ 444,736.00	$ 346,439.00	$ 98,297.00
Statistic & IT	$ 89,058.00	$ 46,603.00	$ 42,455.00

3.14.3.4 Comparative expenditure graph by divisions



The graph above reflected the trend of expenditure per division. As per the above, four divisions operated above their budget limit and these are: Primary education services incurred massive overspent of $(734,107) followed by Meleangi Tabai Secondary school $(49,084), KGV & EBS $(43,482) and Policy advice $(32,648).

3.14.4KPF expenditure for Meleangi Tabai and Teabike schools

Recommendation:

Management must ensure that KPF deductions were correctly deducted and to ensure that the employee is given the correct KPF rate and to ensure it conducts its monthly reconciliation with MFED.

Finding and Analysis:

The audit noted variances of $5,670.74 which resulted in the understatement of employees' KPF contribution for 2012.

Details	**Amount**
Balance as per Management report	$63890.00
Balance as per AR pay costing	$69560.74
Variances	**$5670.74**

Management Response:

3.14.5 Leave grants for Teabike and Meleang Tabai schools

Recommendation:

Management must ensure to obtain from the Headquarter (MOE) and confirm the list of teachers that were listed under Government secondary schools.(KGV & EBS, Meleang Tabai, Teabike)

Finding and Analysis:

The leave grant payable to two staff of $187.50 respectively was deemed improper as both were not listed amongst Teabike staff.

Management response:

3.14.6 Overtime MeleangTabai and Teabike Schools

Recommendation:

Management should ensure that segregation of duties be put in place to guarantee proper recording and accounting of overtime payment.

Finding and Analysis:

- The overtime docket attached to the payment voucher was certified and approved by the same personnel when it should have been certified and approved by two different personnel.
- Audit noted missing overtime docket as shown in the table below:

Pay date	PF#	GL as per amount	Comments
27/1/2012	2009234	259.12	Missing overtime docket
27/1/2012	423242	235.38	
23/3/2012	99019	1,527.88	
20/4/2012	2008063	474.63	
18/5/2012	2009235	313.45	
29/6/2012	2009234	281.27	
13/7/2012	2009113	387.09	
29/6/2012	423205	243.65	
13/7/2012	423205	243.65	
13/7/2012	99019	325.72	
14/12/2012	2009234	242.99	
21/12/2012	2009113	187.49	
21/12/2012	2009233	379.30	
1/12/2012	423205	153.59	
21/12/2012	99019	1083.83	
Total		6339.04	

Management response:

3.14.7 Return for Meleang Tabai school

Recommendation:

Management must ensure that the treasurer at Fanning Island sent all returns to the Ministry of Finance for scrutiny purposes.

Finding and Analysis:

The audit could not carry out further testing since the required documents and information for 2012(January to December) were not available as the treasurer's returns were submitted to the Ministry of Line Phoenix Island Development instead of or no copy sent to Ministry of Finance.

Management response:

3.15 MINISTRY OF COMMUNICATION, TRANSPORT& TOURISM DEVELOPMENT (MCTTD)

3.15.0 Audit Opinion

The audit opinion for MCTTD for 2012 was Qualified except for management's failure in monitoring the performance of its revenue collecting divisions.

3.15.1 REVENUE (BUDGET)

Recommendation:

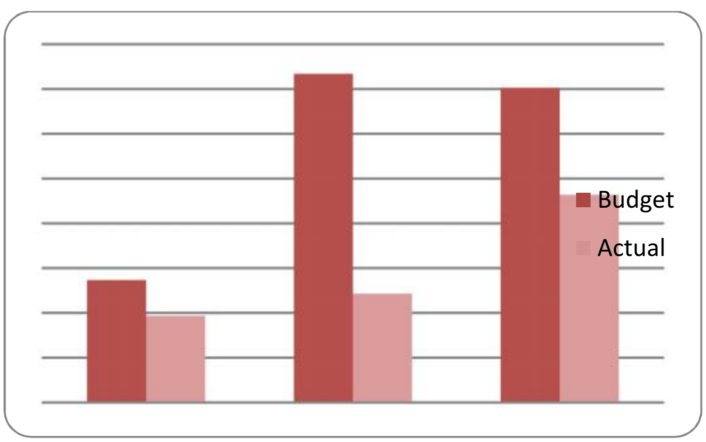
- The Ministry should ensure to implement more effective ways of collecting government revenue.

Findings and analysis:

3.15.1.1 MCTTD Revenue summary collection:

	2010	2011	2012
Budget	$1,367,050	$3,670,015	$3,514,000
Actual	$968,484	$1,214,207	$2,319,034
Under/(Over)	$398,566	$2,455,807	$1,194,966

3.15.1.2 Comparative graph of Budget Revenue against Actual



As evidenced from the above graph, the Ministry had been unable to collect significant amount of revenue, especially from the Administration and Postal Services.

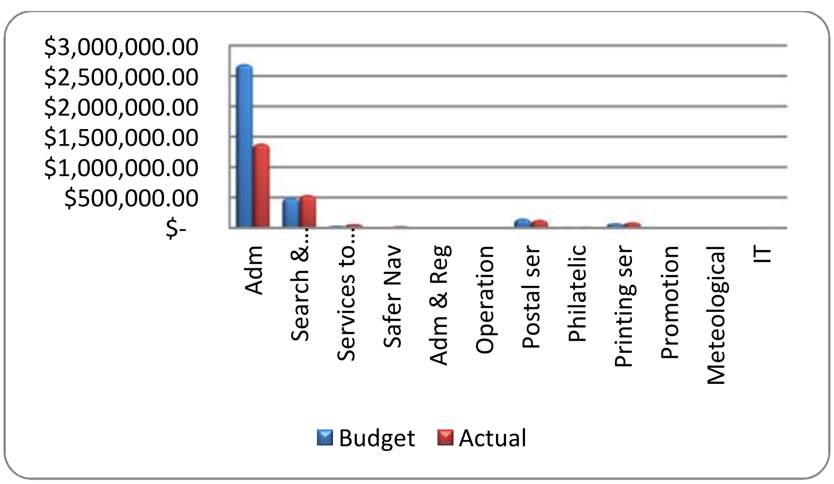
The revenue estimate for the Administration, as advised by the Senior Accountant, was generated from JAXA (licensee) and the terms of payment from the licensee was twice a year: June and December. However, the December license fee was accounted for in the following year, causing such a significant under collection of revenue. This should not be the case as the close of the Annual Account is normally done six months after the Fiscal Year, meaning the remaining payment from the licensee should have been received and reported well before the Annual Account is finalized in 2013.

The revenue from the Postal Services needs to be strictly controlled and properly monitored as it had not been well managed (Refer to section 3.15.1.3 below**).**

3.15.1.32012 MCTTD REVENUES AGAINST BUDGET BY DIVISIONS.

Output	Budget	Actual	(Over)/Under
Administration	$ 2,700,000.00	$ 1,391,953.00	$ 1,308,047.00
Search & Rescue	$ 500,000.00	$ 546,527.00	$ (46,527.00)
Services to shipping	$ 39,000.00	$ 65,778.00	$ (26,778.00)
Safer Navigational	$ 10,000.00	$ 31,459.00	$ (21,459.00)
Adm & Reg Civil Aviation			
Operation of Airports			
Postal Services	$ 159,000.00	$ 135,872.00	$ 23,128.00
Philatelic Bureau	$ 23,000.00	$ 23,447.00	$ (447.00)
Printing Services	$ 80,000.00	$ 94,813.00	$ (14,813.00)
Promotion of Tourism	$ 3,000.00	$ 8,057.00	$ (5,057.00)
Meteorological			
Information technology		$ 21,129.00	$ 21,129.00

3.15.1.4 Comparative graph of Budget revenue against actual per division



The graph above reflected the level of revenue collected per division in 2012. That is, six divisions achieved or exceeded estimate revenue as follows: Search and Rescue with an collection of $46k, Services to shipping $26k, Safer navigational $21k, Printing services $14k, Philatelic $447 and Cruise Line fees $5,057. The remaining divisions: Administration and Postal services were unable to achieve their revenue targets.

The revenue from Information technology division of $21k should be a Cruise Line fees and under Tourism

Management Response

3.15.2 CONTROL OVER REVENUE

Recommendation:
Management must ensure that they comply with payment of license fees highlighted in the Agreement

Finding and Analysis:
It was concluded after the audit that the revenue collected for MCTTD (01 Adm & Policy Dev) fall below target. It has been argued that this issue was also raised in the last audit report but the under collection still occurred.

Revenue	Budget estimate	Actual	(Over)/Under
Jaxa(Downrange)	1,200,000	634,225	565,775
Jaxa(Air Service)	1,500,000	757,728	742,272
Total			1,308,047

Management response: as above.

3.15.3Boarding Fees

Recommendation:
Management should ensure a strict control over the collection of Boarding Fees be put in place. For instance the Senior Accountant should check straight after the flight the collection of Boarding Fees against tickets issued.

Findings and Analysis:

- A shortfall of $680.00 for daily collection found between the audit figure and the amount paid in to the MFED revenue cashier
- The approval for 27 passengers eligible for none payment of boarding fee was not available. The Airline representative should endorse passengers who are exempted from paying the Boarding fee.

Management response:

3.15.4POSTAL revenue

Recommendation:
Management should ensure the proper custody and monitoring of (petty cash) imprest account as per relevant sections of the Financial Regulation and to continue practicing the segregation of duties.

Recovery of cash loss should be made by signing a written agreement for deduction of certain amount from the salary of the employee concerned.

Finding and Analysis:

- During the cash counting audit noted a shortfall of $626.50 occurred on 20/9/2010 thus lead to the decline in the total imprest account balance to $3,373.50.
- On 23/12/2013 the amount of standing imprest was dramatically down to $480.00 so a shortage had increased (from $626.5) to $3,520. It was further noted that recovery action required for such loss was not fully documented. That is, there was no exchange of written communication with the postal officer and MFED regarding such loss. As usual, MFED just charged the officer's advance account.
- Another revenue shortage detected involved the amount of $1,116.00 which was never recovered and the only recovery action taken was charging the postal officer's advance account (see: 3.2.2 above)

Certainly, the present recovery action imposed by MFED would not assist in deterring the misappropriation of the public fund by postal or other accounting staff. Rather it would encourage the misuse of public fund at the expense of government.

Management response:

3.16. MINISTRY OF FINANCE & ECONOMIC DEVELOPMENT (MFED)

3.16.0 Audit Opinion

Because of the over spending of budget for other divisions together with the unutilised funds reported, we have therefore issued a Qualified Audit Opinion for MFED.

3.16.1 Revenue (Budget)

Recommendation:

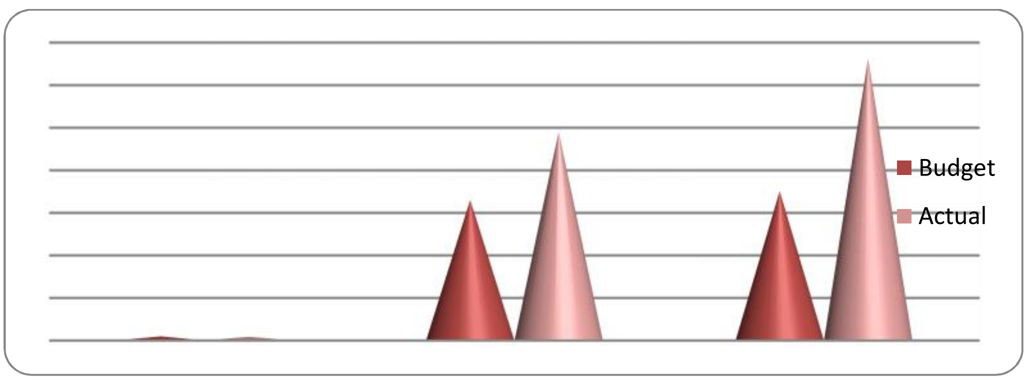
- The Ministry needs to ensure that all revenue estimates are reasonably achieved and end of the year.

Findings and analysis:

3.16.1.1MFED Revenue summaryof collection:

	2010	2011	2012
Budget	$990,200	$33,064,213	$35,132,800
Actual	$889,826	$48,985,579	$66,280,859
Under/(Over)	$100,374	($15,921,366)	($31,148,059)

3.16.1.2 MFED comparative revenue graph 2012



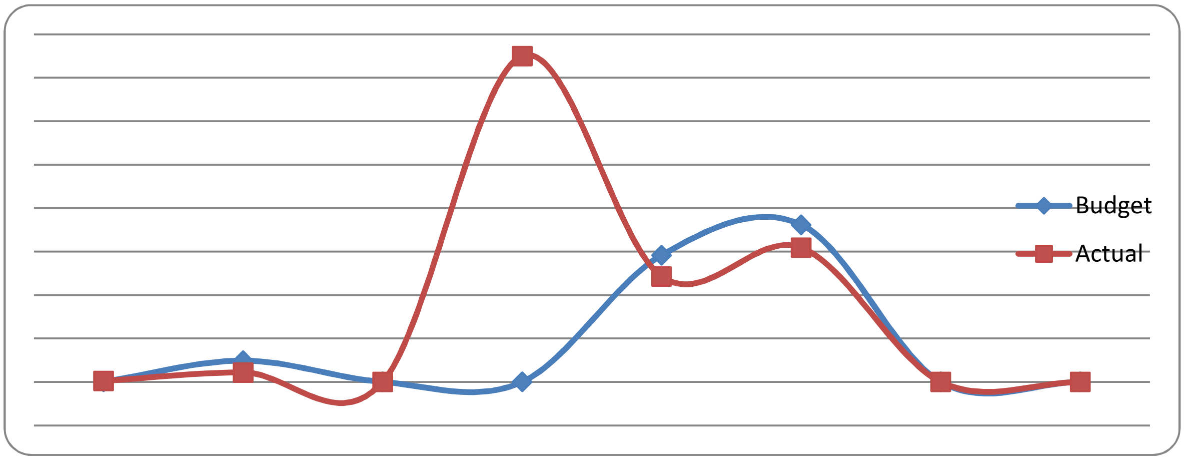
Actually, the ministry had not been able to collect its estimated revenue for both years 2011 and 2012. Included in the actual collections for 2011 and 2012 were RERF drawdowns of $19.7m and $37.5m respectively. In actual fact the ministry incurred under collections of over $6.3 m and over $3.7m for 2012 and 2011, respectively from other revenue outputs clearly shown in the table hereunder.

3.16.1.32012 MFED Revenues against budget by divisions.

Division	Budget	Actual	(Over)Under
Adm; Policy Ad & Sup. Ser.	$ 11,300.00	$ 110,638.00	$ (99,338.00)
Rec.Acct.Trans& Fin. Rpts	$ 2,450,000.00	$ 1,095,852.00	$ 1,354,148.00
Internal Audit			$ -

Economic Planning		$ 37,500,000.00	$ (37,500,000.00)
Taxation	$ 14,585,000.00	$ 12,126,757.00	$ 2,458,243.00
Custom	$ 18,086,400.00	$ 15,447,521.00	$ 2,638,879.00
Statistical Ser	$ 100.00	$ 91.00	$ 9.00
IT			$ -
Total	**$ 35,132,800.00**	**$ 66,280,859.00**	**$ (31,148,059.00)**

3.16.1.4 Comparative graph of Bugdet revenue against actual per division



As shown in the above graph that the main division that generate the most collections are Adm; policy Ad & Sup.Ser. This is reasonable as part of this revenue division is the Miscellaneous or Sundry Revenue Account, which accounts for unusual revenue transactions and are not budgeted for. For instance, unexpected direct debits to No.1 bank account, or reimbursements of travelling expense in respect of government official from external donors etc.

It is evidenced from the graph above the following divisions had failed to meet their revenue targets: Rec.Acct.Trans& Fin. Rpts by $1,354,148.00, Taxation division by $2,458,243.00 and Custom by $2,638,879.00.

Management Response:

3.16.2 Expenditure (Budget)

Recommendation:

The Ministry should ensure to continue operating within budget and to avoid overspending.

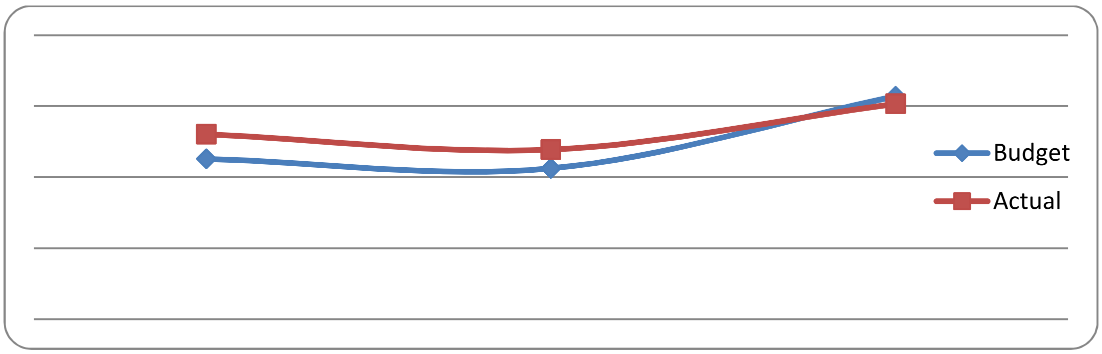
Finding and Analysis

3.16.2.1 Comparative Expenditure against budget

Table below is a comparison figure between the estimate and the actual expenditure for the year ending 2010 to 2012.

Year	Budget	Actual	(Over)/Under
2010	$ 2,257,508	$ 2,606,476	$ (348,968)
2011	$ 2,124,528	$ 2,389,819	$ (265,291)
2012	$ 3,140,594	$ 3,033,267	$ 107,327

3.16.2.2 Comparative expenditure graph 2012



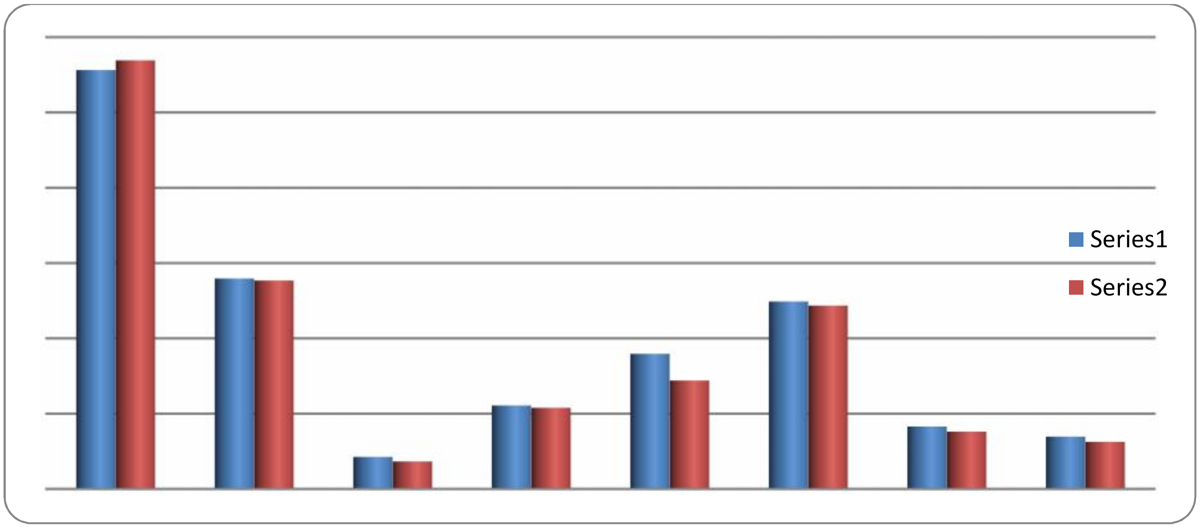
Apparently, the ministry was able to operate within budget as its 2012 approved budget was increased to over $1.01m when compared to the 2011 Expenditure Budget. Despite the ministry reported net saving of over $107k, the ministry overan some of its outputs as detailed in appendix E.

3.16.3 2012 MFED Expenditures against budget by divisions

Table below show the Ministry expenditures against budget by division for 2012.

Division	Budget	Actual	(Over)Under
Adm; Policy Ad & Sup. Ser.	$ 1,112,634.00	$ 1,138,466.00	$ (25,832.00)
Rec.Acct.Trans& Fin. Rpts	$ 559,059.00	$ 553,527.00	$ 5,532.00
Interna Audit	$ 85,271.00	$ 73,026.00	$ 12,245.00
Economic Planning	$ 221,746.00	$ 215,647.00	$ 6,099.00
Taxation	$ 359,036.00	$ 287,995.00	$ 71,041.00
Custom	$ 497,846.00	$ 487,146.00	$ 10,700.00
Statistical Ser	$ 165,945.00	$ 152,202.00	$ 13,743.00
IT	$ 139,057.00	$ 125,258.00	$ 13,799.00
Total	**$ 3,140,594.00**	**$ 3,033,267.00**	**$ 107,327.00**

3.16.3.1 Comparative expenditure graph by divisions 2012



Series 1 refers to budget figure while Series 2 Actual.

As highlighted from the above diagram, most of the divisions within the Ministry has been able to operate within or below budgeted, except for division: Adm, Policy & Sup. Se, with over $25k overspending.

Management Response:

3.17. MINISTRY OF PUBLIC WORKS AND UTILITIES (MPWU)

3.17.0 Audit Opinion

The Qualified Audit opinion was issued based on the followings:

1) Lack of reconciliation
2) Lack of monitoring collection and deposit of revenue
3) No segregation of duty
4) Poor recording keeping as some PV were missing
5) Poor recording or accounting for LCDF

3.17.1 REVENUE (BUDGET)

Recommendation:

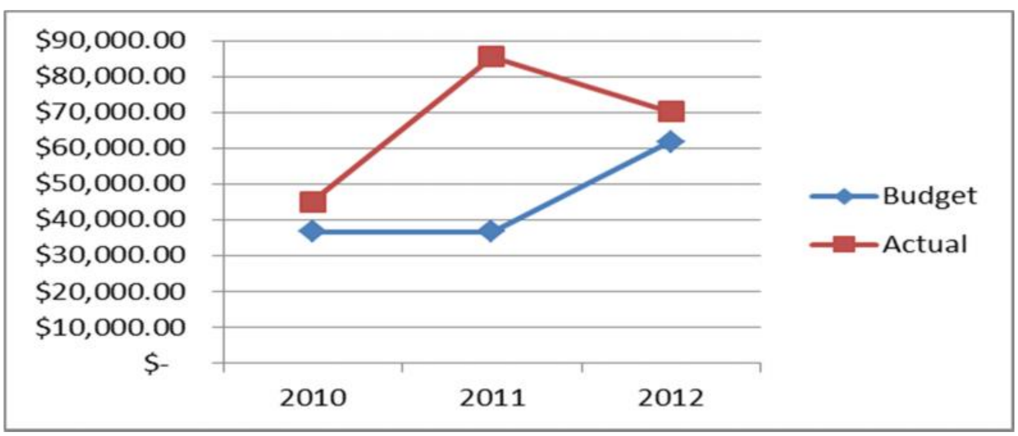
- The Ministry must ensure to sustain its continuous improvement in the collection of revenue in order to achieve and meet its budget.

Findings and analysis:

3.17.1.1 MPWU Revenue summary collection:

	2010	**2011**	**2012**
Budget	$36,700	$36,700	$61,700
Actual	$44,952	$85,514	$70,206
Under/(Over)	$(8,252)	$(48,814)	$(8506.00)

3.17.1.2Comparative graph of Budget Revenue against Actual



3.17.2 REVENUE RECONCILIATION

Recommendation:

Management must ensure to reconcile with the MFED on timely basis all accounting records so as to ensure that all particular events, transactions are properly disclosed and accounted for.

Findings and Analysis

- Audit revealed that there was a misallocation on the General ledger of $1,160 posted under Recoveries of base stock when should be charged to Petroleum license (Refer WPref: AS2)
- Lack of reconciliation identified a variance of $7,529 between Attaché system and MPWU records.
  The cash book and summary for January to December (MPWU records) was not available during the audit.

Description	Attaché revenue record finance	Revenue records for MPWU	Variance
Recoveries of salaries	$7,529		$7,529
Recoveries of salaries	$16,120.25		$16,120.25

Management Response:

Audit revealed a misallocation on GL of $1,160.00 posted under Recoveries of base stock instead of Petroleum license.
Lack of reconciliation identified a variance of $7,529.00 between GL report and MPWU records.

3.17.3 CONTROL OVER REVENUE

Recommendation:

- The handling of cash in the account section should be well segregated and strictly controlled whereby the most senior account officer has to review daily collections and the cashier should not be given the responsibility to deposit.
- The senior accountable officer must ensure that daily deposit is made on timely basis and to conduct regular monitoring to check and review deposit.

Findings and Analysis

- The audit noted a lack of monitoring over the revenue collection since no one reviewed the collections at the end of the day.

- The deposit made has not been checked and reviewed by the accountable officer to ensure the collection is well deposited.

- Sections 31-80 of the Financial Regulation clearly specifies the procedures, rules on Collection and Receipt of the revenue and other Public Money, had not been complied with.

Audit noted a lack of control over the revenue collections since no one revealed the collections at the end of the day.

Management response:

3.17.4Expenditure (Budget)

Recommendation:

Management should strictly control or reduce the level of expenditures during the year in order not to exceed the approved budget from Parliament.

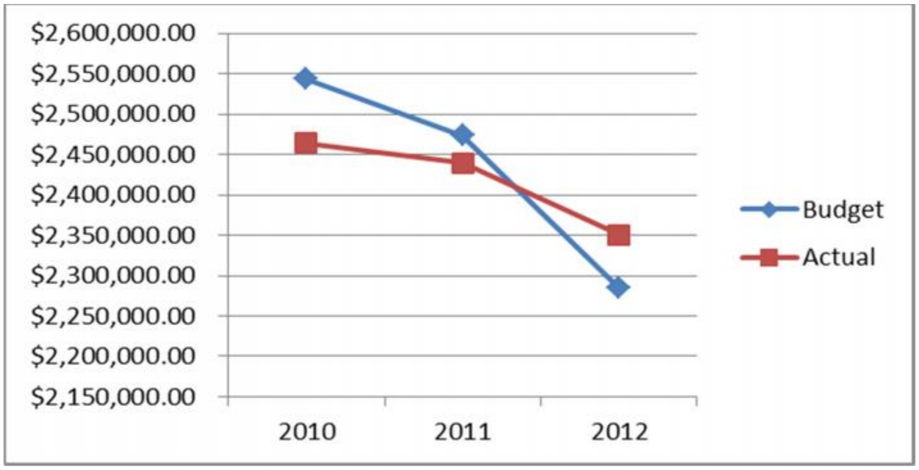
Finding and Analysis:

3.17.4.1 COMPARATIVE EXPENDITURE AGAINST BUDGET.

Table below shows the comparative figures between the estimate and the actual expenditure for the years ending 2010 to 2012.

Year	Budget	Actual	(Over)/Under
2010	$ 2,543,688.00	$ 2,463,920.00	$ 79,768.00
2011	$ 2,473,272.00	$ 2,439,342.00	$ 33,930.00
2012	$ 2,284,380.00	$ 2,350,110.00	$ (65,730.00)

3.17.4.2 Comparative expenditure graph 2012



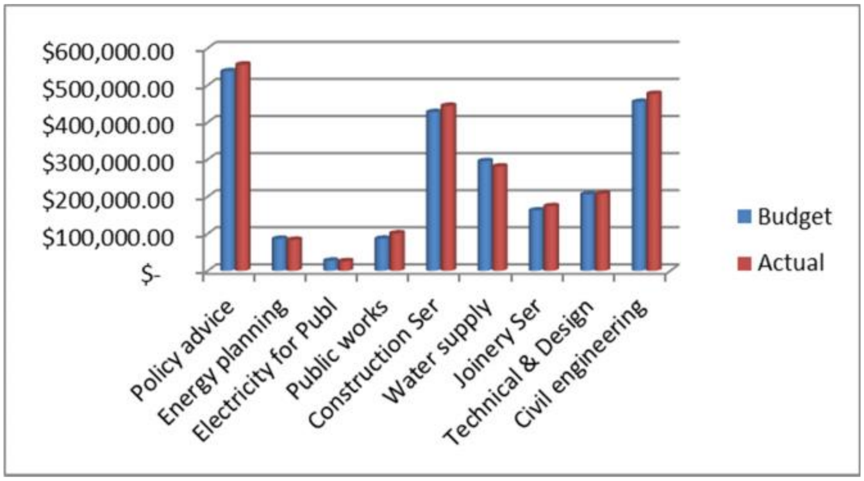
As evidenced from the above graph, the Ministry has had a significant budget reduction in 2012 by 7.6% from the 2011 budget level. Although the Ministry exceeded its budget allocation for the year, it is worth commencing the Ministry had managed to reduce its spending level ($2,350,110) than was the case in previous years ($2,439,342 in 2011 and $2,463,920 in 2010).

3.17.4.32012 MPWU EXPENDITURE AGAINST BUDGET BY DIVISIONS

Table below shows the Ministry expenditures against budget by division for the year ending 31 December 2012.

Output	Budget	Actual	(Over)/Under
Policy advice	$ 537,709.00	$ 555,727.00	$ (18,018.00)
Energy planning	$ 86,289.00	$ 83,438.00	$ 2,851.00
Electricity for Publ	$ 26,993.00	$ 25,812.00	$ 1,181.00
Public works	$ 86,546.00	$ 100,809.00	$ (14,263.00)
Construction Ser	$ 427,614.00	$ 444,605.00	$ (16,991.00)
Water supply	$ 295,234.00	$ 281,246.00	$ 13,988.00
Joinery Ser	$ 162,813.00	$ 174,199.00	$ (11,386.00)
Technical & Design	$ 205,922.00	$ 207,478.00	$ (1,556.00)
Civil engineering	$ 455,260.00	$ 476,796.00	$ (21,536.00)

3.17.4.4 Comparative expenditure graph by Divisions 2012



The graph depict the level of fluctuation in the budget by each divisions. As above Policy advice, Civil engineering, Construction services, Public works and Joinery services incurred huge expenditure thus also result in an overspent. As there was a reduction in the budget level in 2012 by about 7% and because of the net overspending incurred by the aforementioned divisions, management should carefully consider the correct level of budget.

3.17.5Expenditure (Purchase service local)

Recommendation:

Management must ensure to conduct proper reconciliation with the MFED to ensure that all transaction was posted correctly according to their proper allocation.

Payment of temporary staff should be made from the Emolument sector of the budget failure by which would invalidate the payment been made to such temporary staff including the KPF contribution by Government.

Findings and analysis:

- *Audit noted salary payment of $2,756.98(bottom salary level)had been charged under Purchase service local E27044000050A (04 Public works) which is not consistent with the purpose of output.*
- *It was also noted that no kpf deduction made in respective of the salary paid hence only 5% is made on tax deduction.*
- *Additionally, the approve budget of $510 for temporary assistance under Public works was insufficient to cover the salary for the contract employee.*

Management response:

3.17.6 Expenditure (Internal travel & Transport)

Recommendation:

- *Management must ensure that all accounting records or books and documents should be kept in a locked cabinet or store room for future reference and audit*.
- *Management must conduct proper reconciliation to ensure that posting is correctly allocated.*

Findings and analysis:

- *It was noted with concern the payment voucher # 259/12 had been charged under internal travel but the nature of the travel was an overseas travel and therefore should be charged under the external travel output.*
- *Audit noted that the payment on PV # 1281/12 amount $20,152.00 was misallocated, should be charged to the external travel. The payment was the airfare in respect of the Honorable Minister and wife.*
- *Also, audit cannot proceed further auditing due to the unavailability of payment vouchers: 253/12, 255/12, 331/12,*

Management response

3.17.7 UNAVAILABLE SUPPORTING DOCUMENT

Recommendation:

Management must ensure that all accounting records or books and documents should be kept in a locked cabinet or store room for future reference and audit purposes.

Finding and Analysis:

Audit could not be able to verify payment voucher 242/12 valued at $7,225.00 since there was no supporting documents attached to such payment voucher.

It was also noted a missing payment voucher 429/12 from the box file.

Management response:

3.17.8Overtime

Recommendation:

- *Management must ensure that all overtime need to be authorized and approved by the senior responsibility officer.*
- *Management must ensure that all overtime dockets must be checked thoroughly before payment can be finally made.*

Finding and Analysis:

Audit could not be able to verify and check the payment for TeniteraIotua overtime due the absence of logbook. In this instance, audit was not able check the calculation based on the total number of hours claimed by the employee.

Name	Position	Salary level	Pay period	Amount	Remarks
TenitaraIotua	Security guard	18/1	5/10/2012	$2734.24	No log book

Management response:

3.17.9Other commitments: Gov't Buildings and repair- $500k

In 2012, there was a balance of $42,383 remaining at the year end from the $500k allocated for repairs of Gov't building, as disclosed in the Management report 2012. This was an indication that some of the activities/jobs were not carried out during 2012. This remaining fund could have better been utilized by other Ministries in dire need of repair.

3.17.10. Local contribution to Development Fund

The ministry had 12 local funded projects totaled up to $328, 5112. All of these 12 locally funded projects as per table below, were actually withdrawn from No.1 Bank Account and accounted for, except the Solar Energy project of $178,511 which was mistakenly added to SOE Reform Programme and reported as one of the MFED projects(refer to page 60 of the Annual Account 2012).

List of Projects for MWPUD in 2012

Code	Project Title	Budget	Actual	Variance (over)/under	Remarks
H270612C 040	Betio Hospital Rainwater Harvesting	7,500	5,791.22	1,708.78	
H270512C 041	Nawerewere Sewerage Upgarde	7,500	6,061,6	893.90	
H270612C 042	SPC&SPREP Climate Change Proofing on Water Supply	7,500	6,252.65	1,247.35	
H2706120 C043	Kiritimati Water Supply Project Preparation	7,500	7,734.46	(234.46)	
H270612C 044	Support to KAPII Project	22,500	17,857.48	4,642.52	
H270612C 045	Support to KiriWatsan I	15,000	171,087.01	(156,087)	Miss allocation and it could include actual spending for Solar Energy project
H270912C 046	Support to South Tarawa a Road Upgrade	30,0000	28,104.25	1,895.75	
H270212C 047	Support to KOIL	22,500	18,731.82	3,768.18	
H270512C 049	Support to UDP (Temwaiku settlement)	7,500	7,942.45	(442.45)	
H270512C 049	Support to Betio Maternity Ward	7,500	4,436.94	3,063.06	The construction work: still on-going/incomplete
H270212C 050	Support to PUB power generation	15,000	13,444.45	1,555.55	

H2701129 155	Solar Energy	178,511	0	178,511	Actual spending might have been posted in error to other project accounts

As highlighted above, and as in the case of LCDF at other ministries, most of the project funds were not fully utilized. Some of the projects, however, had been excessively spent and in particular the project namely: Support to Kiriwatsan (code: H270612C045). The Budget for such project was $15k while the total actual expense incurred was over $171k. This must be coupled with issue of poor reconciliation/posting.

Further, the Solar Energy was reported as not being used up during 2012, which was definitely not the case (page 76-86 of the 2012 annual refers) as it could have been miss-posted to other accounts.

It can be concluded therefore that the position of the LCDF account had been erroneously disclosed in the 2012 Annual Account. Certainly, the lack of proper reconciliation of the LCDF was the persisting problem causing such a material misstatement.

Management Response:

3.18 MINISTRY OF LABOUR & HUMAN RESOURCE DEVELOPMENT (MLHRD)

3.18.0 Audit Opinion

We issued a qualified opinion due to the following issues:

1) Colossal net overspending of the budget
2) Absence of proper reconciliation of the Vote ledger with MFED's record and
3) The miss-posting of over 95 % of the disbursement for the Banaba Compensation approved budget of $500k.

3.18.1 CONTROL OVER REVENUES

Recommendation

- Ministry needs to provide a more realistic budget for revenues in future operations.
- FTC should use an official receipt (sub-receipt from Finance) to receipt daily collections and to deposit or pay-in on a regular basis ensuring that cash was not on hand for such a long time.
- Sections 38 – 42 of the Financial Regulation need to be frequently referred to so as to avoid neglecting such important and documented internal controls.

Findings and analysis:

3.18.1.1 Comparative Revenues against Budget for years 2010-12

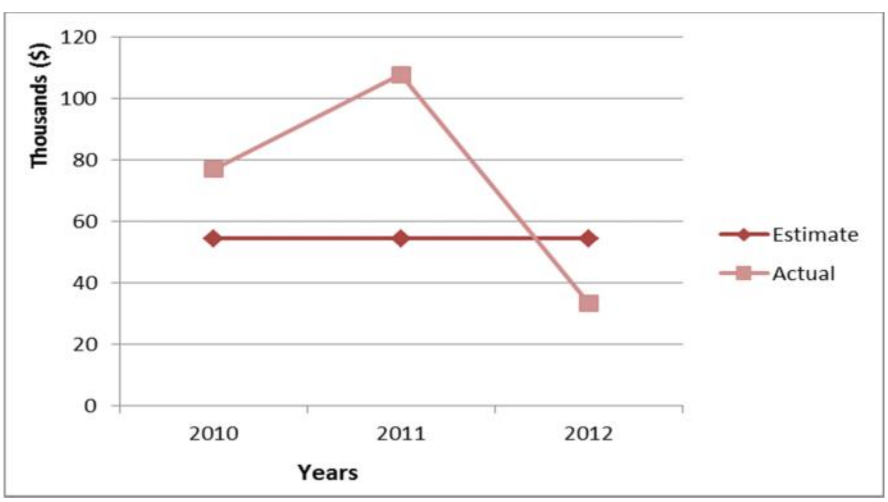


Fig. 3.18A: MLHRD Revenues against budget for years 2010-12

Revenue projections did not change over the last three years 2010-12 whilst actual revenues fluctuated throughout the years. For instance revenues had been over collected both in 2010 and 2011 while there was a shortfall of about 21k in 2012.

Management Response:

3.18.1.2MLHRD Revenues against budget by divisions 2012

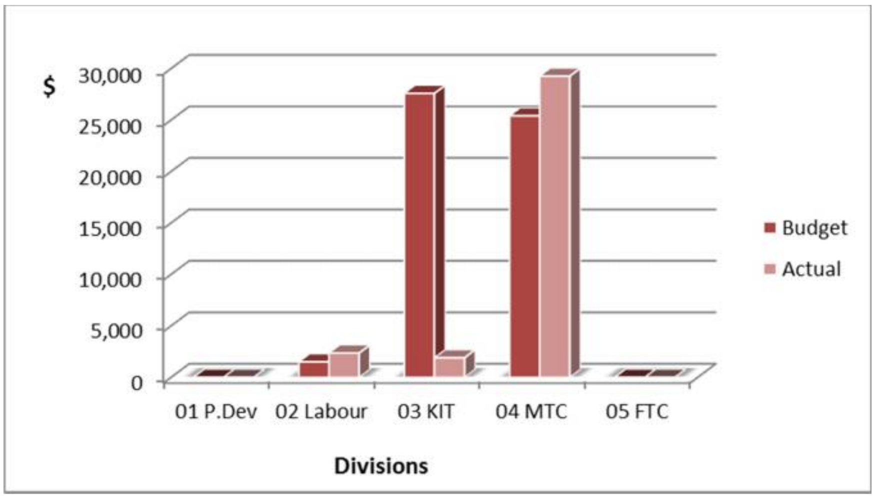


Fig. 3.18B: 2012 Revenues against budget by divisions

The above graph shows 5 divisions under MLHRD in which two of the divisions 01 and 05 do not have revenues. Overall KIT has the highest revenue projection but very little collections during the year. Division 02 and 04 were noted well performed with over collections of $858 and $3,858 respectively. (Refer Appendix E for details of revenues by outputs)

Management Response:

3.18.2 FTC Course fee

Whilst there has been no revenue collection in 2012 but currently there was revenue generated from one course namely BSSC early 2013. The audit observed there was a lack of control over this revenue since the cashier used an unofficial receipt book when receiving course fees ($25 per student). Also she had kept such collections for many days then later deposited to Revenue Cashier at Finance. The issues here are: the use of the unofficial receipt and the unnecessary delay in making a deposit at MFED Revenue cashier.

Management Response:

3.18.3KIT Course fee

- Daily collection was not deposited on a regular basis only when it comes to huge sums of cash. Therefore regular deposits were made at the beginning of the year as a number of intake students paid school fees compared to the end of the year.
- There were some course fees at KIT not recorded or posted to GL amounted to $21,753.91

Management Response:

3.18.4MTC upgrading fees

- Two collections as per Form A 28/12 & 38/12 amounted $1,228 were not reflected or posted into the system resulting in understating revenues.
- Un-deposited revenues amounted $1,228; Collections were not regularly deposited only when it comes to huge sums then the cashier made the deposit with Finance.

Management Response:

3.18.5CONTROL OVER EXPENDITURE

Recommendation:

- The Ministry needs to strictly control its expenditure to avoid excess spending at the end of the year.
- Accounting documents for purchase services local and others should be kept and readily available at all times for audit purposes and reference of the Ministry.
- The Ministry has to avoid overpaid salary at any particular period of time. Also to recover such overpaid salaries from concerned officers.
- The ministry needs to ensure that the posting of each output allocation is posted with the correct code.
- The reconciliation of each output allocation should be encouraged by the two ministries, Finance and MLHRD, to avoid differences in the records.
- FTC should maintain its stock card ensuring the movements of ration stocks are properly recorded.

Findings & analysis:

3.18.5.1 Comparative expenditures against budget 2010-12

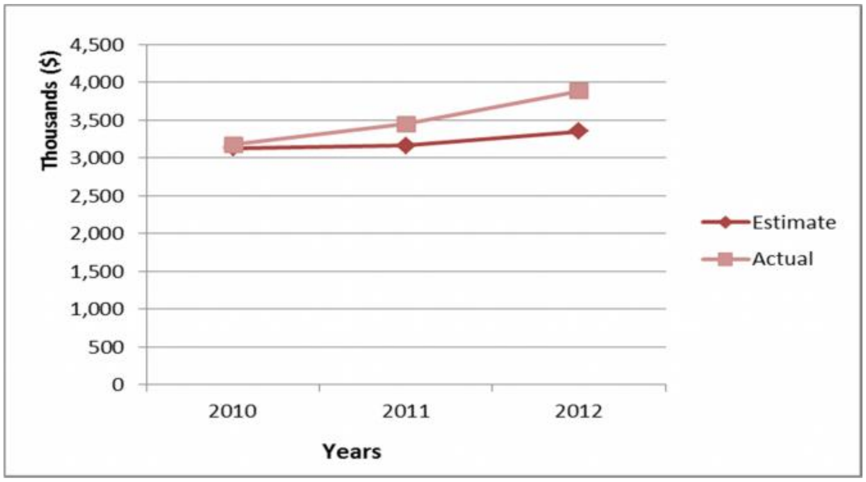


Fig. 3.18C: Expenditures against budget 2010-12

The levels of actual expenditure for the years 2010 – 12 far exceeded the budgets as seen above meaning that the Ministry had continuously incurred overspending for those past three years.

Management Response:

3.18.5.2 Comparative expenditure graph by Division

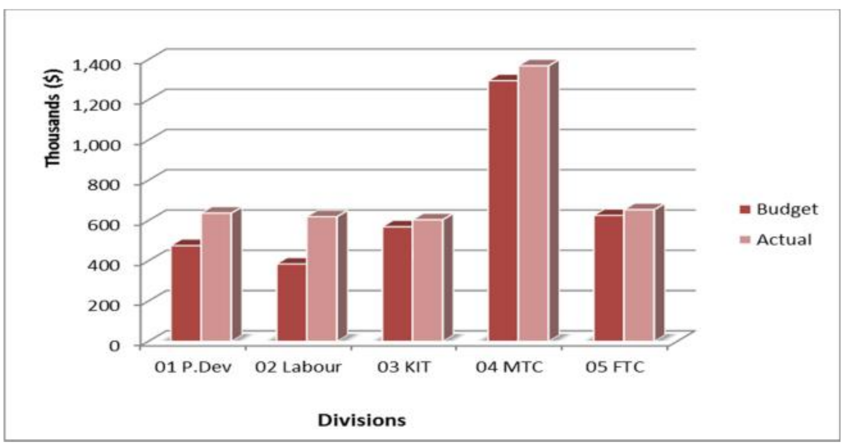


Fig. 3.18D: 2012 Expenditures against budget by divisions

Illustrated in the above graph all divisions 01 to 05 far exceeded their budget throughout the year. Total overspent during the year was more than half a million in which Division 01 and 02 had contributed a lot with over payments of 161k and 235k respectively. (Refer Appendix Efor the detail of Expenditures by Outputs)

3.18.6External Travel

Overall external travel was overspent by $129k the bulk of which comes from the Headquarter division 01 & 02 in the amounts $41k and $88k respectively. Issues are as follows:

Imprest No.	Overpaid Amount
Au 409/12	915.61
Au 408/12	253.07
Au 34/12	792.60
Total	$1,961.28

- The audit found total overpaid Imprest for external travel amounted $1,961.28 based on wrong nights for per diems in some countries. (Refer table below)

- Retirement of Imprest on TC 493/12 dated 17/07/12 by the amount of $16,333.90 with an outstanding amount of $1,644.10 plus overpaid Imprest of $915.61 in (ii) above totalling to $2,5590.68

Management Response:

3.18.7Internal Travel

Internal travel was overpaid by $55k and the bulk of overpayment comes from division 02 under the Headquarter amounted to $43k. The following issues were noted after a review of the account.

i. One significant Imprest amounted $4,108 to Teraina for Youth Employment workshop was made up of two people, an Accountant and one non-civil servant. Hence this was paid out from the recurrent budget without any evidence of reimbursement from the project.
ii. Retirement of the above Imprest on TC 442/12 was processed by the accountant where she also retired Imprest of a non-civil servant totalling $1,624.
iii. The workshop should be held in Teraina and Tabuaeraen however as per sighted claim documents most of the nights were spent in the Xmas Is.

Management Response:

3.18.8Payroll weaknesses

i. No resignation letter*:* Audit detected that no letter of resignation for an employee at Labour division before taking up his new Post at PUB. In compliance with NCS C. 14, all Public officers should write a resignation letter by giving 2 months' notice.

ii. Overpaid Salary: There were two officers from the Headquarter continuing to receive salaries after the date of salary cessation effective on the 5/08/2012. Consequently these officers had incurred overpayment of $1,282.74.

iii. Returned salary: Audit found one uncollected salary for period of 24/08/09 in respect of one officer which was not returned on a timely manner i.e. soon after pay day. It was noted that this uncollected salary was returned and receipted a month later on the 01/10/12 on RR# 986080.

Management Response:

3.18.9Overtime

Overall total Ministry overtime was overpaid by $14,572 and the bulk of overpayment comes from division 01 Admin and 05 FTC.

Management Response:

3.18.10Purchase Service local

KIT Division

- PV copy no. 011/12 amounted $1,918 was noted not available during the audit.
- Supporting documents for three selected PVs amounted $5,764 were not attached (PV no. 018/12, 313/12 and 359/12).

MTC Division

- Three payment vouchers of the same amount $613.00 with numbers as follows: 870/12, 871/12 and 872/12, *were without supporting documents.*
- Payment of one significant service charge for trailer condition amounted $850.00

Management Response:

3.18.11Hire of Plant and vehicle

Hire of Plant and vehicle was overpaid by $39,223 (Refer Appendix F) and the majority of overpayment comes from the Admin division amounted $33k.

Management Response:

3.18.12Leave Grants

Total Leave grant overpayment was $1,955 and made up of overpayments from MLHRM's divisions codes: 28-02-27(Labour Services), 28-04-27 (MTC) and 28-05-27 (FTC) of $1,473, $178 and $304 respectively.

MTC was noted to have internally transferred the amount of over $3k from Leave Grant output to finance other expenses without considering leave grant entitlement of other staff. .As confirmed the Leave Grant estimated or original budget amount was reduced from $21k to $18k.

The overpayment of leave grants for FTC and the HQ was resulted from incorrect forecast of leave grant entitlement to be claimed by staff. For instance, HQ approved the payment of leave passage for one staff when it was originally budgeted for a leave grant.

Management Response:

3.18.13Direct Local Purchase

i. Rations

The audit had selected ration expense under local Purchase for FTC and MTC divisions and the following issues were noted:

- As reported in my previous audit report, both divisions did not maintain the stock card ledger showing the movement of the in and out ration stocks therefore was not possible to verify the accuracy of actual ration amount.
- Normal level of order at FTC was estimated at $5,000 per month however the audit noted that payment of order in January was over by $199.80
- On the other hand MTC had a stringent control over ration and the audit was satisfied with payment of order in a month not exceeding the order level as per budget of $15k a month.

ii. Stores

The following issues had been noted for stores under local purchase for Headquarter division:

- Stock book register was there but not maintained to keep and update records of assets or non-expendable items purchased from time to time. Attaching purchase form with the payment voucher for the purchase of non-expendable items was deemed not a problem.

Management Response:

3.18.14Staff Training & Development

i. Pocket Money KIT

KIT did not have any provisions for pocket money however payment was made from 02 Output Headquarter Code 85 Training & Development on a fortnightly basis. Therefore KIT main task is to report to the ministry on any changes among sponsored students.

Control weakness: Any changes of name or number of students was done over telephone communication without any official written report to the Ministry showing expelled students or those not turning up to the course.

ii. Headquarter Division

After selecting few payments for training pocket money the audit noted that four KIT students received incorrect rate of $50 instead of $40 resulting in an over payment of $720.

Unrelated Payments:

- Compensation for Banaba workers of $39,703.75[4] (refer to LHRD PV# 232/12) was paid out from the allocation: Training and Development, contributing to a reported significant overstatement of $90,979.
- PV# 209/12 was a payment for Air fare to Tobaraoi Travel amounted to $7,017 made from the External Travel. It was noted, however that this same payment voucher number (i.e, PV# 209'12) was used when paying ANZ Bank $17,930 from Staff Training and Development output.

The main issue here was the miss allocation of payments which had led to an overspending of the Staff Training and Development output.

[4] Payment miss-allocation mentioned in para 3.18.7 below

iii. Pocket Money FTC

- All intake students were paid an allowance of $25.00 each for a particular course. Overall there were 85 intake students at the beginning of the year while the number reduced to 64 at the end of the year meaning that 21 students were expelled or dismissed during the year.
- The audit was satisfied with the payments of pocket money due to insignificant variance found between Management report and vote ledger provided by FTC both having 44k.

Management Response:

3.18.15CONTROL OVER VOTE LEDGER

Recommendation:

Vote Ledger should be well maintained and always be reconciled against the Finance records.

Findings & Analysis:

After going through the Vote Ledger system provided by the ministry (HQ) the audit found out that a number of output allocations did not agree to GL balance or Management report. This is an indication of poor control over the management of vote ledger where it should always be matched or reconciled against Finance record.

Management Response:

3.18.16CONTROL OVER LEAVE BALANCE

Recommendation:

In line to cabinet decision minute No. 77/10 employee outstanding leaves should be taken to bring only two years entitlements.

Findings & Analysis:

The policy over the controlling of leave balances effective in 2010 has not yet fully implemented to bring about only two years entitlements. This has been clearly shown by one employee with huge outstanding leaves at the Headquarter division.

Management Response:

3.18.17CONTROL OVER LOG BOOK

Recommendation

Log books should be used by the Ministry vehicles across division to record all official trips taken and this also should be well maintained and updated by any responsible officer.

Findings and analysis

In 2012 there were 12vehicles used by the Ministry and divisions as listed below:

Vehicle Type	No.	Log Book available	Maintained & updated	Reviewed
HQ				
Mini bus	BG 010	Yes	No	*
Saloon car	BG 061	No		*
Saloon car	BG 214	Yes	Yes	*
Pick up	BG 057	No		*
FTC				
Mini bus	BG 156	Yes	No	*
Truck	BG 175	Yes	No	*
Double Cap	BG 162	Yes	No	*
KIT				
Double Cap	TG 081	Yes	No	*
MTC				
Saloon car	BCC 203	Yes	No	*
Saloon car	BG 107	Yes	Yes	*
Double Cap	BG 121	Yes	No	*
Truck	TC 076	Yes	?	*

i. All vehicles had provided their log books for audit except for two vehicles no. BG061 & BG057 having no log books used throughout the year.

ii. Highlighted above a number of log books had not been maintained and updated as indicated mainly by a number of trips and dates not entered in the book.

iii. Log book for TC 076 (?) was noted available however the audit was unable to check whether it was updated or not since the log book was locked inside the truck which already been broken without having any keys to access to.

* Log books for all vehicles under the Ministry had never been regularly reviewed only when processing driver's overtime.

Management Response:

3.18.18CONTROL OVER BUS TICKETS

Recommendation:

Issuing of bus tickets should be strictly controlled whereby the concerned officer has to record all bus tickets at the date of issue and to ensure that each issued ticket is signed by employee.

Findings & analysis:

Control over bus ticket across divisions was good at MTC and FTC while was lack at the Headquarter division and KIT due to the following reasons:

- A number of unrecorded bus tickets and a number of issued tickets were not signed.
- Some serial numbers issued had no descriptions or purpose and some were missed out while others were signed by one officer or apprentice which is the common practice to both divisions.

Management Response:

3.18.19Local Contribution to Development Fund

Recommendation

MFED/MLHRD has to ensure that any payments under LCDF were not paid for out from the recurrent budget.

Findings & Analysis

Banaba Compensation (LCDF):

The amount of $500,000 was budgeted for to cater for Banaba compensation and was receipted in the Local Contribution to Development Fund as per page 60 of the 2012 Annual Account. The total disbursement of such compensation was disclosed as $7,317.50 as per page 86 of the Annual Account. This was incorrect as a number of payments have been made during the year, but not being reflected in the LCDF account or miss-posted. One classic example was a significant payment related to the Banaba compensation paid out from the recurrent under the Headquarter division. The 2012 Budget was approved during April 2012 not late during the first 2013 parliament session.

Management Response:

3.19 MINISTRY OF LINE & PHOENIX ISLANDS DEVELOPMENT (MLPID)

3.19.0. Audit Opinion

Based on the audit of MLPD for year ended 31 December 2012, we issued a qualified audit opinion due to the followings:

i. The absence of confirmation for the receipt of Solar Salt revenue of $18,000
ii. The absence of proper review of cash deposit prior banking and banking was not done on a daily basis.
iii. List for actual revenue collected not made available
iv. The absence of proper reconciliation of revenue from house rent.
v. Lack of proper procedures for recording and collection of outstanding revenue from Electricity and Water.

3.19.1 CONTROL OVER REVENUES

Recommendation

- MLPID should perform a monthly reconciliation with Finance to ensure that actual revenues collected are posted in the Attaché system.
- Management has to ensure that each division achieves revenue targets as pledged under budget policy.
- Outstanding revenues should be quickly collected and disciplinary actions should be enforced to those unreliable customers
- The handling of cash in the account section should be well segregated and strictly controlled whereby the most senior account officer has to review daily collections and the cashier should not be given the responsibility to deposit.
- MLPID account personnel needs to frequently refer to and comply with all sections of the Financial Regulation, Store Regulation and National Condition of Service as this is where important and legally documented guidance, rules and system of internal controls are specifically spelt out.

Findings and analysis:

3.19.1.1Comparative Revenue against Budget for years 2010-12

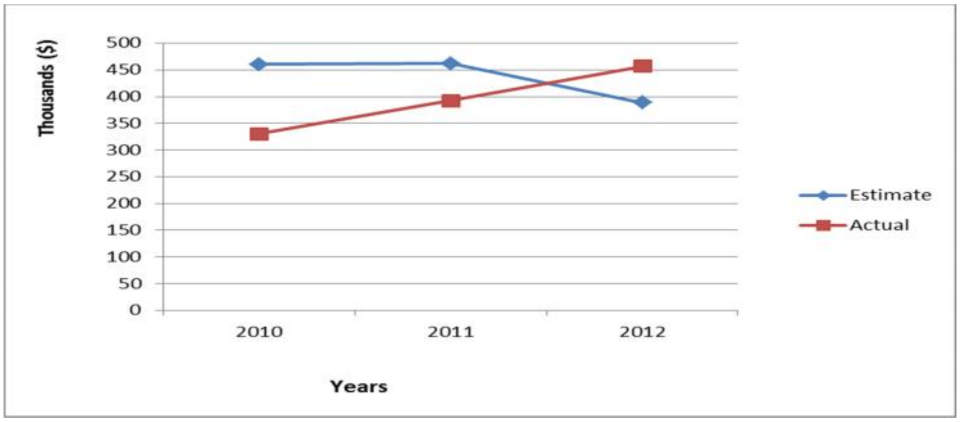


Figure 3.19A: 2012 MLPID Comparative revenue figures 2010-12

The above graph shows comparative figures of revenue against budget for the years ending 2010 to 2012. The ministry had performed very well in 2012 with an over collection of $67k compared to an under collection of $130k and $69k in 2010 & 2011 respectively. (Refer Appendix E for the detail of Revenues by Outputs)

3.19.2 2012 MLPID Revenues against budget by divisions

The bar graph below shows an overall picture of the Ministry type of revenues against budget for the year ending 31 December 2012.

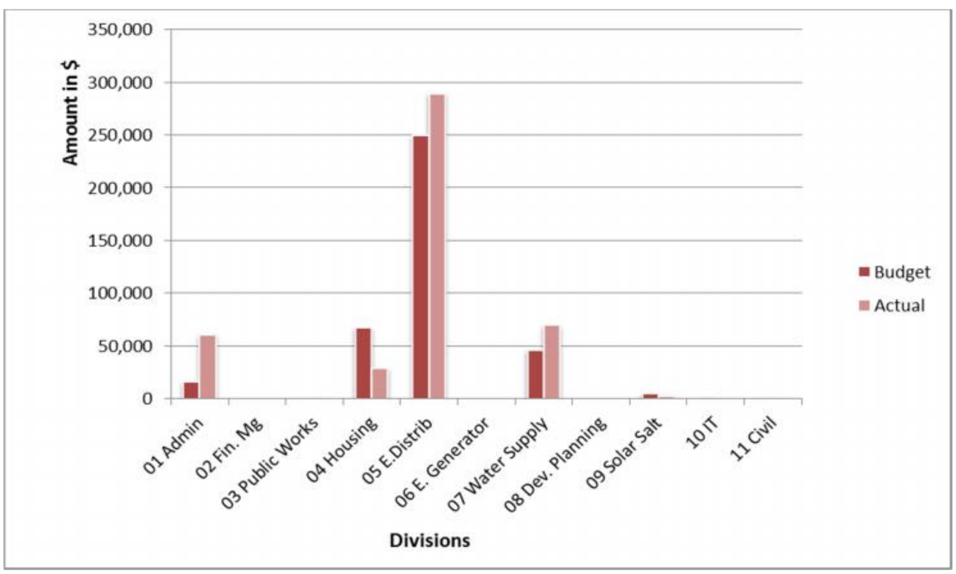


Figure 3.19B: 2012 MLPID Revenues against budget

The Ministry main revenue was generated from division 05 basically on electricity sales with an exceed collection of 39k. Other divisions achieved targets are such as 01, 03, 07 & 10.

3.19.3Solar salt division

Revenue shortfall for solar salt was caused because of the non-inclusion of tons of solar salt exported to main customer in Japan during the year. An amount of sales was approximately AU$18,000 which is not yet reflected in the account. The senior accountant agreed that the Ministry had received this revenue but she confirmed such sale of $18k had not appeared in the No.5 Bank statement.

Management Response:

3.19.4Revenue Control system

From a discussion with the cashier the audit noted that there is a lack of control over the collection of revenues such as follows:

- No one reviewed revenue collections at the end of the day.
- The deposited amount by the cashier was not checked by the most senior officer to ensure that collections were actually deposited.
- Revenue collections were deposited on a daily basis unless there were number of tasks on hand then the cashier has to deposit the following day.

Management response:

3.19.5Revenue Reconciliation

Below is a reconciliation of revenue between Finance and Linnix account for the year ended 31st December 2012.

Code	Description	MFED	Linnix	Variance
C2901-02	Rental of gov't prem	52,052.00	7,666.42	44,385.58
C2901-01	Sundry revenues	9,135.00	5,451.70	3,683.30
C2903-01	Carpentry	1,600.00	1,311.00	289.00
C2904-01	Rental of houses	29,098.00	5,247.07	23,850.93
C2905-01	Sales of Electricity	289,662.00	187,435.13	102,226.87
C2907-01	Water supply fees	69,936.00	58,275.49	11,660.51
C2909-01	Solar salt sales	3,075.00	2,670.00	405.00
C2910-01	Computer services	1,287.00	256	1,031.00
C2911-01	Sale of business plan	749	705	44.00
	TOTAL	456,594.00	269,017.81	187,576.19

As noted from the above table the variance of $187,576 was a total of Finance excess figures over those of Linnix. This variance was caused because of the lack of revenue reconciliation. It is of paramount importance to have the records corrected to save grievances, particularly from compliant customers, when arrears are demanded from same people and of course for setting the right level of future budgets.

Management disagreed without producing a list detailing actual revenue collected. Assumption is not acceptable.

Management response:

3.19.6Housing Division

An amount of $29k reflected in the account was an automatic deduction from salaries for house rent processed by Finance for Linnix and other ministries' employees. Revenue of $5k was from other government agencies receipted at the Linnix account in which the Attaché's system was unable to capture these receipts. From our review, those revenue figures given by both ministries should be added together to come up with one agreed balance i.e. 29k + 5k = 34k. However the accuracy of house rent depends heavily on the timely of reconciliation.

Management Response:

3.19.7Outstanding Revenues

These are the outstanding revenues reflected in the records of the following Divisions.

Year ended 31st December 2012	Outstanding Amount $
Electricity division	1.1 million
Water division	278 k
Housing division	48 k

Source: Extracted from divisions' records

- Electricity bill has the highest outstanding revenue of $1.1 million, some of which, however due to time limitation, would not be collectable. Most of these outstanding bills the bulk of which was due from commercial and private businesses related to prior years in which the division had failed to collect on a timely basis. This is revenue foregone which, if had been collected in the years concerned, the revenue received would be sufficient to self-finance the power generation in Kiritimati.
- Many water customers have an average bill of $1000 to $2000 indicating a lack of responsibility by the concern division. Again there is the time limitation and ability to pay issue inherent herein.
- The list of government employees with outstanding house rents at the end of 2012 could not be produced since it was pending at Finance for recovery action.
- Ageing analysis of this outstanding revenue was not produced for audit.

It is high time management should be serious in recovering these long outstanding debts as the private sector had continuously enjoying a free ride at the detriment of govt. There is therefore a need to include in future reports details of arrears of revenue under each of the above outputs and by type of customers.

If the arrears of revenue or revenue not paid in the year had been pursued in the next following year the level of arrears would have been kept at a manageable level and government would have not ploughed out unnecessary funds as was evident under comment 3.19.6,below to finance the electricity power generation.

Management Response:

3.19.8CONTROL OVER EXPENDTIDURE

Recommendation:

Management should strictly control or reduce the level of expenditure during the year in order not to exceed the approved budget from Parliament.

Findings and analysis

3.19.8.1 Comparative Expenditure against Budget for years 2010-12

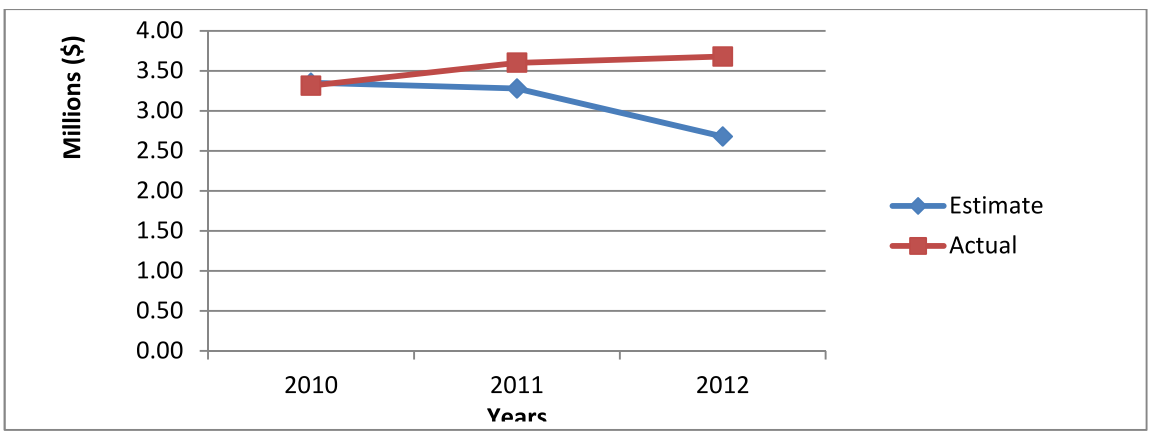


Fig. 3.19C: Estimate against Actual expenditure 2010-12

Illustrated in the graph, in 2010 the Ministry had experienced an under payment of 37k while in subsequent years spending had exceeded budget. The level of overspending in 2012 was almost a million dollar and this was higher when compared to 2011 with an excess of $321k.

3.19.8.22012 MLPID Expenditure against budget by divisions

Fig. 3.19D illustrates an overall picture of the Ministry expenditure against budget for the year ending 31 December 2012. (Refer Appendix E for details of expenditures by divisions' output)

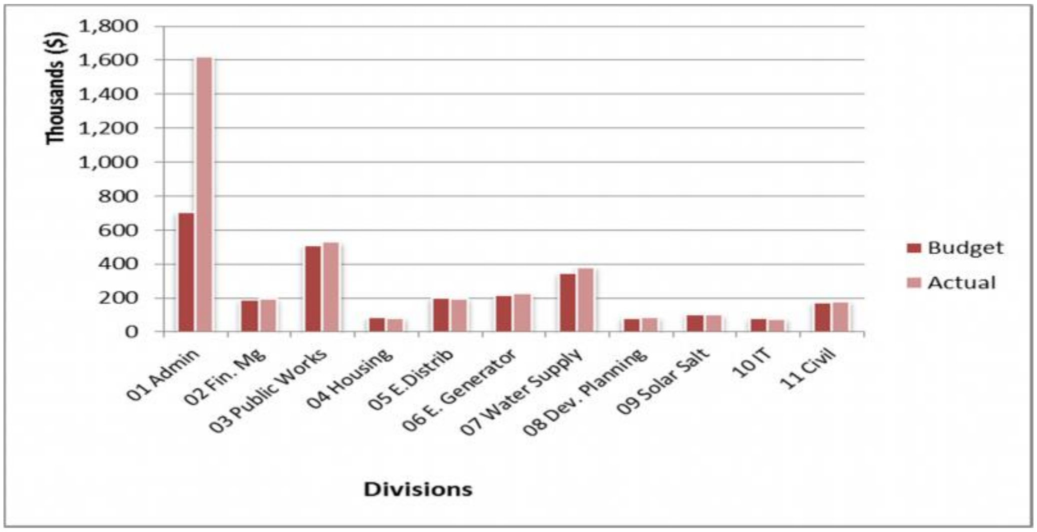


Fig. 3.19D: 2012 MLPID Recurrent Expenditure against budget

The Admin division (01) has the highest excess of payments and the bulk of it was for electricity and gas amounted to $890,966 which has not been budgeted for hence was the major contribution factor to the Ministry over spent in 2012.

Under output "Electricity and Gas code: E2902-09" it was noted there was no provision for other divisions and the orginal budget under HQ code: E2901 for same was only $4,200. There was a LCDF of $500k which was placed under Output 6 – "Power[5]" but during the year it was noted the LCDF was absorbed under HQ, i.e. became a recurrent.

The breakdown of the spending of $890,966 or an excess of $390,966 could not be ascertained as the relevant HQJV 378 did not disclose full details of the said amount. Additionally, its contra credit posting to E290667A had contributed to the offsetting of all payment charges for fuel, which had ended up with a nil balance as per GL.

Thus the issues were: 1) the missing breakdown of the amount $390,966 and 2) the miss-allocation of the $500,000 amount from LCDF (a debit to LCDF) to Electricity and Gas, recurrent expenditure.

As this is definitely a drain in the budget it should be the subject of future budget debates.

Management Response:

[5] Refer to page 58 of 2012 Budget Book

3.19.9CONTROL OVER PAYROLL

Recommendation

Management needs to strengthen the control of payroll system in the following areas:

- To strictly limit the access to the payroll database whereby only authorized personnel can access such.
- For any cases where there is a new salary inclusive in the telmo salary list from Finance, a Payroll officer should check against appointment letter to ensure that a person is a newly appointed officer.
- Payroll officer needs to ensure that any changes of bank account should require a written notification from the bank.
- Salary division should review KPF contribution and to correct the balance accordingly.

Findings & Analysis:

3.19.9.1 Salaries

Total Actual Salaries during the year was $1,265,809:

- The above amount was 34% from the recurrent expenditures.
- The bulk of salaries paid to 03 Public work division of $331,861
- Variance found of $37,178 between Management report and Pay costing.

3.19.9.2 Payroll Weaknesses

The following payroll weaknesses were noted after interviewing an account officer who is responsible for the process of Linnix salaries:

i. Unsecure password

Access database is a system used to keep salary details from one pay period to another though the account officer did not keep the password secretly but sharing it to some staff in the Account division. Anyone who is able to access to the payroll system could easily change or delete any employee names in the system.

ii. New Appointed employee

The creation of new employees into the access database by the responsible officer is not checked against the appointment letter kept in an employee personal file. The account officer enters employees' name into the system once confirming that a new employee's name is included in a Salary telmo list sent by Salary (MFED).

iii. Bank salaries

Bank salaries or any changes of bank accounts could be communicated verbally to the account officer.

Management Response:

3.19.10Overtime, Charge, Shift Allowance etc

Recommendation:

Management has to ensure that the OM or whoever responsible should review the overtime docket against log book before the process of overtime.

Findings and analysis:

The audit found out that some of the overtime especially after working hours and on public holidays in respect of driver was not reflected in the Log book. Therefore we are not able to confirm the accuracy of working hours being stated in the overtime dockets.

Management Response:

3.19.11LEAVE PASSAGE & INTERNAL TRAVEL

Recommendation:

- Unavailable supporting documents for travelling claims should be provided, and any officers responsible for the keeping of these documents should be held responsible.
- The posting and process of travelling claim by the account should be reviewed prior payment and to post them correctly into the vote ledger.

Findings and analysis:

During the review of some payments for leave passages, we found that some are not supported with leave forms to indicate a number of employee outstanding leaves.

Other issues:

- Air fare amounted to $9,744 (PV 206) was found as double posted in the vote ledger (and not a general ledger).
- Unavailable PV 120/2 amounted $3,671.60 for internal travel expense.

- Two major PVs no. 1038 & 2502 for Internal travel had been noted missing or not made available to us by the account officer totalled $20,043.36. Issue: **unavailability of payment vouchers**
- The amount of travelling claim as per PV 419/6 amounted $366.13 has been posted incorrectly into the vote ledger by $705.42

Further, audit checks noted that the original budget for leave grant was $154,278 but the revised budget was amounted to $203,030. As there was no supplementary, such an increase in revised budget should be resulted from internal transfers while the overspent of over $97k (Actual: $300k) was just a deviation from an approved Appropriation Act 2012.

Management Response:

3.19.12CASH BOOK & BANK RECONCILIATION

Recommendation

- Management needs to ensure that the posting of accounting transactions is up to date.
- Bank reconciliation should be performed on a monthly basis and such monthly statements should be provided at the time of audit for verification of cash balances.

Findings & Analysis:

The audit would not able to ascertain the cash position at the end of the year due to the following issues.

i) Cash book

- The posting of daily transactions to the Attaché system was not up to date
- Cash book was maintained manually without any proper review by senior officers

ii) Bank Statements

- Bank reconciliations were not independently and timely reviewed

If these issues continue the No. 5 bank account will distort the overall financial position of the government account.

Management Response:

3.19.13OUTSTANDING IMPREST

Recommendation

- Control over Imprest should be strictly enforced by the Ministry to ensure that imprests are retired on a timely basis and any due amounts are recovered.
- MLPID should ensure that no additional Imprest claims applied by officers from Tarawa.

Findings and analysis

The Imprest register for 2011 and 2012 was obtained and found that there were quite number of staffs still not cleared their Imprest.

Total Ministry outstanding Imprest was **$90,424.16** as at 31/12/12. Most of the officers did not retire their outstanding imprests before applying for a new one hence their balances were substantial. It was noted that some staff have been transferred to Tarawa or retired and not even bother to retire their imprests. Further, there were still some officers from Tarawa allowed to claim their imprests with MLPID. This had been raised in previous audit reports but same issue continued.

Management Response:

3.19.14Solar Salt Project

Recommendation

MLIPD should strengthen the operation of the Solar Salt Project

Finding and Analysis

The Solar Salt Project was currently under or part of the MLPID as output code: E29-09. As stated in the 2012 Trade Pasifika report, the Solar Salt Project was established in 1975 and being producing 70 to 100 tonnes annually. The report continued to state that "the solar salt product from Kiritimati was exported to Japan as a high quality salt with natural and healthy ingredient".

It was clear then such project should have been successfully operated and generated revenue to Government and another source of income to people on Kiritimati.

However, the full potential of the Solar Salt project was never materially realized as evidenced by the reported income from sales of solar salt of just over $3k in 2012, a contrast to the statement made at the 2012 Trade Pasifika.

Management Response:

3.19.15 Board of Survey (BOS)

There was a BOS carried out during the year by the account staffs and store man from each division to count existing fixed assets however not all divisions had been involved.

3.19.16Obsolete stock

A number of obsolete stocks or fixed assets are being kept in divisions and are awaiting approval for written off. The audit noted these items were no longer useful or not repairable.

3.19.17Other Issues:

i. Water (Borrow Stock register)

The "Borrow Stock" register had been maintained however there were items not yet returned for more than a month and these were:
30/05/12 500 litre Tank
26/06/12 Vacuum Lead wire 30/11/12 Tank
Construction (Borrow Item Register)

- Borrowed items are not dated and once returned, only ticked without any signature and date of return to indicate that such items are being returned.
- Non-expendable items i.e. cement mixer could be borrowed from one person to another without any report back to the storeman.
- Expandable and non-expandable items are recorded together in one register instead of being maintained separately.

The above indicated a weak control system on the movement of stock.

3.19.18LOCAL CONTRIBUTION TO DEVELOPMENT FUND

Recommendation
Development projects under MLPID should not be dumped in the Linnix No. 5 account but should follow the same procedure for projects at the MFED where they are accounted for in the Project No. 4 account.
Findings and analysis
Per discussion with the senior planning officer and senior accountant on the existing projects for Kiritimati, it was noted that there were numerous projects funded by New Zealand, Japan, India, etc. which have been completed and some are still in progress phase. For those projects financially processed through the Account section of MLPID, the audit was unable to check the payments incurred since no records being provided. It also noted that all payments of projects have been made from the No.5 meaning that projects funding have been deposited to the No. 5 account.

Management Response:

4.DEBT SERVICING

ii. Expenditure

The comparison of expenditure for debt servicing for 2012 is summarised below.

	2010	2011	2012
Budget	2,283,929	1,425,579	5,165,187
Actual	9,764,545	4,433,029	7,202,573
Under/(Over)	(7,480,616)	(3,007,450)	(2,037,386)

The issues for the above are detailed in Part 2 section 4.2

5. OTHER GOVERNMENT EXPENSES

The purpose of the above account is to cater for payment of expenses that have no direct link to ministries' activities but considered essential for the national interest. This does not require the approval of Parliament but tabled only for the information of the House. The summary for Other Government Expense account is presented below.

	2010	2011	2012
Budget	13,724,109	17,519,572	19,892,742
Actual	13,887,791	17,194,709	19,266,028
(Over)/Under	(163,682)	324,863	626,714

As evidenced from the table above, the reported actual expenditure had been inflated unnecessarily, because of the supplementary of $617,260 approved in December 2012. Therefore the actual expenditure for 2012 of $19,266,028 was more than what was actually needed. Refer to section 4 of Part 2 for more details analysis.

Audit notes other anomalies in respect of other expenses as detailed below.

i. Land Lease/Rent

The 2012 Annual Account reported the actual payment for Land Lease as$2,304,031 ($2,276,452: 2011) while its budget was $2,427,782 (2011:$2,427,782), thus reflecting a saving of $123,751 (2011:$151,330).This is highly unlikely to be the case as the initial budget must be based on the number of land leased by Government.

Council charges

The budget provision for 2012 was $180,656 while the actual payment made was over $195,656. When compared with 2011, the actual payment was $465,107 and the budget figure $519k. The big cut of the council charges in 2012 was not expected, hence the need to provide details for such significant reduction.

ii. Freight Subsidy Local Produce

The budget approved for the above was $150k. It was noted however, that such provision was not used up at all and during the year $116k was transferred as a subsidy to Air Kiribati, leaving the above with an unused amount of over $33k. This was the same case with last year 2011 in which the budgeted figure of $142,375 was never utilized at all.

iii. Government Building repairs and maintenance

As a usual practise, the budget for building repairs and maintenance is based on the activities to be carried during 2012. That is the budget for building repairs and maintenance of $500,000 should cover expenses for all activities for each year.

Since $457,617 of the total budget was spent, either all activities for 2012 were not carried out or the records of such activities were inadequately updated or maintained at the end of the fiscal year.

6 OVERALL RECOMMENDATION

The most common problem stated above, associated with Expenditure and Revenue, could be addressed if all staffs responsible for proper custody and scrutiny of the public fund adhere tothe provisions of the Financial Regulations and other relevant rules and Laws of the Republic of Kiribati.

Thus apart from the problem with Attaché software accounting package, all responsible officers for the financial reporting should be well-versed with Relevant provisions of the Financial Regulation and should take more care when inputting data on to the applications, i.e. to reduce human error.

7 CONCLUSION

Based on the above findings it was noted that accounts for Ministries/Offices' accounts for 2012were deemed to have been properly recorded, except for some miss posting and miss-allocation of some payments/receipts still detected together with the persisting problem of the lack of proper reconciliations. The next step to do is to improve revenue collection and to minimise miss allocation of payments. This may have been due to either the inability of staff concerned to use all or relevant modules of the Attaché accounting software or the lack of commitment of staff towards their respective duties and responsibilities. This has therefore resulted in a disclosure of incorrect 2012 Annual Accounts balances, as per Statement No.1, that ultimately led to forming a qualified opinion on the accounts.

8. APPENDICES

8.1 Revenue Shortfall 2012 Appendix A

Outputs		Approved Budget	Actual	Shortfall
Judiciary				
110101	Court Fine	300,000	23,215	276,785
110301	Practicing Fees	800	187	613
110302	People's Lawyers admission fee	400	300	100
Total		**301,200**	**23,702**	**277,498**
Police and Prisons				
120103	Hire of police band	3,900	300	3,600
120401	Patrol Boat Hire	4000	0	4,000
Total		7,900	300	7,600
Ministry of Foreign Affairs and Immigration				
140203	Immigration Fees	90,000	15,750	74,250
140302	Visa Charges	5,000	460	4,540
Total		**95,000**	**16,210**	**78,790**
Ministry of Internal and Social Affairs				
150101	Charter to Banaba	11,000	3,224	7,776
150401	Sport Complex	21,000	16,650	4,350
150502	Social welfare	460	0	460
150700	Research & Film fees	2,500	2,280	220
150801	KNYC Maneaba	4,200	950	3,250
Total		**39,160**	**23,104**	**16,056**
Ministry of Environment, Lands and Agricultural Development				
160201	Park usage fees	3,900	3,394	506
160207	Wildlife	2,500	2,049	451
160208	Environmental fine	5,000	2,000	3,000
1360300	Sale of State Map	5,000	0	5,000
160302	DNE Admin	1,000	780	220
160303	Survey & license fee	15,000	10,596	4,404
160402	Nursery sales	3,200	1,129	2,071
Total		**35,600**	**19,948**	**15,652**

Ministry of Commerce, Industry and Cooperation				
180201	**Trade Marks**	23836	17429	6407
180204	**Company Fees**	5000	1677	3323
180343	Rental of Small Industry centre	7,680	7,010	670
Total		**36,516**	**26,116**	**10,400**
Maneaba ni Maungatabu				
170102	Restaurant rental	3,000	1,960	1,040
Total		**3,000**	**1,960**	**1,040**
Kiribati National Audit Office				
190101	**Audit fees**	18500	5500	13,000
190201	Audit fees for gov't companies	31,000	7,500	23,500
190301	Audit fees for projects	5,500	0	5,500
190302	Audit fees for island councils	7,500	0	7,500
Total		**62,500**	**13,000**	**49,500**
Office of the Attorney General				
200101	Sales of law books	1,020	78	942
Total		**1,020**	78	942
Ministry of Fisheries and Marine Resource Development				
210303	Local Licensing	70,000	67,035	2,965
210305	Local fishing	30,000	25,322	4,678
210304	Vessel and Equipment fees	50,000	1,477	48,523
210306	Fishing license revenue			0
Total		**150,000**	**93,834**	**56,166**
Ministry of Health and Medical Services				
220101	Private ward fees	43,756	42465	1,291
220701	Sale of Medical supplies	2,500	327	2,173
220801	Deposit scheme for crut	3,000	1846	6,000
22100102	Dental sales	11,870	10979	891
Total		**61,126**	**55,617**	**10,355**
Ministry of Education				
230101	Fare on charter vessels	40,800	776	40,024

230102	Rental of properties	6,528	0	6,528
230201	Fees Rurubao school	61,512	39,128	22,384
230401	KGV & EBS school fees	53,516	39,958	13,558
230501	MTSS school fees	12,900	11,380	1,520
230601	Teabike school fees	36,000	34,999	1,001
230801	National Certificate	3,600	1,880	1,720
231001	Library fines	1,000	63	937
231002	Membership fees	2,500	1,274	1,226
231004	Recovery cost	7,700	4,730	2,970
Total		**226,056.00**	**134,188.00**	**91,868.00**

Ministry or Communication, Transport and Tourism

240108	Jaxa (downrange)	1,200,000	**634225**	565,775
240109	Jax (air service)	1,500,000	757728	742,272
240115	Seaworthiness	5,000	1438	3,562
240701	Letter post terminal credit	1,000	0	1,000
240702	Sale of stamp	50,000	28,038	21,962
240703	Parcel post terminal credit	3,000	0	3,000
240705	Private box rental	16,000	6,422	9,578
240801	Local sales	8,000	4,211	3,789
240802	Overseas sales	8,400	7,060	1,340
240901	Printing charges	106,000	84,372	21,628
Total		**2,897,400**	**1,523,494**	**1,373,906**

Ministry of Finance and Economic Development

250101	**Interest on loan charges**	11300	11018	282
250203	Sundry revenue	600,000	224,061	375939
250204	Dividend	1,850,000	871,791	978209
250501	Company Tax	7,500,000	4,734,410	2765590
250603	Import duties	17,960,000	15,215,553	2744447
250607	Customs sundry revenue	13,000	371	12629
250605	Sales of warehouse rental	2,000	210	1790
Total		**27,936,300**	**21,057,414**	**6,878,886**

Ministry of Public Works and Utilties

270100	**Sundry**	500	0	500
270201	Petroleum storage license	1,100	626	474
270501	Recoveries of base stock	5,000	1,482	3518
270703	Overhead	3,000	974	2026
270901	Private work	4,000	0	4000
270902	Hire of plant	11,000	3467	7533

Total		**20,200**	**5,220**	**14,980**
Miistry of Labour				
280203	Employment service	1100	920	180
280301	Course fees	27000	1022	25978
Total		**28100**	**1942**	26158
				0
Ministry of Line and Phoenix islands Development				
290102	Rental of gov't premises	13,000	9,135	3,865
290401	Rental of houses	68,000	29,098	38,902
290901	Solar salt sales	5,200	3,075	2,125
291101	Sales of business plan	1,000	749	251
Total		**87,200**	**42,057**	**45,143**
			2012	2011
Grant Total			**8,954,940**	**9,293,061**
			3.64%	Decrease

8.2 Over-Expenditure 2012 Appendix B

Code	Output	Approved Budget	Actual	Over Expenditure
Office of the Beretitenti				
90124	Overtime	13,720	27866	(14,146)
90130	Internal Travel & Transport	102,480	116,322	(13,842)
90135	External Travel &Transport	111,340	186,127	(74,787)
90241	Entertainment	69,815	69,906	(91)
90160	Hire of Plant and Vehicles	94,802	140,967	(46,165)
	Total	**$392,157**	**$541,188**	**($149,031)**
Public Service Office				
100227	Leave Grant and Home Passage	1,310	1,685	(375)
	Total	**$1,310**	**$1,685**	**($375)**
Judiciary				
110141	Entertainment	687	688.00	(1)

110223	Allowances	235,039	240,067	(5,028)
110230	Internal Travel & Transport	39,385	44,664	(5,279)
	Total	**$275,111**	**$285,419**	**-$10,308**
Police and Prisons				
120121	Salaries	608,768	614,222	(5,454)
120130	Internal Travel &Transport	62,170	62,394	(224)
120150	Purchased Services - Local	46,045	46,370	(325)
120160	Hire of Plant and Vehicles	-	45	(45)
120330	Internal Travel &Transport	11,000	21,145	(10,145)
120530	Internal Travel &Transport	36,500	36,874	(374)
120623	Allowances	150,593	174,775	(24,182)
120624	Overtime	190,174	220,759	(30,585)
	Total	**$1,105,250**	**$1,176,584**	**($71,334)**
Public Service Commission				
130120	KPF & Pension Contribution	4,760	5,035	(275)
130123	Allowances	25,404	29,317	(3,913)
130130	Internal Travel & Transport	12,567	25,948	(13,381)
130141	Entertainment	4,058	4,424	(366)
130160	Hire of Plant and Vechicles	19,870	26,198	(6,328)
	Total	**$66,659**	**$90,922**	**($24,263)**
Ministry of Foreign Affairs and Immigration				
140124	Overtime	11,380	20,740	(9,360)
140130	Internal Travel & Transport	1,283	2,740	(1,457)
140135	External Travel & Transport	206,339	217,223	(10,884)
140140	Direct Purchases-Local	36,561	45,354	(8,793)
140141	Entertainment	86,404	90,723	(4,319)
140150	Purchased Services-Local	25,240	30,857	(5,617)
140160	Hire of Plant and Vehicles	43,200	55,725	(12,525)
140167	Electricity and Gas	24,209	32,425	(8,216)
140320	KPF & Pension Contribution	6,959	10,192	(3,233)

140323	Allowances	39,663	61,011	(21,348)
140324	Overtime	4,368	16,441	(12,073)
140326	Wages	49,401	69,484	(20,083)
140327	Leave Grant & Home Passage	1,125	2,477	(1,352)
140330	Internal Travel & Transport	6,724	18,003	(11,279)
140335	External Travel & Transport	12,000	28,875	(16,875)
140340	Direct Purchases-Local	27,500	28,614	(1,114)
140364	Communication Charges	21,600	27,904	(6,304)
140367	Electricity and Gas	9,000	9,229	(229)
	Total	**$612,956**	**$768,017**	**$ (155,061)**
Ministry of Internal and Social Affairs				
150121	Salaries	200,098	201,029	(931)
150123	Allowances	9,635	12,935	(3,300)
150124	Overtime	5,920	19,790	(13,870)
150125	Temporary Assistance	6,652	29,569	(22,917)
150135	External Travel & Transport	30,038	30,046	(8)
150150	Purchased Services - Local	33,321	34,162	(841)
150160	Hire of Plant and Vehicles	41,400	59,305	(17,905)
150164	Communicatin Charges	47,850	49,500	(1,650)
150167	Electricity and Gas	60,103	70,626	(10,523)
150282	Relocation Expenses	19,825	20,255	(430)
150330	Internal Travel & Transport	41,769	41,919	(150)
150350	Purchased Services - Local	22,652	22,886	(234)
150425	Temporary Assistance	5,191	7,828	(2,637)
150528	Transport to Normal Work	1,824	2,156	(332)
150530	Internal Travel & Transport	13,320	13,434	(114)
150560	Hire of Plant and Vehicles	37,800	49,085	(11,285)
150568	Water	100	250	(150)
150630	Internal Travel & Transport	7,686	8,053	(367)
150640	Direct Purchases-Local	5,926	5,927	(1)
150667	Electricity and Gas	7,310	7,865	(555)
150830	Internal Travel & Transport	4,366	6,863	(2,497)

150925	Temporary Assistance	5,479	6,047	(568)
150930	Internal Travel & Transport	7,200	8,472	(1,272)
150950	Purchased Services - Local	16,059	16,790	(731)
	Ministry total	**$631,524**	**$724,792**	**($93,268)**
Ministry of Environment, Lands and Agriculture Dev				
160121	Salaries	154,187	163,994	(9,807)
160123	Allowances	9,105	10,708	(1,603)
160130	internal travel & transport	35,452	35,522	(70)
160135	External travel & Transport	122,599	123,084	(485)
160140	Direct Purchase - Local	28,395	28,702	(307)
160141	Entertainment	8,040	9,745	(1,705)
160150	Purchased Service - Local	22,026	22,695	(669)
160160	Hire of Plant and Vehicles	31,097	37,077	(5,980)
160221	Salaries	135,473	163,014	(27,541)
160267	Electricity and Gas	12,438	12,840	(402)
160321	Salaries	297,458	307,198	(9,740)
160322	Housing Assistance	4,483	6,980	(2,497)
160323	Allowances	32,997	33,245	(248)
160327	Leave Grants & Home Passage	26,638	27,319	(681)
160350	Purchased Service - Local	25,770	41,879	(16,109)
160360	Hire of Plant and Vehicles	22,726	28,576	(5,850)
160423	Allowances	27,283	28,075	(792)
160427	Leave Grants & Home Passage	28,902	29,652	(750)
160428	Transport to Normal Work	21,236	26,136	(4,900)
160430	internal travel & transport	37,387	47,485	(10,098)
160435	External travel & Transport	18,562	18,660	(98)
160440	Direct Purchase - Local	38,033	50,313	(12,280)
160450	Purchased Service - Local	14,851	15,026	(175)
160460	Hire of Plant and Vehicles	4,400	5,809	(1,409)
160464	Communication Charges	10,903	11,220	(317)
	Total	**$1,170,441**	**$1,284,954**	**-$114,513**
Maneaba ni Maungatabu				
170120	KPF & Pension Contribution	15,065	31114	(16,049)
170121	Salaries	194,350	310,324	(115,974)
170123	Allowances	9,002	19,912	(10,910)

170124	Overtime	27,500	42,193	(14,693)
170125	Temporary Assistance	6,514	21,297	(14,783)
170127	Leave Grants & Home Passage	7,020	7,066	(46)
170128	Transport to Norml Work	4,200	4,719	(519)
170130	Internal Travel & Transport	133,305	273,795	(140,490)
170135	External Travel & Transport	43,160	58,413	(15,253)
170140	Direct Purchases - Local	56,250	64,957	(8,707)
170150	Purchases Services - Local	14,040	16,863	(2,823)
170155	Purchases Services - Overseas	15,195	16,774	(1,579)
170160	Hire of Plant and Vehicles	41,400	63,148	(21,748)
170167	Electricity and Gas	131,000	142,570	(11,570)
170223	Allowances	40,695	44,931	(4,236)
170224	Overtime	3,500	5,658	(2,158)
170225	Temporary Assistance	527	25,220	(24,693)
170228	Transport to Norml Work	3,000	3,108	(108)
170230	Internal Travel & Transport	445,896	520,538	(74,642)
170240	Direct Purchases - Local	14,640	24,110	(9,470)
170250	Purchases Services - Local	321,036	335,837	(14,801)
170324	Overtime	1,500	3,081	(1,581)
170340	Direct Purchases - Local	8,500	15,625	(7,125)
170350	Purchased Service - Local	2,000	7,796	(5,796)
	Total Minisrty	**$1,539,295**	**$2,059,049**	**$519,754**
Ministry of Commerce, Industry and Tourism				
180130	Internal Travel & Transport	35,025	35,038	(13)
180141	Entertainment	8,201	8,755	(554)
180160	Hire of Plant and Vehicles	32,063	35,429	(3,366)
180330	Internal Travel & Transport	16,364	17,404	(1,040)
180440	Direct Purchases - Local	6,892	7,492	(600)
	Total Ministry	**$98,545**	**$104,118**	**-$5,573**
Kiribati National Audit Office				
190120	KPF and Pension Contribution	19,166	22,839	(3,673)
190125	Temporary Assistance	15,005	15,045	(40)
190140	Direct Purchases - Local	23,290	24,563	(1,273)
190160	Hire of Plant and Vehicles	35,340	67,915	(32,575)
190230	Internal Travel & Transport	4,705	5,626	(921)

190327	Leave Grant and Home Passage	3,815	4,375	(560)
190330	Internal Travel & Transport	3,251	5,077	(1,826)
	Total	**$104,572**	**$145,440**	**-$40,868**
Office of the Attorney General				
200120	KPF and Pension Contribution	5,280	10,237	(4,957)
200121	Salaries	68,360	98,986	(30,626)
200122	Housing Assistance	6,358	10,136	(3,778)
200123	Allowance	2,860	7,904	(5,044)
200124	Overtime	6,120	9,240	(3,120)
200127	Leave Grant and Home Passage	3,296	7,223	(3,927)
200128	Transport to Normal Work	14,280	16,201	(1,921)
200130	Internal Travel & Transport	6,120	6,896	(776)
200135	External Travel & Transport	51,000	63,410	(12,410)
200150	Purchased Service - Local	26,500	38,720	(12,220)
200160	Hire of Plant and Vehicles	25,075	48,628	(23,553)
200164	Communication Charges	31,774	34,530	(2,756)
200167	Electricity and Gas	24,500	29,685	(5,185)
200222	Housing Assistance	21,957	28,784	(6,827)
200321	Salaries	41,626	50,840	(9,214)
	Total Ministry	**$335,106**	**$461,420**	**-$126,314**
Ministry of Fisheries and Mineral Resources Development				
210120	KPF & Pension Contributions	15,461	19,040	(3,579)
210160	Hire of Plant and Vehicles	72,138	104,778	(32,640)
210221	Salaries	52,962	53,332	(370)
210421	Salaries	24,050	25,625	(1,575)
	Total Ministry	**$164,611**	**$202,775**	**-$38,164**
Ministry of Health & Medical Services				
220120	KPF & Pension Contribution	23,688	59,962	(36,274)
220122	Housing Assistance	5,000	5,954	(954)
220135	External Travel & Transport	60,000	60,060	(60)
220140	Direct Purchases - Local	40,000	40,060	(60)
220141	Entertainment	6,000	7,632	(1,632)
220150	Purchased Services - Local	40,000	44,286	(4,286)

220160	Hire of Plants and Vechicles	170,000	211,713	(41,713)
220164	Communicaton Charges	180,188	180,634	(446)
220167	Electricity & Gas	619,650	623,423	(3,773)
220220	KPF & Pension Contribution	50,584	94,017	(43,433)
220225	Temporary Assistance	170,305	195,789	(25,484)
220230	Internal Travel & Transport	3,000	4,193	(1,193)
220327	Leave Grants & Home Passage	16,395	17,163	(768)
220340	Direct Purchases - Local	20,000	21,823	(1,823)
220435	External Travel & Transport	8,684	10,223	(1,539)
220450	Purchases Services - Local	3,824	5,509	(1,685)
220521	Salaries	150,608	150,617	(9)
220523	Allowances	23,500	25,687	(2,187)
220524	Overtime	9,000	9,943	(943)
220525	Temporary Assistance	34,408	52,100	(17,692)
220535	External Travel & Transport	4,000	5,523	(1,523)
220540	Direct Purchases - Local	6,546	17,882	(11,336)
220623	Allowances	15,000	37,187	(22,187)
220635	External Travel & Transport	1,400	1,485	(85)
220655	Purchases Services - Overseas	39,196	43,402	(4,206)
220722	Housing Assistance	5,000	5,831	(831)
220723	Allowances	12,339	15,269	(2,930)
220740	Direct Purchases - Local	105,000	110,590	(5,590)
220750	Purchased Service - Local	9,000	11,709	(2,709)
220822	Housing Assistance	3,500	3,839	(339)
220823	Allowances	5,000	6,017	(1,017)
220840	Direct Purchases - Local	1,709	1,955	(246)
220923	Allowances	5,000	26,315	(21,315)
220924	Overtime	1,800	6,449	(4,649)
220925	Temporary Assistance	1,000	1,985	(985)
220985	Staff Ed, Training and Dev	43,358	59,293	(15,935)
221045	Direct Purchases - Overseas	99,000	122,717	(23,717)
221121	Salaries	3,030,654	3,036,293	(5,639)
221122	Housing Assistance	26,376	32,920	(6,544)
221123	Allowances			

		650,000	731,158	(81,158)
221125	Temporary Assistance	333,200	338,738	(5,538)
221127	Leave Grants & Home Passage	174,070	175,318	(1,248)
221140	Direct Purchases - Local	50,000	108,199	(58,199)
221150	Purchased Service - Local	3,000	3,313	(313)
221160	Hire of Plants and Vechicles	18,000	20,498	(2,498)
221182	Relocation Expenses	35,000	37,341	(2,341)
221185	Staff Ed, Training and Dev	117,677	117,928	(251)
221220	KPF & Pension Contribution	10,879	12,359	(1,480)
221221	Salaries	136,550	168,174	(31,624)
221223	Allowances	35,000	61,957	(26,957)
221225	Temporary Assistance	8,505	33,058	(24,553)
221228	Transport to Normal Work	14,000	14,845	(845)
221230	Internal Travel & Transport	10,000	21,949	(11,949)
221260	Hire of Plants and Vechicles	25,000	27,560	(2,560)
221323	Allowances	27,166	32,307	(5,141)
221324	Overtime	6,000	14,450	(8,450)
221325	Temporary Assistance	5,000	8,951	(3,951)
221340	Direct Purchases - Local	37,424	45,837	(8,413)
221350	Purchased Service - Local	16,000	18,928	(2,928)
221364	Communicaton Charges	3,600	4,020	(420)
221367	Electricity & Gas	25,000	67,839	(42,839)
221423	Allowances	10,000	33,108	(23,108)
221425	Temporary Assistance	946	10,410	(9,464)
	Total Ministry	**$6,801,729**	**$7,475,694**	**-$673,965**
Ministry of Education,Youth& Sports				
230120	KPF Contribution	28,684	64,381	(35,697)
230140	Direct Purchases - Local	67,146	67,694	(548)
230141	Entertainment	18,000	19,246	(1,246)
230150	Purchased Services - Local	39,314	46,355	(7,041)
230160	Hire of Plants and Vechicles	87,653	90,622	(2,969)
230168	Water	280	653	(373)
230220	KPF Contribution	171,473	426,254	(254,781)

230221	Salaries	5,724,181	6,058,937	(334,756)
230223	Allowances	245,320	336,662	(91,342)
230225	Temporary Assistance	199,348	327,723	(128,375)
230320	KPF Contribution	359,143	386,385	(27,242)
230327	Leave Grants & Home Passage	197,788	211,666	(13,878)
230328	Transport to Normal Work	80,837	80,915	(78)
230420	KPF Contribution	12,852	56,334	(43,482)
230520	KPF Contribution	11,248	22,394	(11,146)
230524	Overtime	620	8,394	(7,774)
230527	Leave Grants & Home Passage	6,075	12,166	(6,091)
230528	Transport to Normal Work	-	383	(383)
230540	Direct Purchases - Local	67,294	104,243	(36,949)
230620	KPF Contribution	26,686	41,496	(14,810)
230624	Overtime	7,653	11,344	(3,691)
230627	Leave Grants & Home Passage	13,538	17,698	(4,160)
230720	KPF Contribution	33,259	39,797	(6,538)
230727	Leave Grants & Home Passage	14,250	14,251	(1)
230820	KPF Contribution	6,004	6,927	(923)
231028	Transport to Normal Work	8,392	9,813	(1,421)
231220	KPF Contribution	3,621	6,889	(3,268)
231221	Salaries	22,773	53,919	(31,146)
231230	Internal Travel & Transport	108	2,322	(2,214)
231240	Direct Purchases - Local	21,821	51,821	(30,000)
231264	Communicaton Charges	24,949	27,949	(3,000)
231350	Purchased Services - Local	2,421	3,541	(1,120)
	Total	**$7,502,731**	**$8,609,174**	**($1,106,443)**
Ministry of Comm, Transport &Tourism Development				
240130	Internal Travel & Transport	16,110	16,296	(186)
240450	Purchased Service - Local	15,000	15,445	(445)
240640	Direct Purchases - Local	15,600	15,670	(70)
240750	Purchased Service - Local	37,870	38,269	(399)
240828	Transport to Normal Work	1,752	1,753	(1)
240850	Purchased Service - Local	1,000	1,001	(1)

241030	Internal Travel & Transport	4,000	4,012	(12)
241067	Electricity and Gas	6,275	6,276	(1)
241121	Salaries	162,578	163,608	(1,030)
241124	Overtime	10000	27787	(17,787)
241125	Temporary Assistance	5,000	10,848	(5,848)
241127	Leave Grants & Home Passage	12,900	13,212	(312)
241128	Transport to Normal Work	6,400	7,353	(953)
241130	Internal Travel & Transport	20,201	22,454	(2,253)
241140	Direct Purchases - Local	6,815	10,214	(3,399)
241150	Purchased Service - Local	8636	10594	(1,958)
241164	Communication Charges	12849	18963	(6,114)
	Total Ministry	**$342,986**	**$383,755**	**-$40,769**
Ministry of Finance and Economic Planning				
250120	Salaries	15,652	15,701	(49)
250125	Temporary Assistance	12,046	15,587	(3,541)
250135	External Travel & Transport	49,338	61,588	(12,250)
250160	Hire Purchases and Vehicles	114,779	124,781	(10,002)
250340	Direct Purchases - Local	5,033	5,172	(139)
250350	Purchased Services - Local	3,500	4,320	(820)
250421	Salaries	121,615	122,153	(538)
250550	Purchased Services - Local	15,372	18,144	(2,772)
250640	Direct Purchases - Local	23,958	26,358	(2,400)
250720	KPF & Pension Contribution	8,443	8,650	(207)
250723	Allowances	-	6,342	(6,342)
250850	Purcahses Services Local	1,608	1,700	(92)
	Total Ministry	**$371,344**	**$410,496**	**(39,152)**
Ministry of Works and Energy				
270120	KPF & Pension Contribution	18,851	30,750	(11,899)
270121	Salaries	185,829	188,143	(2,314)
270124	Overtime	19,119	28,098	(8,979)
270130	Internal Travel & Transport	9,239	11,443	(2,204)
270135	External Travel & Transport	39,273	39,933	(660)
270140	Direct Purchases - Local	17,301	17,641	(340)

270150	Purchased Services - Local	15,654	15,765	(111)
270160	Hire of Plant and Vehicles	49,672	67,049	(17,377)
270227	Leave Grant & Home Passage	2,650	2,660	(10)
270230	Internal Travel & Transport	64	65	(1)
270340	Direct Purchases - Local	3,431	3,763	(332)
270345	Direct Purchases - Overseas	1,330	1,350	(20)
270450	Purchased Services - Local	9,264	33,356	(24,092)
270523	Allowances	15,876	22,662	(6,786)
270524	Overtime	32,550	35,970	(3,420)
270528	Transport to Normal Work	6,755	6,866	(111)
270560	Hire of Plant and Vehicles	38,515	51,115	(12,600)
270621	Salaries	181,783	186,589	(4,806)
270623	Allowances	3,314	3,434	(120)
270630	Internal Travel & Transport	19,335	26,999	(7,664)
270650	Purchased Services - Local	8,414	9,139	(725)
270720	KPF & Pension Contribution	8,100	11,340	(3,240)
270724	Overtime	2,285	5,126	(2,841)
270725	Temporary Assistance	1,109	2,584	(1,475)
270750	Purchased Services - Local	395	4,267	(3,872)
270824	Overtime	1,010	3,390	(2,380)
270825	Temporary Assistance	608	6,422	(5,814)
270828	Transport to Normal Work	1,580	1,996	(416)
270830	Internal Travel & Transport	6,302	7,878	(1,576)
270840	Direct Purchases - Local	7,718	8,392	(674)
270860	Hire of Plant and Vehicles	10,269	24,279	(14,010)
270921	Salaries	183,178	183,647	(469)
270924	Overtime	17,570	29,130	(11,560)
270925	Temporary Assistance	1,872	16,582	(14,710)
270930	Internal Travel & Transport	15,799	29,220	(13,421)
270960	Hire of Plant and Vehicles	21,645	24,045	(2,400)
270968	Water	3,753	6,603	(2,850)
	Total	**$961,412**	**$1,147,691**	**-$186,279**
Ministry of Labour&Human Resource Development				

280120	KPF & Pension Contribution	11110	16158	(5,048)
280121	Salaries	143,880	153,501	(9,621)
280123	Allowances	11,620	12,232	(612)
280124	Overtime	7,320	20,245	(12,925)
280125	Temporary Assistances	4,252	13,946	(9,694)
280135	External Travel & Transport	89,809	130,830	(41,021)
280140	Direct Purchases - Local	7,658	40,797	(33,139)
280141	Entertainment	5,000	5,017	(17)
280150	Purchases Services - Local	15,275	25,473	(10,198)
280160	Hire of Plants and Vehicles	76,560	109,786	(33,226)
280164	Communication Charges	23,368	25,103	(1,735)
280167	Electricity and Gas	29,199	34,017	(4,818)
280227	Leave Grant & Home Passage	4,630	6,103	(1,473)
280230	Internal Travel & Transport	29,911	72,594	(42,683)
280235	External Travel & Transport	46,907	135,342	(88,435)
280240	Direct Purchases - Local	18,145	25,234	(7,089)
280250	Purchased Service - Local	28,910	43,896	(14,986)
280255	Purchases Services - Overseas	4,480	5,959	(1,479)
280260	Hire of Plant and Vehicles	18,920	18,947	(27)
280285	staff ED Training and Dev	84,520	175,499	(90,979)
280321	Salaries	249,886	254,075	(4,189)
280325	Temporary Assistances	10,962	20,427	(9,465)
280340	Direct Purchases - Local	85,918	100,718	(14,800)
280350	Purchased Service - Local	69,331	74,551	(5,220)
280364	Communication Charges	6,310	9,941	(3,631)
280367	Electricity and Gas	56,800	60,248	(3,448)
280425	Temporary Assistances	142,000	175,700	(33,700)
280427	Leave Grant & Home Passage	18,032	18,210	(178)
280428	Transport to Normal Work	47,420	53,384	(5,964)
280430	Internal Travel & Transport	12,000	23,242	(11,242)
280440	Direct Purchases - Local	381,358	382,616	(1,258)
280450	Purchases Services - Local	10,000	17,874	(7,874)
280467	Electricity and Gas	128,000	136,119	(8,119)
280468	Water	23,000	24,374	(1,374)
280485	staff ED Training and Dev	104,200	114,015	(9,815)
280523	Allowances	3,268	3,382	(114)
280524	Overtime	28,716	30,771	(2,055)
280525	Temporary Assistances	30,877	34,203	(3,326)
280527	Leave Grant & Home Passage	10,160	10,464	(304)

280528	Transport to Normal Work	21,494	25,499	(4,005)
280530	Internal Travel & Transport	16,324	17,241	(917)
280540	Direct Purchases - Local	190,133	204,053	(13,920)
280550	Purchased Service - Local	22,340	23,409	(1,069)
280560	Hire of Plant and Vehicles	17,150	23,120	(5,970)
	Total Ministry	**$2,347,153**	**$2,908,315**	**(561,162)**
Ministry of Line and Phoenix Development				
290124	Overtime	14,000	14,035	(35)
290127	Leave Grants & Home Passage	51,700	51,784	(84)
290130	Internal Travel & Transport	163,400	164,358	(958)
290140	Direct Purchases - Local	20,000	26,225	(6,225)
290145	Direct Purchases - Overseas	15,400	15,451	(51)
290160	Hire of Plants and Vehicles	30,000	53,164	(23,164)
290167	Electricity and Gas	4,200	894,972	(890,772)
290245	Direct Purchases - Overseas	1,993	2,151	(158)
290327	Leave Grants & Home Passage	30,000	70,740	(40,740)
290430	Internal Travel & Transport	0	1	(1)
290523	Allowances	1,900	4,293	(2,393)
290528	Transport to Normal Work	9,396	9,960	(564)
290550	Purchases Services - Local	3,834	3,850	(16)
290627	Leave Grants & Home Passage	16,000	27,626	(11,626)
290727	Leave Grants & Home Passage	16,000	55,858	(39,858)
290820	KPF & Pension Contribution	3,639	5,762	(2,123)
290830	Internal Travel & Transport	4,700	5,630	(930)
290845	Direct Purchases - Overseas	2,000	2,007	(7)
290920	KPF & Pension Contribution	2,625	3,032	(407)
290923	Allowances	500	741	(241)
290927	Leave Grants & Home Passage	7,000	7,608	(608)
291020	KPF & Pension Contribution	2,010	2,222	(212)
291120	KPF & Pension Contribution	6,694	8,611	(1,917)
291123	Allowances	6,100	7,468	(1,368)
291127	Leave Grants & Home Passage	10,000	18,361	(8,361)
	Total Ministry	**$423,091**	**$1,455,910**	**-$1,032,819**
Debt Servicing				
300105	ADB Loan No 922 PUB	35,000.00	51,464.00	(16,464)
300106	ADB Loan No1039 DBK	18,000.00	21,506.00	(3,506)

300108	Other Financing Comm&Int cha	4,171,029	6,430,409	(2,259,380)
		$4,224,029	**$6,503,379**	**-$2,279,350**
Other Government Expenses		**Approved Budget**	**Actual**	**Over Expenditure**
311150	Grants to Voluntary Organisation	20,000	22,882	(2,882)
312355	Contribution Freign Affairs	509,573	552,784	(43,211)
315450	Council Charges	180,656	195,656	(15,000)
319130	Search & Rescue	100,000	100,643	(643)
319550	Other Payment Housing Mainten	150,000	304,740	(154,740)
319650	**Senior Citizens benefit**	1,781,760	1,861,690	(79,930)
	Total	**2,741,989.00**	**3,038,395.00**	**(296,406.00)**
	Over Expenditure	**32,214,001.00**	**39,779,172.00**	**(7,565,171.00)**
	2012 Gross Over Expenditure			(7,565,171.00)

8.3 Savings **Appendix C**

	2012	2011
	$	$
Public Service Office		32,907
Judiciary	11,616	
Police and Prison	114,209	
Public Service Commission	16,174	
Min. Of Internal & Social Affairs		3,936
Ministry of Commerce, Industry and Trade	12,458	
Ministry of Fisheries & MRD	120,685	0
Ministry of Health & Medical Services	68,223	492,875
Ministry of Comm., Trans & Tourism Dev.	26,285	66,357
Ministry of Finance	107,327	33,930
Other Government Expenses	626,714	324,863
Contribution to Development Fund		31,008
Total	**1,103,691**	**1,005,939**

8.4 2012 Consolidated Fund Accounts Appendix D

GOVERNMENT OF KIRIBATI - STATEMENT No. II

Consolidated Fund

as at 31st December 2012

	Expenditure					Revenue				
	Budget					Budget				
	Org.	Revised	Pro Rata	Actual	(Over)/Under	Org.	Revised	Pro Rata	Actual	Over/(Under)
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
01 Government of Kiribati Revenue	0	0	0	0	0	0	0	0	0	0
02 Contribution to Development Fund	6,987,345	8,052,378	8,052,378	8,052,378	0	0	0	0	0	0
03 Contribution to RERF	0	0	0	0	0	0	0	0	0	0
09 Support to the Beretitenti	1,028,580	1,028,580	1,028,580	1,173,889	-145,309	0	0	0	0	0
10 Public Service Office	594,484	594,484	594,484	594,534	-50	0	0	0	0	0
11 Judiciary	1,565,650	1,565,650	1,565,650	1,554,034	11,616	-541,200	-541,200	-541,200	-70,629	-470,571
12 Police and Prisons	7,030,624	7,030,624	7,030,624	6,916,415	114,209	-69,900	-69,900	-69,900	-63,378	-6,522
13 Public Service Commission	217,629	230,629	230,629	214,455	16,174	0	0	0	0	0
14 Foreign Affairs	1,059,634	1,161,884	1,161,884	1,286,197	-124,313	-100,000	-100,000	-100,000	-99,370	-631
15 Ministry of Home Affairs and Rural D	2,829,486	2,829,486	2,829,486	2,912,865	-83,379	-81,160	-81,160	-81,160	-77,056	-4,104
16 Ministry Of Environment and Social D	2,519,000	2,519,000	2,519,000	2,583,528	-64,528	-155,300	-155,300	-155,300	-203,657	48,357
17 Maneaba ni Maungatabu	2,182,870	2,258,470	2,258,470	2,585,247	-326,777	-4,600	-4,600	-4,600	-7,664	3,064
18 Ministry Of Commerce, Industry and T	1,187,389	1,187,389	1,187,389	1,174,931	12,458	-44,116	-44,116	-44,116	-54,871	10,755
19 Kiribati National Audit Office	571,086	671,653	671,653	692,282	-20,629	-62,500	-62,500	-62,500	-13,000	-49,500
20 Office of the Attorney General	471,229	471,229	471,229	568,614	-97,385	-1,020	-1,020	-1,020	-78	-942
21 Ministry of Natural Resources Develo	2,079,548	2,079,548	2,079,548	1,958,883	120,665	-30,223,500	-30,223,500	-30,223,500	-58,829,791	28,606,291
22 Ministry of Health and Family Planni	14,121,242	14,121,242	14,121,242	14,053,019	68,223	-108,126	-108,126	-108,126	-124,354	16,228
23 Ministry of Education, Training and	18,638,443	18,638,444	18,638,444	18,963,531	-325,087	-226,356	-226,356	-226,356	-135,096	-91,260
24 Ministry of Information, Communicati	2,652,888	2,652,888	2,652,888	2,626,603	26,285	-3,514,000	-3,514,000	-3,514,000	-2,319,034	-1,194,966
25 Ministry of Finance and Economic Pla	2,720,446	3,140,594	3,140,594	3,033,267	107,327	-35,132,800	-35,132,800	-35,132,800	-66,280,859	31,148,059
27 Ministry of Works and Energy	2,284,360	2,284,380	2,284,380	2,350,110	-65,730	-61,700	-61,700	-61,700	-70,206	8,506
28 Ministry of Labour, Employment and	3,350,964	3,350,964	3,350,964	3,888,698	-537,734	-54,480	-54,480	-54,480	-33,517	-20,963
29 Ministry of Line and Phoenix Develop	2,678,756	2,678,756	2,678,756	3,667,198	-988,442	-388,700	-388,700	-388,700	-456,592	67,892
30 Debt Servicing	1,581,658	5,165,187	5,165,187	7,202,573	-2,037,386	0	0	0	0	0
31 Other Government Expenses	16,935,481	19,892,742	19,892,742	19,266,028	626,714	0	0	0	0	0
Grand Total	95,289,012	103,606,200	103,606,200	107,319,279	-3,713,079	-70,769,458	-70,769,458	-70,769,458	128,839,152	58,069,694

Add Consolidated Fund Brought Forward 10,237,696

118,601,456

Less Expenditure 107,319,279

Consolidated Fund carried Forward -11,282,177

Accountant General

8

Printed on: 24-Jun-13

8.5 Ministries' Revenue and Expenditure Appendix E

OFFICE OF TE BERETITENTI (OB)

		Budget			Actual			2012 Variance		
Code	Description	01 Admin	02 S. to Beretitenti	Total Budget	01 Admin	02 S. to Beretitenti	Total Actual	01 Admin	02 S. to Beretitenti	Total Variances
REVENUE									(Over)/Under	
EXPENDITURE									(Over)/Under	
20	KPF Contribution	18,764	3,723	22,487	18,764	3,723	22,487	0	0	0
21	Salaries	234,892	36,526	271,418	234,892	36,526	271,418	0	0	0
22	Housing Assistance	4,577	0	4,577	4,577	0	4,577	0	0	0
23	Allowances	19,915	3,510	23,425	19,915	3,510	23,425	0	0	0
24	Overtime	13,720	11,616	25,336	27,866	11,616	39,482	-14,146	0	-14,146
25	Temporary Assistance	3,674	1,169	4,843	3,674	1,169	4,843	0	0	0
26	Wages	0	0	0	0	0	0	0	0	0
27	Leave Grants	11,430	345	11,775	11,430	340	11,770	0	5	5
	Sub Total	**306,972**	**56,889**	**363,861**	**321,118**	**56,884**	**378,002**	**-14,146**	**5**	**-14,141**
28	Transport to work	14,244	9,504	23,748	14,244	9,504	23,748	0	0	0
30	Internal Travel	102,480	2,300	104,780	116,322	2,300	118,622	-13,842	0	-13,842
35	External Travel	111,340	0	111,340	186,127	0	186,127	-74,787	0	-74,787
40	Local Purchases	42,044	17,796	59,840	42,044	17,796	59,840	0	0	0
41	Entertainment	69,815	24,607	94,422	69,906	24,607	94,513	-91	0	-91
45	Overseas Purchases	7,990	670	8,660	7,981	670	8,651	9	0	9
50	Local Services	67,606	6,066	73,672	65,966	3,997	69,963	1,640	2,069	3,709
60	Hire of Plant & Equip	94,802	0	94,802	140,967	0	140,967	-46,165	0	-46,165
64	Telecommunications	30,296	4,576	34,872	30,296	4,576	34,872	0	0	0
67	Electricity & gas	51,459	7124	58,583	51,459	7124	58,583	0	0	0
68	Water		0	0	0	0	0	0	0	0
70	Special Expenditure		0	0	0	0	0	0	0	0
82	Relocation Expenses		0	0	0	0	0	0	0	0
85	Local Training		0	0	0	0	0	0	0	0
	Sub Total	**592,076**	**72,643**	**664,719**	**725,312**	**70,574**	**795,886**	**-133,236**	**2,069**	**-131,167**
	Total Recurrent Expenditure	**899,048**	**129,532**	**1,028,580**	**1,046,430**	**127,458**	**1,173,888**	**-147,382**	**2,074**	**-145,308**
OTHER COMMITMENTS										
	GRAND TOTAL	**899,048**	**129,532**	**1,028,580**	**1,046,430**	**127,458**	**1,173,888**	**-147,382**	**2,074**	**-145,308**

PUBLIC SERVICE OFFICE (PSO)

		Budget			Actual			2012 Variance		
Code	Description	01 Admin	02 Human	Total Budget	01 Admin	02 Human	Total Actual	01 Admin	02 Human	Total Variances
REVENUE								(Over)/Under		
EXPENDITURE								(Over)/Under		
20	KPF Contribution	13,365	11,482	24,847	13,365	11,482	24,847	0	0	0
21	Salaries	188,189	95,878	284,067	188,189	95,878	284,067	0	0	0
22	Housing Assistance	9,379	5,843	15,222	9,379	5,843	15,222	0	0	0
23	Allowances	18,588	1,321	19,909	18,588	1,321	19,909	0	0	0
24	Overtime	12,932	2,460	15,392	12,932	2,460	15,392	0	0	0
25	Temporary Assistance	2,500	2,500	5,000	2,500	2,500	5,000	0	0	0
26	Wages	0	0	0	0	0	0	0	0	0
27	Leave Grants	9,500	1,310	10,810	9,500	1,685	11,185	0	-375	-375
	Sub Total	**254,453**	**120,794**	**375,247**	**254,453**	**121,169**	**375,622**	**0**	**-375**	**-375**
28	Transport to work	11,680	0	11,680	11,680	0	11,680	0	0	0
30	Internal Travel	36,356	0	36,356	36,356	0	36,356	0	0	0
35	External Travel	10,000	0	10,000	10,000	0	10,000	0	0	0
40	Local Purchases	53,791	0	53,791	53,748	0	53,748	43	0	43
41	Entertainment	7,901	0	7,901	7,901	0	7,901	0	0	0
45	Overseas Purchases	162	0	162	0	0	0	162	0	162
50	Local Services	32,591	0	32,591	32,591	0	32,591	0	0	0
52	Cleaning	0	0	0	0	0	0	0	0	0
55	Overseas Services	488	0	488	427	0	427	61	0	61
60	Hire of Plant & Equip	39,468	0	39,468	39,468	0	39,468	0	0	0
64	Telecommunications	14,000	0	14,000	13,941	0	13,941	59	0	59
67	Electricity & gas	12,800	0	12,800	12,800	0	12,800	0	0	0
68	Water	0	0	0	0	0	0	0	0	0
70	Special Expenditure	0	0	0	0	0	0	0	0	0
82	Relocation Expenses	0	0	0	0	0	0	0	0	0
85	Local Training	0	0	0	0	0	0	0	0	0
	Sub Total	**219,237**	**0**	**219,237**	**218,912**	**0**	**218,912**	**325**	**0**	**325**
	Total Recurrent Expenditure	**473,690**	**120,794**	**594,484**	**473,365**	**121,169**	**594,534**	**325**	**-375**	**-50**
OTHER COMMITMENTS										
31	01 Kiribati Housing Subsidy	250,000	-	250,000	250,000		250,000	-	-	-
	02 Local Cont to Dev. Fund	-	313,245	313,245		33,459	33,459	-	279,786	279,786
	Sub Total	**250,000**	**313,245**	**563,245**	**250,000**	**33,459**	**283,459**	-	279,786	**279,786**
	GRAND TOTAL	**723,690**	**434,039**	**1,157,729**	**723,365**	**154,628**	**877,993**	**325**	**279,411**	**279,736**

JUDICIARY

		Budget					Actual					2012 Variance				
Code	Description	01 Jud Service	02 Magis Service	03 Legal Service	04 Policy Support	Total Budget	01 Jud Service	02 Magis Service	03 Legal Service	04 Policy Support	Total Actual	01 Jud Service	02 Magis	03 Legal Service	04 Policy Support	Total Variances
REVENUE														(Over)/Under		
01 Court Fine		300,000				300,000	23,215				23,215	276,785				276,785
02 Court Fee			240,000			240,000		46,928			46,928		193,072			193,072
01 Practicing fees				800		800			187		187			613		613
02 People's Lawyers admin fee				400		400			300		300			100		100
	Total Revenue	300,000	240,000	1,200	0	541,200	23,215	46,928	487	0	70,630	276,785	193,072	713	0	470,570
EXPENDITURE														(Over)/Under		
20	KPF Contribution	5,491	19,322	8,406	7,775	40,994	5,491	19,322	8,406	7,775	40,994	0	0	0	0	0
21	Salaries	64,250	316,634	99,660	90,768	571,312	64,250	316,634	99,660	88,911	569,455	0	0	0	1,857	0
22	Housing Assistance	0	6,097	27,788	8,436	42,321	0	6,097	26,626	7,738	40,461	0	0	1,162	698	1,162
23	Allowances	112,796	235,039	240	2,568	350,643	112,796	240,067	0	2,192	355,055	0	-5,028	240	376	-4,788
24	Overtime	476	20,544	1,132	10,269	32,421	476	20,544	0	10,269	31,289	0	0	1,132	0	1,132
25	Temporary Assistance	22,385	1,998	13,165	5,883	43,431	22,385	1,998	13,165	5,883	43,431	0	0	0	0	0
26	Wages	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27	Leave Grants	2,875	14,467	3,969	5,126	26,437	2,875	14,467	3,663	4,780	25,785	0	0	306	346	306
	Sub Total	208,273	614,101	154,360	130,825	1,107,559	208,273	619,129	151,520	127,548	1,106,470	0	-5,028	2,840	3,277	-2,188
28	Transport to work	1,966	9,724	6,459	5,536	23,685	1,966	9,724	6,459	5,278	23,427	0	0	0	258	258
30	Internal Travel	22,681	39,385	20,010	1,600	83,676	22,681	44,664	20,010	300	87,655	0	-5,279	0	1,300	-3,979
35	External Travel	34,538	0	0	0	34,538	34,538	0	0	0	34,538	0	0	0	0	0
40	Local Purchases	10,177	43,482	9,592	12,626	75,877	10,177	43,482	9,308	11,724	74,691	0	0	284	902	1,186
41	Entertainment	687	0	0	0	687	688	0	0	0	688	-1	0	0	0	-1
45	Overseas Purchases	3,989	0	0	0	3,989	3,989	0	0	0	3,989	0	0	0	0	0
50	Local Services	6,146	12,682	7,547	15,729	42,104	6,146	12,682	7,442	15,729	41,999	0	0	105	0	105
52	Cleaning	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
55	Overseas Services	27,224	0	0	0	27,224	27,224	0	0	0	27,224	0	0	0	0	0
60	Hire of Plant & Equip	19,200	12,181	0	27,406	58,787	19,200	12181	0	25,470	56,851	0	0	0	1,936	1,936
64	Telecommunications	7,904	23,122	7,800	10,800	49,626	7,566	22,784	7,451	7,840	45,641	338	338	349	2,960	3,985
67	Electricity & gas	12,600	17,429	9,449	14,000	53,478	12,600	16434	9,375	12,036	50,445	0	995	74	1,964	3,033
68	Water	420	0	0	0	420	420	0	0	0	420	0	0	0	0	0
70	Special Expenditure	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
82	Relocation Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
85	Local Training	0	0	0	4,000	4,000	0	0	0	0	0	0	0	0	4,000	4,000
	Sub Total	147,532	158,005	60,857	91,697	458,091	147,195	161,951	60,045	78,377	447,568	337	-3,946	812	13,320	10,523
	Total Recurrent Expenditure	355,805	772,106	215,217	222,522	1,565,650	355,468	781,080	211,565	205,925	1,554,038	337	-8,974	3,652	16,597	11,612
OTHER COMMITMENTS																
	Sub Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	GRAND TOTAL	355,805	772,106	215,217	222,522	1,565,650	355,468	781,080	211,565	205,925	1,554,038	337	-8,974	3,652	16,597	11,612

KIRIBATI POLICE AND PRISON SERVICE (KPPS)

			ACTUAL					
Code	**Description**	01 Policy dev	02 Airport/ domestic Ser	03 Custody/Supervision Prison	04 Surveillance/EEZ	05 Invest, Prosec	06 Maintenance of law	Total Actual
Revenue								
	Hire of police Band	$300.00						
	Sundry Revenue	$63,078.00						
	Patrol Boat hire							
Expenditure								
20	KPF contribution	$72,109.00	$9,708.00	$19,838.00	$20,057.00	$32,613.00	$148,978.00	$303,303.00
21	Salaries	$614,222.00	$118,287.00	$279,757.00	$293,600.00	$346,372.00	$2,262,019.00	$3,914,257.00
22	Housing	$6,796.00						$6,796.00
23	Allowances	$67,605.00	$20,159.00	$35,322.00	$51,901.00	$53,997.00	$174,775.00	$403,759.00
24	Overtime	$93,294.00	$30,022.00	$70,532.00	$41,117.00	$87,626.00	$220,759.00	$543,350.00
25	Temporary	$9,480.00						$9,480.00
26	Wages							
27	Leave grants	$21,285.00	$4,389.00	$12,668.00	$14,021.00	$13,300.00	$155,889.00	$221,552.00
	Sub total	**$884,791.00**	**$182,565.00**	**$418,117.00**	**$420,696.00**	**$533,908.00**	**$2,962,420.00**	**$5,402,497.00**
28	Transport to work	$40,576.00	$7,065.00	$5,312.00	$26,760.00	$12,648.00	$54,984.00	$147,345.00
30	Internal travel	$62,394.00	$4,800.00	$21,145.00	$4,195.00	$36,874.00	$88,446.00	$217,854.00
35	External travel	$150,247.00	$7,871.00	$9,983.00	$6,960.00			$175,061.00
40	Direct purchases local	$116,232.00	$2,540.00	$114,611.00	$175,896.00	$43,866.00	$200,956.00	$654,101.00
41	Entertainment	$2,926.00						$2,926.00
45	Direct purchases Overseas	$24,699.00			$12,204.00			$36,903.00
50	Purchase service local	$46,370.00		$1,746.00	$6,305.00	$4,278.00		$58,699.00
52	Cleaning							
55	Purchase service overseas		$2,398.00					$2,398.00
59	Local referral							
60	Hire of Plant							
64	Telecoms	$100,462.00						$100,462.00
67	Electricity and gas	$116,651.00						$116,651.00
68	Water	$812.00		$661.00				$1,473.00
	One off expenses							
70	Special							
72	Commitment/other							
81	Recruitment							
82	Relocation							
85	Local training							
86	Overseas training							
95	Motor vehicle fund							
	Sub total	**$661,369.00**	**$24,674.00**	**$153,458.00**	**$232,320.00**	**$97,666.00**	**$344,386.00**	**$1,513,873.00**
	Total recurrent expenditure	**$1,546,160.00**	**$207,239.00**	**$571,575.00**	**$653,016.00**	**$631,574.00**	**$3,306,806.00**	**$6,916,370.00**

			BUDGET					
Code	Description	01 Policy dev	02 Airport/ domestic Ser	03 Custody/Supervision Prison	04 Surveillance/EEZ	05 Invest, Prosec	06 Maintenance of law	Total budget
Revenue								
	Hire of police Band	$3,900.00						
	Sundry Revenue	$62,000.00						
	Patrol Boat hire				$4,000.00			
Expenditure								
20	KPF contribution	$72,480.00	$10,021.00	$20,429.00	$20,155.00	$33,434.00	$167,000.00	$323,519.00
21	Salaries	$608,768.00	$131,276.00	$279,889.00	$293,736.00	$356,118.00	$2,266,666.00	$3,936,453.00
22	Housing	$7,428.00						$7,428.00
23	Allowances	$69,787.00	$20,939.00	$36,403.00	$53,685.00	$54,415.00	$150,593.00	$385,822.00
24	Overtime	$94,236.00	$32,335.00	$71,456.00	$43,466.00	$89,159.00	$190,174.00	$520,826.00
25	Temporary	$10,000.00						$10,000.00
26	Wages							
27	Leave grants	$24,219.00	$9,222.00	$13,670.00	$18,372.00	$14,512.00	$191,432.00	$271,427.00
	Sub total	**$886,918.00**	**$203,793.00**	**$421,847.00**	**$429,414.00**	**$547,638.00**	**$2,965,865.00**	**$5,455,475.00**
28	Transport to work	$41,226.00	$7,100.00	$5,460.00	$26,960.00	$13,156.00	$55,160.00	$149,062.00
30	Internal travel	$62,170.00	$4,800.00	$11,000.00	$10,110.00	$36,500.00	$93,532.00	$218,112.00
35	External travel	$151,000.00	$8,000.00	$15,000.00	$10,000.00			$184,000.00
40	Direct purchases local	$116,340.00	$5,539.00	$116,062.00	$196,740.00	$44,896.00	$201,409.00	$680,986.00
41	Entertainment	$3,500.00						$3,500.00
45	Direct purchases Overseas	$25,000.00			$15,300.00			$40,300.00
50	Purchase service local	$46,045.00		$1,800.00	$9,000.00	$4,544.00		$61,389.00
52	Cleaning							
55	Purchase service overseas		$5,000.00					$5,000.00
59	Local referral							
60	Hire of Plant	$45.00						
64	Telecoms	$101,000.00			$7,200.00			$108,200.00
67	Electricity and gas	$117,400.00						$117,400.00
68	Water	$3,000.00	$3,500.00	$700.00				$7,200.00
	One off expenses							
70	Special							
72	Commitment/other							
81	Recruitment							
82	Relocation							
85	Local training							
86	Overseas training							
95	Motor vehicle fund							
	Sub total	**$666,726.00**	**$33,939.00**	**$150,022.00**	**$275,310.00**	**$99,096.00**	**$350,101.00**	**$1,575,194.00**
	Total recurrent expenditure	**$1,553,644.00**	**$237,732.00**	**$571,869.00**	**$704,724.00**	**$646,734.00**	**$3,315,966.00**	**$7,030,669.00**

			VARIANCE					
Code	Description	01 Policy dev	02 Airport/ domestic Ser	03 Custody/Supervision Prison	04 Surveillance/EEZ	05 Invest, Prosec	06 Maintenance of law	Total Variance
Revenue								
	Hire of police Band	$3,600.00	$0.00	$0.00	$0.00	$0.00	$0.00	**$3,600.00**
	Sundry Revenue	-$1,078.00	$0.00	$0.00	$0.00	$0.00	$0.00	**-$1,078.00**
	Patrol Boat hire	$0.00	$0.00	$0.00	$4,000.00	$0.00	$0.00	**$4,000.00**
		$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	**$0.00**
		$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	**$0.00**
		$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	**$0.00**
Expenditure								
20	KPF contribution	$371.00	$313.00	$591.00	$98.00	$821.00	$18,022.00	**$20,216.00**
21	Salaries	-$5,454.00	$12,989.00	$132.00	$136.00	$9,746.00	$4,647.00	**$22,196.00**
22	Housing	$632.00	$0.00	$0.00	$0.00	$0.00	$0.00	**$632.00**
23	Allowances	$2,182.00	$780.00	$1,081.00	$1,784.00	$418.00	-$24,182.00	**-$17,937.00**
24	Overtime	$942.00	$2,313.00	$924.00	$2,349.00	$1,533.00	-$30,585.00	**-$22,524.00**
25	Temporary	$520.00	$0.00	$0.00	$0.00	$0.00	$0.00	**$520.00**
26	Wages	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	**$0.00**
27	Leave grants	$2,934.00	$4,833.00	$1,002.00	$4,351.00	$1,212.00	$35,543.00	**$49,875.00**
	Sub total	**$2,127.00**	**$21,228.00**	**$3,730.00**	**$8,718.00**	**$13,730.00**	**$3,445.00**	**$52,978.00**
28	Transport to work	$650.00	$35.00	$148.00	$200.00	$508.00	$176.00	**$1,717.00**
30	Internal travel	-$224.00	$0.00	-$10,145.00	$5,915.00	-$374.00	$5,086.00	**$258.00**
35	External travel	$753.00	$129.00	$5,017.00	$3,040.00	$0.00	$0.00	**$8,939.00**
40	Direct purchases local	$108.00	$2,999.00	$1,451.00	$20,844.00	$1,030.00	$453.00	**$26,885.00**
41	Entertainment	$574.00	$0.00	$0.00	$0.00	$0.00	$0.00	**$574.00**
45	Direct purchases Overseas	$301.00	$0.00	$0.00	$3,096.00	$0.00	$0.00	**$3,397.00**
50	Purchase service local	-$325.00	$0.00	$54.00	$2,695.00	$266.00	$0.00	**$2,690.00**
52	Cleaning	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	**$0.00**
55	Purchase service overseas	$0.00	$2,602.00	$0.00	$0.00	$0.00	$0.00	**$2,602.00**
59	Local referral	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	**$0.00**
60	Hire of Plant	-$45.00	$0.00	$0.00	$0.00	$0.00		**-$45.00**
64	Telecoms	$538.00	$0.00	$0.00	$7,200.00	$0.00	$0.00	**$7,738.00**
67	Electricity and gas	$749.00	$0.00	$0.00	$0.00	$0.00	$0.00	**$749.00**
68	Water	$2,188.00	$3,500.00	$39.00	$0.00	$0.00	$0.00	**$5,727.00**
	One off expenses	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	**$0.00**
70	Special	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	**$0.00**
72	Commitment/other	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	**$0.00**
81	Recruitment	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	**$0.00**
82	Relocation	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	**$0.00**
85	Local training	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	**$0.00**
86	Overseas training	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	**$0.00**
95	Motor vehicle fund	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	**$0.00**
	Sub total	**$5,267.00**	**$9,265.00**	**-$3,436.00**	**$42,990.00**	**$1,430.00**	**$5,715.00**	**$61,231.00**
	Total recurrent expenditure	**$7,394.00**	**$30,493.00**	**$294.00**	**$51,708.00**	**$15,160.00**	**$9,160.00**	**$114,209.00**

PUBLIC SERVICE COMMITTEE (PSC)

		Budget		Actual		2012 Variance	
Code	**Description**	**01 PSC**	**Total Budget**	**01 PSC**	**Total Actual**	**01 PSC**	**Total Variance**
REVENUE						**Over/(Under)**	
EXPENDITURE						**(Over)/Under**	
20	KPF Contribution	4,760	4,760	5,035	5,035	-275	
21	Salaries	63,159	63,159	59,201	59,201		3,958
22	Housing Assistance	0	0	0	0	0	0
23	Allowances	25,404	25,404	29,317	29,317	-3,913	
24	Overtime	6,812	6,812	5,407	5,407		1,405
25	Temporary Assistance	84	84	0	0		84
26	Wages	0	0	0	0	0	0
27	Leave Grants	2,961	2,961	2,438	2,438		523
	Sub Total	**103,180**	**103,180**	**101,398**	**101,398**	**-4,188**	**5,970**
28	Transport to work	14,342	14,342	9,836	9,836		4,506
30	Internal Travel	12,567	12,567	25,948	25,948	-13,381	
35	External Travel	639	639	0	0		639
40	Local Purchases	40,642	40,642	17,251	17,251		23,391
41	Entertainment	4,058	4,058	4,424	4,424	-366	
45	Overseas Purchases	0	0	0	0	0	0
50	Local Services	11,022	11,022	6,057	6,057		4,965
60	Hire of Plant & Equip	19,870	19,870	26,198	26,198	-6,328	
64	Telecommunications	17,152	17,152	16,242	16,242		910
67	Electricity & gas	7,157	7,157	7,102	7,102		55
68	Water	0	0	0	0	0	0
	Sub Total	**127,449**	**127,449**	**113,058**	**113,058**	**-20,075**	**34,466**
	Total Recurrent Expenditure	**230,629**	**230,629**	**214,456**	**214,456**	**-24,263**	**40,436**
OTHER COMMITMENTS							
	GRAND TOTAL	**230,629**	**230,629**	**214,456**	**214,456**	**-24,263**	**40,436**

MINISTRY OF FOREIGN AFFAIRS AND IMMIGRATION (MFAI)

		Budget				Actual				2012 Variance			
Code	Description	01 Admin	02 Immig	03 Kiribati High Com	Total Budget	01 Admin	02 Immig	03 Kiribati High Com	Total Actual	01 Admin	02 Immig	03 Kiribati	Total Variances
REVENUE										(Over)/Under			
02 Visa Fees			5,000	5,000	10,000	0	83,160	460	83,620	0	-78,160	4,540	-73,620
03 Immigration & Other charges			90,000		90,000	0	15,750	0	15,750	0	74,250	0	74,250
	Total Revenue	**0**	**95,000**	**5,000**	**100,000**	**0**	**98,910**	**460**	**99,370**	**0**	**-3,910**	**4,540**	**630**
EXPENDITURE										(Over)/Under			
20	KPF Contribution	13,410	8,752	6,959	29,121	13,410	8,752	10,192	32,354	0	0	-3,233	-3,233
21	Salaries	177,294	98,288	41,886	317,468	176,318	98,070	30,153	304,541	976	218	11,733	12,927
22	Housing Assistance	728	1,017	12,000	13,745	728	1,017	7,829	9,574	0	0	4,171	4,171
23	Allowances	0	4,101	39,663	43,764	0	4,101	61,011	65,112	0	0	-21,348	-21,348
24	Overtime	11,380	20,227	4,368	35,975	20,740	20,227	16,441	57,408	-9,360	0	-12,073	-21,433
25	Temporary Assistance	1,500	1,000	1,500	4,000	1,500	1,000	0	2,500	0	0	1,500	1,500
26	Wages	0	0	49,401	49,401	0	0	69,484	69,484	0	0	-20,083	-20,083
27	Leave Grants	9,976	2,160	1,125	13,261	9,976	2,160	2,477	14,613	0	0	-1,352	-1,352
	Sub Total	**214,288**	**135,545**	**156,902**	**506,735**	**222,672**	**135,327**	**197,587**	**555,586**	**-8,384**	**218**	**-40,685**	**-48,851**
28	Transport to work	19,369	0	14,400	33,769	19,369	0	10,212	29,581	0	0	4,188	4,188
30	Internal Travel	1,283	4,319	6,724	13,783	2,740	2,275	18,003	23,018	-1,457	2,044	-11,279	-10,692
35	External Travel	206,339	5,438	12,000	234,661	217,223	5,438	28,875	251,536	-10,884	0	-16,875	-27,759
40	Local Purchases	36,561	14,913	27,500	87,767	45,354	14,913	28,614	88,881	-8,793	0	-1,114	-9,907
41	Entertainment	86,404	0	9,500	100,223	90,723	0	6,320	97,043	-4,319	0	3,180	-1,139
45	Overseas Purchases	0	0	0	0	0	0	0	0	0	0	0	0
50	Local Services	25,240	0	25,350	50,590	30,857	0	22,615	53,472	-5,617	0	2,735	-2,882
52	Cleaning	0	0	0	0	0	0	0	0	0	0	0	0
55	Overseas Services	35,141	0	0	35,141	35,141	0	0	35,141	0	0	0	0
60	Hire of Plant & Equip	43,200	0	0	43,200	55,725	0	0	55,725	-12,525	0	0	-12,525
64	Telecommunications	26,400	259	21,600	48,259	26,400	259	27,904	54,563	0	0	-6,304	-6,304
67	Electricity & gas	24,209	0	9,000	33,209	32,425	0	9,229	41,654	-8,216	0	-229	-8,445
68	Water	0	0	0	0	0	0	0	0	0	0	0	0
70	Special Expenditure	0	0	0	0	0	0	0	0	0	0	0	0
82	Relocation Expenses	0	0	0	0	0	0	0	0	0	0	0	0
85	Local Training	0	0	0	0	0	0	0	0	0	0	0	0
	Sub Total	**504,146**	**24,929**	**126,074**	**680,602**	**555,957**	**22,885**	**151,772**	**730,614**	**-51,811**	**2,044**	**-25,698**	**-75,465**
	Total Recurrent Expenditure	**718,434**	**160,474**	**282,976**	**1,187,337**	**778,629**	**158,212**	**349,359**	**1,286,200**	**-60,195**	**2,262**	**-66,383**	**-124,316**
OTHER COMMITMENTS													
31	23 International Cont	-	-	-	-	-	-	-	-	-	-	-	-
	02 Local Cont to Dev. Fund	-	-	64,837	64,837	-	-	-	-	-	-	64,837	64,837
	Sub Total	**-**	**-**	**64,837**	**64,837**	**-**	**-**	**-**	**-**	**-**	**-**	**64,837**	**64,837**
	GRAND TOTAL	**718,434**	**160,474**	**347,813**	**1,252,174**	**778,629**	**158,212**	**349,359**	**1,286,200**	**-60,195**	**2,262**	**-1,546**	**-59,479**

MINISTRY OF INTERNAL AND SOCIAL AFFAIRS (MISA)

		Budget									
Code	Description	01 P.Dev	02 R. Dev	03 L.Gov't	04 Sport's Dev	05 S. Welfare	06 Civil Reg.	07 C. Affairs	08 Youth Dev.	09 Women Dev.	Total Budget
REVENUE											
01 Charter to Banaba		11,000									11,000
02 Social Welfare						460					460
01 Civil Registration							42,000				42,000
00 Research & Film fee								2,500			2,500
01 KNYC Maneaba									4,200		4,200
03 Sports Complex					21,000						21,000
	Total Revenue	**11,000**	**0**	**0**	**21,000**	**460**	**42,000**	**2,500**	**4,200**	**0**	**81,160**
EXPENDITURE											
20	KPF Contribution	19,432	23,086	55,441	2,320	18,676	6,140	3,718	2,271	2,308	133,392
21	Salaries	200,098	278,354	635,025	26,412	240,106	77,322	41,272	27,820	19,053	1,545,462
22	Housing Assistance	12,732	0	16,752	0	864	0	0	0	130	30,478
23	Allowances	9,635	26,152	76,126	1,448	30,726	5,070	2,555	36	4,243	155,991
24	Overtime	5,920	0	0	2,500	6,457	3,046	5,658	2,000	500	26,081
25	Temporary Assistance	6,652	14,414	18,801	5,191	16,302	5,003	4,528	3,275	5,479	79,645
27	Leave Grants	4,969	23,800	42,961	1,500	18,760	5,225	1,625	1,875	2,465	103,180
	Sub Total	**259,438**	**365,806**	**845,106**	**39,371**	**331,891**	**101,806**	**59,356**	**37,277**	**34,178**	**2,074,229**
28	Transport to work	7,144	0	0	0	1,824	2,000	1,806	0	0	12,774
30	Internal Travel	10,925	30,434	41,769	2,493	13,320	7,686	7,200	4,366	7,200	125,393
35	External Travel	30,038	4,037	17,128	15,930	9,000	500	3,000	6,290	3,000	88,923
40	Local Purchases	26,236	0	47,087	1,961	9,418	5,926	6,229	500	5,708	103,065
41	Entertainment	4,893	0	0	0	0	0	0	0	0	4,893
45	Overseas Purchases	0	0	790	0	0	0	0	0	0	790
50	Local Services	33,321	0	22,652	5,692	7,760	3,221	6,547	8,591	16,059	103,843
52	Cleaning	1,957	0	101	550	421	0	230	0	500	3,759
55	Overseas Services	0	0	0	0	0	0	0	0	0	0
59	Internal Service charge	0	0	0	0	0	0	0	0	0	0
60	Hire of Plant & Equip	41,400	0	0	0	37,800	0	0	0	0	79,200
64	Telecommunications	47,850	0	0	0	12,786	4,000	9,837	0	418	74,891
67	Electricity & gas	60,103	0	0	3,200	18,400	7,310	4,800	4,500	16,781	115,094
68	Water	0	0	0	150	100	0	0	0	100	350
70	Special Expenditure	0	0	0	0	0	0	0	0	0	0
82	Relocation Expenses	0	19,825	10,927	0	0	0	0	0	0	30,752
85	Local Training	0	0	11,530	0	0	0	0	0	0	11,530
	Sub Total	**263,867**	**54,296**	**151,984**	**29,976**	**110,829**	**30,643**	**39,649**	**24,247**	**49,766**	**755,257**
	Total Recurrent Expenditure	**523,305**	**420,102**	**997,090**	**69,347**	**442,720**	**132,449**	**99,005**	**61,524**	**83,944**	**2,829,486**
OTHER COMMITMENTS											
31	02 Support Grant			1,220,000							1,220,000
	11 Voluntary Org Grant					20,000					20,000
	54 Local Council Grant			180,656							180,656
	58 Ferry Service to R. Is			22,757							22,757
	96 Senior Citizens Bene	1,781,760									1,781,760
	56 National Election			152,370							152,370
	02 Local Contr to Dev Fund					56,000					56,000
	Sub Total	**1,781,760**	**-**	**1,575,783**	**-**	**76,000**	**-**	**-**	**-**	**-**	**3,433,543**
	GRAND TOTAL	**2,305,065**	**420,102**	**2,572,873**	**69,347**	**518,720**	**132,449**	**99,005**	**61,524**	**83,944**	**6,263,029**

		Actual									
Code	Description	01 Admin	02 Rural Develop	03 Local Gov't	04 Sport's Develop	05 Social Welfare	06 Civil Register	07 Cultural Affairs	08 Youth Develop	09 Women Develop	Total Actual
REVENUE											
01 Charter to Banaba		3,224									3,224
02 Social Welfare						0					0
01 Civil Registration							53,952				53,952
00 Research & Film fee								2,280			2,280
01 KNYC Maneaba									950		950
03 Sports Complex					16,650						16,650
	Total Revenue	**3,224**	**0**	**0**	**16,650**	**0**	**53,952**	**2,280**	**950**	**0**	**77,056**
EXPENDITURE											
20	KPF Contribution	19,432	21,183	55,441	1,967	18,676	6,140	2,481	2,271	1,127	128,718
21	Salaries	201,029	278,301	635,025	26,412	240,106	77,322	41,272	27,820	19,053	1,546,340
22	Housing Assistance	12,732	0	16,752	0	864	0	0	0	0	30,348
23	Allowances	12,935	26,152	76,126	1,448	30,726	5,070	2,555	36	4,243	159,291
24	Overtime	19,790	0	0	2,500	6,457	3,046	5,658	2,000	500	39,951
25	Temporary Assistance	29,569	14,414	18,801	7,828	15,970	5,003	4,528	2,456	6,047	104,616
27	Leave Grants	4,969	23,800	42,961	1,500	16,150	5,225	1,625	1,875	2,465	100,570
	Sub Total	**300,456**	**363,850**	**845,106**	**41,655**	**328,949**	**101,806**	**58,119**	**36,458**	**33,435**	**2,109,834**
28	Transport to work	7,144	0	0	0	2,156	2,000	1,806	0	0	13,106
30	Internal Travel	10,925	30,434	41,919	2,493	13,434	8,053	6,898	6,863	8,472	129,491
35	External Travel	30,046	4,037	17,128	15,930	9,000	484	3,001	6,290	2,690	88,606
40	Local Purchases	25,875	0	47,087	1,961	9,418	5,927	6,229	500	5,708	102,705
41	Entertainment	4,893	0	0	0	0	0	0	0	0	4,893
45	Overseas Purchases	0	0	790	0	0	0	0	0	0	790
50	Local Services	34,163	0	22,886	5,692	7,760	3,221	6,547	8,591	16,790	105,650
52	Cleaning	1,957	0	101	550	421	0	230	0	372	3,631
55	Overseas Services	0	0	0	0	0	0	0	0	0	0
59	Internal Service charge	0	0	0	0	0	0	0	0	0	0
60	Hire of Plant & Equip	59,305	0	0	0	49,085	0	0	0	0	108,390
64	Telecommunications	49,500	0	0	0	12,786	4,000	9,837	0	418	76,541
67	Electricity & gas	70,626	0	0	3,200	18,400	7,865	4,800	4,500	16,781	126,172
68	Water	0	0	0	0	250	0	0	0	100	350
70	Special Expenditure		0	0	0	0	0	0	0	0	0
82	Relocation Expenses		20,255	10,927	0	0	0	0	0	0	31,182
85	Local Training		0	11,530	0	0	0	0	0	0	11,530
	Sub Total	**294,434**	**54,726**	**152,368**	**29,826**	**122,710**	**31,550**	**39,348**	**26,744**	**51,331**	**803,037**
	Total Recurrent Expenditure	**594,890**	**418,576**	**997,474**	**71,481**	**451,659**	**133,356**	**97,467**	**63,202**	**84,766**	**2,912,871**
OTHER COMMITMENTS											
31	02 Support Grant			1,138,658							1,138,658
	11 Voluntary Org Grant					22,882					22,882
	54 Local Council Grant			195,656							195,656
	58 Ferry Service to R. Is			1,980							1,980
	96 Senior Citizens Bene	1,861,690									1,861,690
	56 National Election			65,925							65,925
	02 Local Contr to Dev Fund										0
	Sub Total	**1,861,690**	**0**	**1,402,219**	**0**	**22,882**	**0**	**0**	**0**	**0**	**3,286,791**
	GRAND TOTAL	**2,456,580**	**418,576**	**2,399,693**	**71,481**	**474,541**	**133,356**	**97,467**	**63,202**	**84,766**	**5,274,849**

		2012 Variance									
Code	Description	01 Admin	02 Rural Develop	03 Local Gov't	04 Sport's Develop	05 Social Welfare	06 Civil Register	07 Cultural Affairs	08 Youth Develop	09 Women Develop	Total Variances
REVENUE		(Over)/Under									
01 Charter to Banaba		7,776	0	0	0	0	0	0	0	0	7,776
02 Social Welfare		0	0	0	0	460	0	0	0	0	460
01 Civil Registration		0	0	0	0	0	-11,952	0	0	0	-11,952
00 Research & Film fee		0	0	0	0	0	0	220	0	0	220
01 KNYC Maneaba		0	0	0	0	0	0	0	3,250	0	3,250
03 Sports Complex		0	0	0	4,350	0	0	0	0	0	4,350
	Total Revenue	**7,776**	**0**	**0**	**4,350**	**460**	**-11,952**	**220**	**3,250**	**0**	**4,104**
EXPENDITURE		(Over)/Under									
20	KPF Contribution	0	1,903	0	353	0	0	1,237	0	1,181	4,674
21	Salaries	-931	53	0	0	0	0	0	0	0	-878
22	Housing Assistance	0	0	0	0	0	0	0	0	130	130
23	Allowances	-3,300	0	0	0	0	0	0	0	0	-3,300
24	Overtime	-13,870	0	0	0	0	0	0	0	0	-13,870
25	Temporary Assistance	-22,917	0	0	-2,637	332	0	0	819	-568	-24,971
27	Leave Grants	0	0	0	0	2,610	0	0	0	0	2,610
	Sub Total	**-41,018**	**1,956**	**0**	**-2,284**	**2,942**	**0**	**1,237**	**819**	**743**	**-35,605**
28	Transport to work	0	0	0	0	-332	0	0	0	0	-332
30	Internal Travel	0	0	-150	0	-114	-367	302	-2,497	-1,272	-4,098
35	External Travel	-8	0	0	0	0	16	-1	0	310	317
40	Local Purchases	361	0	0	0	0	-1	0	0	0	360
41	Entertainment	0	0	0	0	0	0	0	0	0	0
45	Overseas Purchases	0	0	0	0	0	0	0	0	0	0
50	Local Services	-842	0	-234	0	0	0	0	0	-731	-1,807
52	Cleaning	0	0	0	0	0	0	0	0	128	128
55	Overseas Services	0	0	0	0	0	0	0	0	0	0
59	Internal Service charge	0	0	0	0	0	0	0	0	0	0
60	Hire of Plant & Equip	-17,905	0	0	0	-11,285	0	0	0	0	-29,190
64	Telecommunications	-1,650	0	0	0	0	0	0	0	0	-1,650
67	Electricity & gas	-10,523	0	0	0	0	-555	0	0	0	-11,078
68	Water	0	0	0	150	-150	0	0	0	0	0
70	Special Expenditure	0	0	0	0	0	0	0	0	0	0
82	Relocation Expenses	0	-430	0	0	0	0	0	0	0	-430
85	Local Training	0	0	0	0	0	0	0	0	0	0
	Sub Total	**-30,567**	**-430**	**-384**	**150**	**-11,881**	**-907**	**301**	**-2,497**	**-1,565**	**-47,780**
	Total Recurrent Expenditure	**-71,585**	**1,526**	**-384**	**-2,134**	**-8,939**	**-907**	**1,538**	**-1,678**	**-822**	**-83,385**
OTHER COMMITMENTS											
31	02 Support Grant	0	0	81,342	0	0	0	0	0	0	81,342
	11 Voluntary Org Grant	0	0	0	0	-2,882	0	0	0	0	-2,882
	54 Local Council Grant	0	0	-15,000	0	0	0	0	0	0	-15,000
	58 Ferry Service to R. Is	0	0	20,777	0	0	0	0	0	0	20,777
	96 Senior Citizens Bene	-79,930	0	0	0	0	0	0	0	0	-79,930
	56 National Election	0	0	86,445	0	0	0	0	0	0	86,445
	02 Local Contr to Dev Fu	0	0	0	0	56,000	0	0	0	0	56,000
	Sub Total	**-79,930**	**0**	**173,564**	**0**	**53,118**	**0**	**0**	**0**	**0**	**146,752**
	GRAND TOTAL	**-151,515**	**1,526**	**173,180**	**-2,134**	**44,179**	**-907**	**1,538**	**-1,678**	**-822**	**23,191**

MANEABA NI MAUNGATABU (PARLIAMENT)

			BUDGET		
Code	Description	Adm/ Support ser	Parliamentary meeting	Parliamentary committees	Total budget
Revenue					
	Sale of Publication and Ar	$3,000.00	$100.00		
	Restaurant rental	$1,500.00			
Expenditure					
20	KPF contribution	$15,065.00	$31,249.00	$57.00	$46,371.00
21	Salaries	$194,350.00	$416,130.00		$610,480.00
22	Housing	$4,200.00			$4,200.00
23	Allowances	$9,002.00	$40,695.00	$200.00	$49,897.00
24	Overtime	$27,500.00	$3,500.00	$1,500.00	$32,500.00
25	Temporary	$6,514.00	$527.00	$753.00	$7,794.00
26	Wages				
27	Leave grants	$7,020.00			$7,020.00
	Sub total	**$263,651.00**	**$492,101.00**	**$2,510.00**	**$758,262.00**
28	Transport to work	$4,200.00	$3,000.00		$7,200.00
30	Internal travel	$133,305.00	$445,896.00	$54,975.00	$634,176.00
35	External travel	$43,160.00	$165,835.00		$208,995.00
40	Direct purchases local	$56,250.00	$14,640.00	$8,500.00	$79,390.00
41	Entertainment	$12,450.00			$12,450.00
45	Direct purchases Overseas	$1,500.00			$1,500.00
50	Purchase service local	$14,040.00	$321,036.00	$2,000.00	$337,076.00
52	Cleaning				
55	Purchase service overseas	$15,195.00			$15,195.00
59	Local referral				
60	Hire of Plant	$41,400.00			
64	Telecoms	$31,826.00			$31,826.00
67	Electricity and gas	$131,000.00			$131,000.00
68	Water				$0.00
	One off expenses				
70	Special				
72	Commitment/other				
81	Recruitment				
82	Relocation				
85	Local training				
86	Overseas training				
95	Motor vehicle fund				
	Sub total	**$484,326.00**	**$950,407.00**	**$65,475.00**	**$1,500,208.00**
	Total recurrent expenditure	**$747,977.00**	**$1,442,508.00**	**$67,985.00**	**$2,258,470.00**

			ACTUAL		
Code	Description	Adm/ Support ser	Parliamentary meeting	Parliamentary committees	Total Actual
Revenue					
	Sale of Publication and ar	$1,960.00	$3,964.00		
	Restaurant rental	$1,740.00			
Expenditure					
20	KPF contribution	$31,114.00	$18,013.00		$49,127.00
21	Salaries	$310,324.00	$259,396.00		$569,720.00
22	Housing	$3,839.00			$3,839.00
23	Allowances	$19,912.00	$44,931.00	$55.00	$64,898.00
24	Overtime	$42,193.00	$5,658.00	$3,081.00	$50,932.00
25	Temporary	$21,297.00	$25,220.00		$46,517.00
26	Wages				
27	Leave grants	$7,066.00			$7,066.00
	Sub total	**$435,745.00**	**$353,218.00**	**$3,136.00**	**$792,099.00**
28	Transport to work	$4,719.00	$3,108.00		$7,827.00
30	Internal travel	$273,795.00	$520,536.00	$53,691.00	$848,022.00
35	External travel	$58,413.00	$155,279.00		$213,692.00
40	Direct purchases local	$64,957.00	$24,110.00	$15,625.00	$104,692.00
41	Entertainment	$10,399.00			$10,399.00
45	Direct purchases Overseas				$0.00
50	Purchase service local	$16,863.00	$335,837.00	$7,796.00	$360,496.00
52	Cleaning				
55	Purchase service overseas	$16,774.00			$16,774.00
59	Local referral				
60	Hire of Plant	$63,148.00			
64	Telecoms	$25,528.00			$25,528.00
67	Electricity and gas	$142,570.00			$142,570.00
68	Water				$0.00
	One off expenses				
70	Special				
72	Commitment/other				
81	Recruitment				
82	Relocation				
85	Local training				
86	Overseas training				
95	Motor vehicle fund				
	Sub total	**$677,166.00**	**$1,038,870.00**	**$77,112.00**	**$1,793,148.00**
	Total recurrent expenditure	**$1,112,911.00**	**$1,392,088.00**	**$80,248.00**	**$2,585,247.00**

			VARIANCE		
Code	**Description**	Adm/ Support ser	Parliamentary meeting:	Parliamentary committees	Total Variance
Revenue					
	Sale of Publication and Ar	$1,040.00	-$3,864.00	$0.00	**-$2,824.00**
	Restaurant rental	-$240.00	$0.00	$0.00	**-$240.00**
		$0.00	$0.00	$0.00	**$0.00**
		$0.00	$0.00	$0.00	**$0.00**
		$0.00	$0.00	$0.00	**$0.00**
	Total revenue	$0.00	$0.00	$0.00	**-$3,064.00**
Expenditure					
20	KPF contribution	-$16,049.00	$13,236.00	$57.00	**-$2,756.00**
21	Salaries	-$115,974.00	$156,734.00	$0.00	**$40,760.00**
22	Housing	$361.00	$0.00	$0.00	**$361.00**
23	Allowances	-$10,910.00	-$4,236.00	$145.00	**-$15,001.00**
24	Overtime	-$14,693.00	-$2,158.00	-$1,581.00	**-$18,432.00**
25	Temporary	-$14,783.00	-$24,693.00	$753.00	**-$38,723.00**
26	Wages	$0.00	$0.00	$0.00	**$0.00**
27	Leave grants	-$46.00	$0.00	$0.00	**-$46.00**
	Sub total	**-$172,094.00**	**$138,883.00**	**-$626.00**	**-$33,837.00**
28	Transport to work	-$519.00	-$108.00	$0.00	**-$627.00**
30	Internal travel	-$140,490.00	-$74,640.00	$1,284.00	**-$213,846.00**
35	External travel	-$15,253.00	$10,556.00	$0.00	**-$4,697.00**
40	Direct purchases local	-$8,707.00	-$9,470.00	-$7,125.00	**-$25,302.00**
41	Entertainment	$2,051.00	$0.00	$0.00	**$2,051.00**
45	Direct purchases Overseas	$1,500.00	$0.00	$0.00	**$1,500.00**
50	Purchase service local	-$2,823.00	-$14,801.00	-$5,796.00	**-$23,420.00**
52	Cleaning	$0.00	$0.00	$0.00	**$0.00**
55	Purchase service overseas	-$1,579.00	$0.00	$0.00	**-$1,579.00**
59	Local referral	$0.00	$0.00	$0.00	**$0.00**
60	Hire of Plant	-$21,748.00	$0.00	$0.00	**-$21,748.00**
64	Telecoms	$6,298.00	$0.00	$0.00	**$6,298.00**
67	Electricity and gas	-$11,570.00	$0.00	$0.00	**-$11,570.00**
68	Water	$0.00	$0.00	$0.00	**$0.00**
	One off expenses	$0.00	$0.00	$0.00	**$0.00**
70	Special	$0.00	$0.00	$0.00	**$0.00**
72	Commitment/other	$0.00	$0.00	$0.00	**$0.00**
81	Recruitment	$0.00	$0.00	$0.00	**$0.00**
82	Relocation	$0.00	$0.00	$0.00	**$0.00**
85	Local training	$0.00	$0.00	$0.00	**$0.00**
86	Overseas training	$0.00	$0.00	$0.00	**$0.00**
95	Motor vehicle fund	$0.00	$0.00	$0.00	**$0.00**
	Sub total	**-$192,840.00**	**-$88,463.00**	**-$11,637.00**	**-$292,940.00**
	Total recurrent expenditure	**-$364,934.00**	**$50,420.00**	**-$12,263.00**	**-$326,777.00**

MINISTRY OF COMMERCE AND INDUSTRY COOPERATIVE (MCIC)

BUDGET						
Code	**Description**	**01 Policy dev**	**02 Buss Regu**	**03 Buss Pro**	**04 Reg & Xmas**	**Total Budget**
Revenue						
	Trade marks and Patient fee		23,836			23,836
	Moneylenders		2,000			2,000
	Business names registration		5,000			5,000
	Company fees		5,000			5,000
	Foreign investment license fee			600		600
	Rental of small industry centre			7,680		7,680
	Total Revenue	**0**	**35,836**	**8,280**	**0**	**44,116**
Expenditure						
20	KPF contribution	12,362	13,302	15,683	5,319	46,666
21	Salaries	152,074	169,934	182,848	43,909	548,765
22	Housing	0	3,012	13,372	0	16,384
23	Allowances	15,249	3,334	24,170	3,012	45,765
24	Overtime	16,789	1,072	3,460	698	22,019
25	Temporary	4,361	0	0	0	4,361
26	Wages	0	0	0	0	0
27	Leave grants	6,839	6,708	8,235	1,875	23,657
	Sub total	**207,674**	**197,362**	**247,768**	**54,813**	**707,617**
28	Transport to work	23,440	0	0	23,782	47,222
30	Internal travel	35,025	34,276	16,364	0	85,665
35	External travel	45,492	9,700	30,534	0	85,726
40	Direct purchases local	31,114	9,283	11,681	6,892	58,970
41	Entertainment	8,201	0	0	0	8,201
45	Direct purchases Overseas	0	0	0	0	0
50	Purchase service local	16,425	13,995	22,431	3,299	56,150
52	Cleaning	0	0	0	0	0
55	Purchase service overseas	15,966	500	0	0	16,466
59	Local referral	0	0	0	0	0
60	Hire of Plant	32,063	0	0	0	32,063
64	Telecoms	37,071	0	0	22,694	59,765
67	Electricity and gas	21,484	0	0	157	21,641
68	Water	0	0	0	700	700
	One off expenses	0	0	0	0	0
70	Special	0	0	0	0	0
72	Commitment/other	0	0	0	0	0
81	Recruitment	0	0	0	0	0
82	Relocation	0	0	0	0	0
85	Local training	0	3,283	3,920	0	7,203
86	Overseas training	0	0	0	0	0
95	Motor vehicle fund	0	0	0	0	0
	Sub total	**266,281**	**71,037**	**84,930**	**57,524**	**479,772**
	Total Recurrent expenditure	**473,955**	**268,399**	**332,698**	**112,337**	**1,187,389**
	Other Commitments					
	Local contribution to Dev fund	22,193	8,844	41,592	0	72,629
	Sub Total	22,193	8,844	41,592	0	72,629
	Grand Total	**496,148**	**277,243**	**374,290**	**112,337**	**1,260,018**

ACTUAL						
Code	**Description**	**01 Policy dev**	**02 Buss Regu**	**03 Buss Pro**	**04 Reg & Xmas**	**Total Actual**
Revenue						
	Trade marks and Patient fee		17,429			17,429
	Moneylenders		5,083			5,083
	Business names registration		21,675			21,675
	Company fees		1,677			1,677
	Foreign investment license fee			1,997		1,997
	Rental of small industry centre			7,010		7,010
	Total Revenue	**0**	**45,864**	**9,007**	**0**	**54,871**
Expenditure						
20	KPF contribution	8,517	13,302	15,683	5,319	42,821
21	Salaries	152,043	169,934	182,848	43,909	548,734
22	Housing	0	502	12,714	0	13,216
23	Allowances	15,249	3,334	24,170	3,012	45,765
24	Overtime	16,613	1,072	3,460	698	21,843
25	Temporary	4,361	0	0	0	4,361
26	Wages	0	0	0	0	0
27	Leave grants	6,839	6,708	8,235	1,875	23,657
	Sub total	**203,622**	**194,852**	**247,110**	**54,813**	**700,397**
28	Transport to work	23,440	0	0	23,782	47,222
30	Internal travel	35,038	34,276	17,404	0	86,718
35	External travel	43,927	9,700	30,534	0	84,161
40	Direct purchases local	28,042	9,283	11,681	7,492	56,498
41	Entertainment	8,755	0	0	0	8,755
45	Direct purchases Overseas	0	0	0	0	0
50	Purchase service local	16,425	13,995	22,431	3,299	56,150
52	Cleaning	0	0	0	0	0
55	Purchase service overseas	15,966	500	0	0	16,466
59	Local referral	0	0	0	0	0
60	Hire of Plant	35,429	0	0	0	35,429
64	Telecoms	37,071	0	0	22,694	59,765
67	Electricity and gas	21,484	0	0	157	21,641
68	Water	0	0	0	0	0
	One off expenses	0	0	0	0	0
70	Special	0	0	0	0	0
72	Commitment/other	0	0	0	0	0
81	Recruitment	0	0	0	0	0
82	Relocation	0	0	0	0	0
85	Local training	0	450	1,279	0	1,729
86	Overseas training	0	0	0	0	0
95	Motor vehicle fund	0	0	0	0	0
	Sub total	**265,577**	**68,204**	**83,329**	**57,424**	**474,534**
	Total Recurrent expenditure	**469,199**	**263,056**	**330,439**	**112,237**	**1,174,931**
	Other Commitments					
	Local contribution to Dev fund	20,526	5,138	41,301	0	66,966
	Sub Total	**20,526**	**5,138**	**41,301**	**0**	**66,966**
	Grand Total	**489,725**	**268,194**	**371,740**	**112,237**	**1,241,897**

VARIANCE						
Code	**Description**	**01 Policy dev**	**02 Buss Regu**	**03 Buss Pro**	**04 Reg & Xmas**	**Total Variance**
	Revenue (Over)/Under					
	Trade marks and Patient fee		6,407			6,407
	Moneylenders		-3,083			-3,083
	Business names registration		-16,675			-16,675
	Company fees		3,323			3,323
	Foreign investment license fee		-1,397			-1,397
	Rental of small industry centre		670			670
	Total Revenue	**0**	**-10,755**	**0**	**0**	**-10,755**
	Expenditure Under/(Over)					
20	KPF contribution	3,845	0	0	0	3,845
21	Salaries	31	0	0	0	31
22	Housing	0	2,510	658	0	3,168
23	Allowances	0	0	0	0	0
24	Overtime	176	0	0	0	176
25	Temporary	0	0	0	0	0
26	Wages	0	0	0	0	0
27	Leave grants	0	0	0	0	0
	Sub total	**4,052**	**2,510**	**658**	**0**	**7,220**
28	Transport to work	0	0	0	0	0
30	Internal travel	-13	0	-1,040	0	-1,053
35	External travel	1,565	0	0	0	1,565
40	Direct purchases local	3,072	0	0	-600	2,472
41	Entertainment	-554	0	0	0	-554
45	Direct purchases Overseas	0	0	0	0	0
50	Purchase service local	0	0	0	0	0
52	Cleaning	0	0	0	0	0
55	Purchase service overseas	0	0	0	0	0
59	Local referral	0	0	0	0	0
60	Hire of Plant	-3,366	0	0	0	-3,366
64	Telecoms	0	0	0	0	0
67	Electricity and gas	0	0	0	0	0
68	Water	0	0	0	700	700
	One off expenses	0	0	0	0	0
70	Special	0	0	0	0	0
72	Commitment/other	0	0	0	0	0
81	Recruitment	0	0	0	0	0
82	Relocation	0	0	0	0	0
85	Local training	0	2,833	2,641	0	5,474
86	Overseas training	0	0	0	0	0
95	Motor vehicle fund	0	0	0	0	0
	Sub total	**704**	**2,833**	**1,601**	**100**	**5,238**
	Total Recurrent expenditure	**4,756**	**5,343**	**2,259**	**100**	**12,458**
	Other Commitments					
	Local contribution to Dev fund	1,667	3,706	291	0	5,663
	Sub Total	**1,667**	**3,706**	**291**	**0**	**5,663**
	Grand Total	**6,423**	**9,049**	**2,550**	**100**	**18,121**

OFFICE OF THE ATTORNEY GENERAL (OAG)

			Budget		Total budget
Code	**Description**	**01 Policy dev**	**02 Civil law**	**03 Criminal Prosec**	
Revenue	Sale of law books	1,020			1,020
Expenditure					
20	KPF contribution	5,280	5,790	3,121	14,191
21	Salaries	68,360	77,194	41,626	187,180
22	Housing	6,358	21,957	8,544	36,859
23	Allowances	2,860			2,860
24	Overtime	6,120			6,120
25	Temporary	2,040			2,040
26	Wages				
27	Leave grants	3,296	3,500	1,450	8,246
	Sub total	**94,314**	**108,441**	**54,741**	**257,496**
28	Transport to work	14,280			
30	Internal travel	6,120			
35	External travel	51,000			
40	Direct purchases local	24,904			
41	Entertainment	1,800			
45	Direct purchases Overseas	1,761			
50	Purchase service local	26,500			
52	Cleaning	510			
55	Purchase service overseas	510			
59	Local referral				
60	Hire of Plant	25,075			
64	Telecoms	31,774			
67	Electricity and gas	24,500			
68	Water				
	One off expenses				
70	Special				
72	Commitment/other				
81	Recruitment				
82	Relocation				
85	Local training	5,000			
86	Overseas training				
95	Motor vehicle fund				
	Sub total	**213,734**			
	Total recurrent expenditure	**308,048**			

		Actual			Total Actual
Code	**Description**	**dev**	**02 Civil law**	**Prose**	
Revenue	Sale of law books	78			78
Expenditure					
20	KPF contribution	10,237	4,386	3,044	17,667
21	Salaries	98,986	71,896	50,840	221,722
22	Housing	10,136	28,784	5,240	44,160
23	Allowances	7,904			7,904
24	Overtime	9,240			9,240
25	Temporary	1,734			1,734
26	Wages				
27	Leave grants	7,223	1,000	0	8,223
	Sub total	**145,460**	**106,066**	**59,124**	**310,650**
28	Transport to work	16,201			
30	Internal travel	6,896			
35	External travel	63,410			
40	Direct purchases local	17,449			
41	Entertainment	1,007			
45	Direct purchases Overseas	931			
50	Purchase service local	38,720			
52	Cleaning	510			
55	Purchase service overseas	0			
59	Local referral				
60	Hire of Plant	48,628			
64	Telecoms	34,530			
67	Electricity and gas	29,685			
68	Water				
	One off expenses				
70	Special				
72	Commitment/other				
81	Recruitment				
82	Relocation				
85	Local training	0			
86	Overseas training				
95	Motor vehicle fund				
	Sub total	**257,967**			
	Total recurrent expenditure	**403,427**			

		2012 Variance			(Over)/Under
Code	**Description**	**01 Policy dev**	**02 Civil law**	**03 Criminal Prose**	**Total Variance**
Revenue	Sale of law books	942			942
Expenditure					
20	KPF contribution	-4,957	1,404	77	-3,476
21	Salaries	-30,626	5,298	-9,214	-34,542
22	Housing	-3,778	-6,827	3,304	-7,301
23	Allowances	-5,044			-5,044
24	Overtime	-3,120			-3,120
25	Temporary	306			306
26	Wages				
27	Leave grants	-3,927	2,500	1,450	23
	Sub total	**-51,146**	**2,375**	**-4,383**	**-53,154**
28	Transport to work	-1,921			
30	Internal travel	-776			
35	External travel	-12,410			
40	Direct purchases local	7,455			
41	Entertainment	793			
45	Direct purchases Overseas	830			
50	Purchase service local	-12,220			
52	Cleaning	0			
55	Purchase service overseas	510			
59	Local referral				
60	Hire of Plant	-23,553			
64	Telecoms	-2,757			
67	Electricity and gas	-5,185			
68	Water				
	One off expenses				
70	Special				
72	Commitment/other				
81	Recruitment				
82	Relocation				
85	Local training	5,000			
86	Overseas training				
95	Motor vehicle fund				
	Sub total	**-44,234**	**0**		**-44,233**
	Total recurrent expenditure	**-95,380**			**-97,387**

MINISTRY OF FISHERIES AND MARINE RESOURCE DEVELOPMENT (MFMRD)

			BUDGET				
Code	**Description**	01 Policy res & Dev	02 Planning	03 Licensing & fisheries	04 IT	05 Mgmt Mineral Res	**Total budget**
Revenue							
	Fish and fish poster sales			$18,000.00			
	Local fishing			$25,500.00			
	Local licencing			$70,000.00			
	Fish transhipment fees			$60,000.00			
	Vessel and Equipment hire			$50,000.00			
	Fishing License Revenue			$30,000,000.00			
Expenditure							
20	KPF contribution	$15,461.00	$3,972.00	$57,587.00	$1,804.00	$6,804.00	$85,628.00
21	Salaries	$152,776.00	$52,962.00	$636,631.00	$24,050.00	$47,199.00	$913,618.00
22	Housing	$10,752.00	$9,611.00	$9,188.00	$4,188.00	$4,188.00	$37,927.00
23	Allowances	$16,978.00	$2,580.00	$35,486.00		$1,040.00	$56,084.00
24	Overtime	$26,000.00	$4,000.00	$72,144.00			$102,144.00
25	Temporary	$19,156.00		$25,662.00		$6,620.00	$51,438.00
26	Wages						
27	Leave grants	$5,830.00	$1,875.00	$37,375.00	$1,425.00	$22,385.00	$68,890.00
	Sub total	**$246,953.00**	**$75,000.00**	**$874,073.00**	**$31,467.00**	**$88,236.00**	$1,315,729.00
28	Transport to work	$21,000.00	$11,999.00	$22,000.00			$54,999.00
30	Internal travel	$26,606.00	$14,291.00	$23,000.00	$2,700.00	$17,500.00	$84,097.00
35	External travel	$15,500.00	$16,495.00	$23,048.00		$17,000.00	$72,043.00
40	Direct purchases local	$30,652.00	$5,168.00	$71,115.00	$6,000.00	$6,848.00	$119,783.00
41	Entertainment	$9,693.00					$9,693.00
45	Direct purchases Overseas	$2,500.00		$2,000.00	$4,000.00		$8,500.00
50	Purchase service local	$23,642.00	$10,000.00	$54,885.00	$1,500.00	$14,760.00	$104,787.00
52	Cleaning						
55	Purchase service overseas	$8,041.00					$8,041.00
59	Local referral						
60	Hire of Plant	$72,138.00		$36,402.00			$108,540.00
64	Telecoms	$61,336.00		$33,908.00			$95,244.00
67	Electricity and gas	$53,200.00		$43,492.00			$96,692.00
68	Water	$1,000.00		$400.00			$1,400.00
	One off expenses						
70	Special						
72	Commitment/other						
81	Recruitment						
82	Relocation						
85	Local training						
86	Overseas training						
95	Motor vehicle fund						
	Sub total	**$325,308.00**	**$57,953.00**	**$310,250.00**	**$14,200.00**	**$56,108.00**	**$763,819.00**
	Total recurrent expenditure	**$572,261.00**	**$132,953.00**	**$1,184,323.00**	**$45,667.00**	**$144,344.00**	**$2,079,548.00**

		ACTUAL					
Code	Description	01 Policy res & Dev	02 Planning	03 Licensing & fisheries	04 IT	05 Mgmt Mineral Res	Total Actual
Revenue							
	Fish and fish poster sales			$23,396.00			
	Local fishing			$56,384.00			
	Local licencing			$67,035.00			
	Fish transhipment fees			$351,730.00			
	Vessel and Equipment hire			$1,477.00			
	Fishing License Revenue			$58,329,770.00			
Expenditure							
20	KPF contribution	$19,040.00	$2,878.00	$46,972.00	$1,579.00	$1,317.00	$71,786.00
21	Salaries	$131,688.00	$53,332.00	$618,093.00	$25,625.00	$33,598.00	$862,336.00
22	Housing	$9,426.00	$5,139.00	$8,873.00	$2,400.00	$1,200.00	$27,038.00
23	Allowances	$16,978.00	$2,476.00	$35,322.00		$903.00	$55,679.00
24	Overtime	$26,000.00		$72,144.00			$98,144.00
25	Temporary	$17,084.00		$24,411.00		$5,787.00	$47,282.00
26	Wages						
27	Leave grants	$5,829.00	$1,566.00	$36,477.00	$1,369.00	$22,266.00	$67,507.00
	Sub total	**$226,045.00**	**$65,391.00**	**$842,292.00**	**$30,973.00**	**$65,071.00**	**$1,229,772.00**
28	Transport to work	$18,800.00	$11,999.00	$19,127.00			$49,926.00
30	Internal travel	$22,898.00	$11,772.00	$22,079.00		$14,318.00	$71,067.00
35	External travel	$14,711.00	$16,495.00	$21,402.00		$13,925.00	$66,533.00
40	Direct purchases local	$29,944.00	$4,731.00	$71,115.00	$4,700.00	$5,035.00	$115,525.00
41	Entertainment	$9,558.00					$9,558.00
45	Direct purchases Overseas	$2,158.00		$1,416.00	$1,956.00		$5,530.00
50	Purchase service local	$21,129.00	$7,244.00	$42,996.00		$13,185.00	$84,554.00
52	Cleaning						
55	Purchase service overseas	$6,914.00					$6,914.00
59	Local referral						
60	Hire of Plant	$104,778.00		$34,232.00			$139,010.00
64	Telecoms	$59,467.00		$32,277.00			$91,744.00
67	Electricity and gas	$48,581.00		$39,810.00			$88,391.00
68	Water	$361.00					$361.00
	One off expenses						
70	Special						
72	Commitment/other						
81	Recruitment						
82	Relocation						
85	Local training						
86	Overseas training						
95	Motor vehicle fund						
	Sub total	**$339,299.00**	**$52,241.00**	**$284,454.00**	**$6,656.00**	**$46,463.00**	**$729,113.00**
	Total recurrent expenditure	**$565,344.00**	**$117,632.00**	**$1,126,746.00**	**$37,629.00**	**$111,534.00**	**$1,958,885.00**

		VARIANCE					
Code	**Description**	01 Policy res & Dev	02 Planning	03 Licensing & fisheries	04 IT	05 Mgmt Mineral Res	**Total Variance**
Revenue							
	Fish and fish poster sales	$0.00	$0.00	-$5,396.00	$0.00	$0.00	
	Local fishing	$0.00	$0.00	-$30,884.00	$0.00	$0.00	
	Local licencing	$0.00	$0.00	$2,965.00	$0.00	$0.00	
	Fish transhipment fees	$0.00	$0.00	-$291,730.00	$0.00	$0.00	
	Vessel and Equipment hire	$0.00	$0.00	$48,523.00	$0.00	$0.00	
	Fishing License Revenue	$0.00	$0.00	-$28,329,770.00	$0.00	$0.00	
Expenditure							
20	KPF contribution	-$3,579.00	$1,094.00	$10,615.00	$225.00	$5,487.00	$13,842.00
21	Salaries	$21,088.00	-$370.00	$18,538.00	-$1,575.00	$13,601.00	$51,282.00
22	Housing	$1,326.00	$4,472.00	$315.00	$1,788.00	$2,988.00	$10,889.00
23	Allowances	$0.00	$104.00	$164.00	$0.00	$137.00	$405.00
24	Overtime	$0.00	$4,000.00	$0.00	$0.00	$0.00	$4,000.00
25	Temporary	$2,072.00	$0.00	$1,251.00	$0.00	$833.00	$4,156.00
26	Wages	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
27	Leave grants	$1.00	$309.00	$898.00	$56.00	$119.00	$1,383.00
	Sub total	**$20,908.00**	**$9,609.00**	**$31,781.00**	**$494.00**	**$23,165.00**	**$85,957.00**
28	Transport to work	$2,200.00	$0.00	$2,873.00	$0.00	$0.00	$5,073.00
30	Internal travel	$3,708.00	$2,519.00	$921.00	$2,700.00	$3,182.00	$13,030.00
35	External travel	$789.00	$0.00	$1,646.00	$0.00	$3,075.00	$5,510.00
40	Direct purchases local	$708.00	$437.00	$0.00	$1,300.00	$1,813.00	$4,258.00
41	Entertainment	$135.00	$0.00	$0.00	$0.00	$0.00	$135.00
45	Direct purchases Overseas	$342.00	$0.00	$584.00	$2,044.00	$0.00	$2,970.00
50	Purchase service local	$2,513.00	$2,756.00	$11,889.00	$1,500.00	$1,575.00	$20,233.00
52	Cleaning	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
55	Purchase service overseas	$1,127.00	$0.00	$0.00	$0.00	$0.00	$1,127.00
59	Local referral	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
60	Hire of Plant	-$32,640.00	$0.00	$2,170.00	$0.00	$0.00	-$30,470.00
64	Telecoms	$1,869.00	$0.00	$1,631.00	$0.00	$0.00	$3,500.00
67	Electricity and gas	$4,619.00	$0.00	$3,682.00	$0.00	$0.00	$8,301.00
68	Water	$639.00	$0.00	$400.00	$0.00	$0.00	$1,039.00
	One off expenses	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
70	Special	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
72	Commitment/other	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
81	Recruitment	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
82	Relocation	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
85	Local training	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
86	Overseas training	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
95	Motor vehicle fund	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	Sub total	**-$13,991.00**	**$5,712.00**	**$25,796.00**	**$7,544.00**	**$9,645.00**	**$34,706.00**
	Total recurrent expenditure	**$6,917.00**	**$15,321.00**	**$57,577.00**	**$8,038.00**	**$32,810.00**	**$120,663.00**

MINISTRY OF HEALTH AND MEDICAL SERVICES (MHMS)

BUDGET

Code	Description	01 Adm	02 Suppt ser	03 Pub Health	04 Curative	05 Lab ser	06 Radiology	07 Pharmacy	08 Physio	09 Nur Serv	10 Dental	11 Nursing	12 Linnix	13. S. Kiribati	14 Betio	Total Budget
Revenue																
	Private ward	43,756														43,756
	Medical check up	45,000														45,000
	Sundry revenue	2,000														2,000
	Sale of med suppli							2,500								2,500
	Deposit scheme								3,000							3,000
	Dental sales										11,870					11,870
	Total revenue	**90,756**	**0**	**0**	**0**	**0**	**0**	**2,500**	**3,000**	**0**	**11,870**	**0**	**0**	**0**	**0**	**108,126**
Expenditure																
20	KPF contribution	23,688	50,584	25,033	25,559	14,251	9,663	15,309	4,611	10,636	15,600	253,414	10,879	10,969	13,966	484,162
21	Salaries	241,926	504,147	282,855	340,782	150,608	100,284	145,915	53,995	140,816	149,051	3,030,654	136,550	141,250	185,250	5,604,083
22	Housing	5,000		10,000	25,000	1,080		5,000	3,500	6,000	13,288	26,376	8,496			103,740
23	Allowances	30,000	110,000	10,000	226,773	23,500	15,000	12,339	5,000	5,000	33,432	650,000	35,000	27,166	10,000	1,193,210
24	Overtime	55,000	130,000	12,000		9,000	5,000	10,000	1,035	1,800	5,000	117,692	15,000	6,000	4,000	371,527
25	Temporary	23,921	170,305	50,918		34,408	28,561	58,205	7,486	1,000	8,955	333,200	8,505	5,000	946	731,410
26	Wages	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27	Leave grants	34,519	51,790	16,395	6,625	6,910	7,665	12,625	4,800	7,515	10,275	174,070	16,875	12,125	7,875	370,064
	Sub total	**414,054**	**1,016,826**	**407,201**	**624,739**	**239,757**	**166,173**	**259,393**	**80,427**	**172,767**	**235,601**	**4,585,406**	**231,305**	**202,510**	**222,037**	**8,858,196**
28	Transport to work	0	239,124	0	0	0	0	0	0	0	0	0	14,000	5,200	7,876	266,200
30	Internal travel	10,000	3,000	10,000	10,000	8,571	6,380	70,000	5,128	9,000	20,000	30,000	10,000	12,565		204,644
35	External travel	60,000		7,000	8,684	4,000	1,400	4,000	2,000	1,500	4,000	15,000				107,584
40	Direct pur local	40,000	35,940	20,000	800,000	6,546	18,000	105,000	1,709	30,000	8,000	50,000	20,000	37,424	9,670	1,182,289
41	Entertainment	6,000														6,000
45	Direct pur Oversea					182,744	30,000	1,452,467	7,000	3,000	99,000	20,000				1,794,211
50	Purchase ser local	40,000	54,060	25,000	3,824	4,500	3,300	9,000	2,500		4,400	3,000	7,000	16,000	12,000	184,584
52	Cleaning		6,000													6,000
55	Purch ser overseas			3,000		2,850	39,196	12,000			1,900					58,946
59	Local referral															
60	Hire of Plant	170,000										18,000	25,000			213,000
64	Telecoms	180,188												3,600	6,788	190,576
67	Electricity and gas	619,650											8,000	25,000	13,000	665,650
68	Water	128,227													8,000	136,227
82	Relocation										1,100	35,000				36,100
85	Local training									43,358		117,677				161,035
86	Overseas training															
95	Motor vehicle fund											50,000				50,000
	Sub total	**1,254,065**	**338,124**	**65,000**	**822,508**	**209,211**	**98,276**	**1,652,467**	**18,337**	**86,858**	**138,400**	**338,677**	**84,000**	**99,789**	**57,334**	**5,263,046**
	Total R. Expenditure	**1,668,119**	**1,354,950**	**472,201**	**1,447,247**	**448,968**	**264,449**	**1,911,860**	**98,764**	**259,625**	**374,001**	**4,924,083**	**315,305**	**302,299**	**279,371**	**14,121,242**
	Other commitments															
	LCDF	635,350												80,000	20,000	735,350
	Subtotal	**635,350**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**80,000**	**20,000**	**735,350**
	Grandtotal	**2,303,469**	**1,354,950**	**472,201**	**1,447,247**	**448,968**	**264,449**	**1,911,860**	**98,764**	**259,625**	**374,001**	**4,924,083**	**315,305**	**382,299**	**299,371**	**14,856,592**

ACTUAL																
Code	Description	01 Adm	02 Suppt ser	03 Pub Health	04 Curative	05 Lab ser	06 Radiology	07 Pharmacy	08 Physio ser	09 Nursing care	10 Dental ser	11 Nursing ser	12 Linnix ser	13 S. Kiribati	14 Betio	Total Actual
Revenue																
	Private ward	42,465														42,465
	Medical check up	61,549														61,549
	Sundry revenue	7,188														7,188
	Sale of med supplies							327								327
	Deposit scheme								1,846							1,846
	Dental sales										10,979					10,979
	Total revenue	**111,202**	**0**	**0**	**0**	**0**	**0**	**327**	**1,846**	**0**	**10,979**	**0**	**0**	**0**	**0**	**124,354**
Expenditure																
20	KPF contribution	59,962	94,017	40,668	16,607	12,674	6,847	9,270	2,913	1,500	6,303	217,051	12,359	110	3,102	483,383
21	Salaries	213,239	503,252	228,630	248,823	150,617	83,800	125,740	53,674	140,816	117,077	3,036,293	168,174	101,118	143,887	5,315,140
22	Housing	5,954		9,142	25,000	0		5,831	3,839	1,649	12,528	32,920	0			96,863
23	Allowances	29,338	110,000	10,000	215,798	25,687	37,187	15,269	6,017	26,315	31,650	731,158	61,957	32,307	33,108	1,365,791
24	Overtime	52,049	130,000	5,416		9,943	1,844	8,907	200	6,449	2,048	110,323	1,142	14,450	3,585	346,356
25	Temporary	23,921	195,789	50,918		52,100	28,561	58,205	7,486	1,985	8,955	338,738	33,058	8,951	10,410	819,077
26	Wages															
27	Leave grants	12,302	47,321	17,163	6,250	5,528	7,577	10,596	3,595	2,905	6,561	175,318	16,118	11,971	0	323,205
	Sub total	396,765	1,080,379	361,937	512,478	256,549	165,816	233,818	77,724	181,619	185,122	4,641,801	292,808	168,907	194,092	8,749,815
28	Transport to work		237,443										14,845	723	0	253,011
30	Internal travel	7,279	4,193	8,217	7,963	4,785	5,928	52,911	4,146	7,126	16,127	24,521	21,949	7,788		172,933
35	External travel	60,060		6,834	10,223	5,523	1,485	3,406	1,400	700	2,729	13,487				105,847
40	Direct purchlocal	40,060	31,935	21,823	742,473	17,882	16,392	110,590	1,955	29,042	4,688	108,199	14,862	45,837	2,809	1,188,547
41	Entertainment	7,632														7,632
45	Direct purOverseas					182,280	29,974	1,451,615	6,932	3,000	122,717	19,550				1,816,068
50	Purchase serv local	44,286	54,060	20,031	5,509	3,688	1,812	11,709	2,077		466	3,313	6,386	18,928	951	173,216
52	Cleaning		2,802													2,802
55	Purch ser overseas			450		2,180	43,402	6,162			842					53,036
59	Local referral															
60	Hire of Plant	211,713										20,498	27,560			259,771
64	Telecoms	180,634												4,020	6,750	191,404
67	Electricity and gas	623,423											0	67,839	12,405	703,667
68	Water	109,711													997	110,708
82	Relocation										0	37,341				37,341
85	Local training									59,293		117,928				177,221
86	Overseas training															
95	Motor vehicle fund											50,000				50,000
	Sub total	**1,284,798**	**330,433**	**57,355**	**766,168**	**216,338**	**98,993**	**1,636,393**	**16,510**	**99,161**	**147,569**	**394,837**	**85,602**	**145,135**	**23,912**	**5,303,204**
	Total R. Expenditure	**1,681,563**	**1,410,812**	**419,292**	**1,278,646**	**472,887**	**264,809**	**1,870,211**	**94,234**	**280,780**	**332,691**	**5,036,638**	**378,410**	**314,042**	**218,004**	**14,053,019**
	Other commitments															
	LCDF	899,802											17,690			917,492
	Subtotal	**899,802**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**17,690**	**0**	**0**	**917,492**
	Grandtotal	**2,581,365**	**1,410,812**	**419,292**	**1,278,646**	**472,887**	**264,809**	**1,870,211**	**94,234**	**280,780**	**332,691**	**5,036,638**	**396,100**	**314,042**	**218,004**	**14,970,511**

VARIANCE (Over)/Under

Code	Description	01 Adm	02 Suppt ser	03 Pub Health	04 Curative	05 Lab ser	06 Radiology	07 Pharmacy	08 Physio ser	09 Nursing care	10 Dental ser	11 Nursing ser	12 Linnix ser	13 S. Kiribati	14 Betio	Total Variance
Revenue																
	Private ward	1,291	0	0	0	0	0	0	0	0	0	0	0	0	0	1,291
	Medical check up	-16,549	0	0	0	0	0	0	0	0	0	0	0	0	0	-16,549
	Sundry revenue	-5,188	0	0	0	0	0	0	0	0	0	0	0	0	0	-5,188
	Sale of med supplies	0	0	0	0	0	0	2,173	0	0	0	0	0	0	0	2,173
	Deposit scheme	0	0	0	0	0	0	0	1,154	0	0	0	0	0	0	1,154
	Dental sales	0	0	0	0	0	0	0	0	0	891	0	0	0	0	891
	Total Revenue	**-20,446**	**0**	**0**	**0**	**0**	**0**	**2,173**	**1,154**	**0**	**891**	**0**	**0**	**0**	**0**	**-16,228**
Expenditure																
20	KPF contribution	-36,274	-43,433	-15,635	8,952	1,577	2,816	6,039	1,698	9,136	9,297	36,363	-1,480	10,859	10,864	779
21	Salaries	28,687	895	54,225	91,959	-9	16,484	20,175	321	0	31,974	-5,639	-31,624	40,132	41,363	288,943
22	Housing	-954	0	858	0	1,080	0	-831	-339	4,351	760	-6,544	8,496	0	0	6,877
23	Allowances	662	0	0	10,975	-2,187	-22,187	-2,930	-1,017	-21,315	1,782	-81,158	-26,957	-5,141	-23,108	-172,581
24	Overtime	2,951	0	6,584	0	-943	3,156	1,093	835	-4,649	2,952	7,369	13,858	-8,450	415	25,171
25	Temporary	0	-25,484	0	0	-17,692	0	0	0	-985	0	-5,538	-24,553	-3,951	-9,464	-87,667
26	Wages	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27	Leave grants	22,217	4,469	-768	375	1,382	88	2,029	1,205	4,610	3,714	-1,248	757	154	7,875	46,859
	Sub total	**17,289**	**-63,553**	**45,264**	**112,261**	**-16,792**	**357**	**25,575**	**2,703**	**-8,852**	**50,479**	**-56,395**	**-61,503**	**33,603**	**27,945**	**108,381**
28	Transport to work	0	1,681	0	0	0	0	0	0	0	0	0	-845	4,477	7,876	13,189
30	Internal travel	2,721	-1,193	1,783	2,037	3,786	452	17,089	982	1,874	3,873	5,479	-11,949	4,777	0	31,711
35	External travel	-60	0	166	-1,539	-1,523	-85	594	600	800	1,271	1,513	0	0	0	1,737
40	Direct pur local	-60	4,005	-1,823	57,527	-11,336	1,608	-5,590	-246	958	3,312	-58,199	5,138	-8,413	6,861	-6,258
41	Entertainment	-1,632	0	0	0	0	0	0	0	0	0	0	0	0	0	-1,632
45	Direct pur Overseas	0	0	0	0	464	26	852	68	0	-23,717	450	0	0	0	-21,857
50	Purchase serv local	-4,286	0	4,969	-1,685	812	1,488	-2,709	423	0	3,934	-313	614	-2,928	11,049	11,368
52	Cleaning	0	3,198	0	0	0	0	0	0	0	0	0	0	0	0	3,198
55	Purch ser overseas	0	0	2,550	0	670	-4,206	5,838	0	0	1,058	0	0	0	0	5,910
59	Local referral	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
60	Hire of Plant	-41,713	0	0	0	0	0	0	0	0	0	-2,498	-2,560	0	0	-46,771
64	Telecoms	-446	0	0	0	0	0	0	0	0	0	0	0	-420	38	-828
67	Electricity and gas	-3,773	0	0	0	0	0	0	0	0	0	0	8,000	-42,839	595	-38,017
68	Water	18,516	0	0	0	0	0	0	0	0	0	0	0	0	7,003	25,519
82	Relocation	0	0	0	0	0	0	0	0	0	1,100	-2,341	0	0	0	-1,241
85	Local training	0	0	0	0	0	0	0	0	-15,935	0	-251	0	0	0	-16,186
86	Overseas training	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
95	Motor vehicle fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Sub total	**-30,733**	**7,691**	**7,645**	**56,340**	**-7,127**	**-717**	**16,074**	**1,827**	**-12,303**	**-9,169**	**-56,160**	**-1,602**	**-45,346**	**33,422**	**-40,158**
	Total R. Expenditure	**-13,444**	**-55,862**	**52,909**	**168,601**	**-23,919**	**-360**	**41,649**	**4,530**	**-21,155**	**41,310**	**-112,555**	**-63,105**	**-11,743**	**61,367**	**68,223**
	Other commitments															
	LCDF	635,350														635,350
	Subtotal	**635,350**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**635,350**
	Grandtotal	**621,906**	**-55,862**	**52,909**	**168,601**	**-23,919**	**-360**	**41,649**	**4,530**	**-21,155**	**41,310**	**-112,555**	**-63,105**	**-11,743**	**61,367**	**703,573**

MINISTRY OF EDUCATION (MOE)

	BUDGET													
Description	01 Policy adv	02 Primary edu ser	03 Junior Sec Edu	04 KGV&EBS	05 Meleangi	06 Teabike	07 KTC	08 Exam	09 Teaching res	10 Library	11 Secondary sch	12 FMU	13 Statistic	Total budget
Revenue														
Fare on charter vessel	$40,800.00													$40,800.00
Rental of properties	$6,528.00													$6,528.00
Fees Rurubao sch		$61,512.00												$61,512.00
KGV & EBS school fees				$53,516.00										$53,516.00
MTSS school fees					$12,900.00									$12,900.00
Teabike school fees						$36,000.00								$36,000.00
National certificate								$3,600.00						$3,600.00
Certificate of exam result								$300.00						$300.00
Library fines										$1,000.00				$1,000.00
Membership										$2,500.00				$2,500.00
Recovery of stock										$7,700.00				$7,700.00
Total revenue	**$47,328.00**	**$61,512.00**		**$53,516.00**	**$12,900.00**	**$36,000.00**		**$3,900.00**		**$11,200.00**				**$226,356.00**
Expenditure														
KPF contribution	$28,684.00	$171,473.00	$359,143.00	$12,858.00	$11,248.00	$26,686.00	$33,259.00	$6,004.00	$17,219.00	$7,497.00		$3,621.00		$677,692.00
Salaries	$292,511.00	$5,724,181.00	$4,524,186.00	$653,939.00	$103,155.00	$241,033.00	$361,344.00	$65,974.00	$152,771.00	$72,451.00	$33,200.00	$22,773.00	$66,481.00	$12,313,999.00
Housing	$12,564.00			$25,538.00			$14,400.00	$5,124.00	$5,235.00					$62,861.00
Allowances	$9,842.00	$245,320.00	$146,512.00	$12,026.00	$5,264.00	$32,500.00	$8,310.00	$3,023.00	$2,679.00	$2,468.00				$467,944.00
Overtime	$73,686.00			$47,944.00	$620.00	$7,653.00	$26,000.00	$7,343.00	$19,490.00	$6,519.00				$189,255.00
Temporary	$10,584.00	$199,348.00	$514,488.00	$61,945.00	$136,474.00	$114,333.00	$34,112.00	$6,282.00	$12,570.00	$21,321.00	$10,030.00			$1,121,487.00
Wages														$0.00
Leave grants	$16,035.00	$258,003.00	$197,788.00	$28,235.00	$6,075.00	$13,538.00	$14,250.00	$2,625.00	$5,250.00	$5,275.00				$547,074.00
Sub total	**$443,906.00**	**$6,598,325.00**	**$5,742,117.00**	**$842,485.00**	**$262,836.00**	**$435,743.00**	**$491,675.00**	**$96,375.00**	**$215,214.00**	**$115,531.00**	**$43,230.00**	**$26,394.00**	**$66,481.00**	**$15,380,312.00**
Transport to work	$32,929.00	$81,328.00	$80,837.00	$43,670.00			$59,720.00		$11,407.00	$8,392.00				$318,283.00
Internal travel	$6,073.00	$21,837.00	$43,213.00	$25,019.00	$19,760.00	$17,253.00	$22,653.00	$78,213.00	$5,840.00	$1,213.00		$108.00		$241,182.00
External travel	$74,753.00						$38,706.00	$9,806.00	$9,000.00	$5,720.00				$137,985.00
Direct purchases local	$67,146.00			$350,886.00	$67,294.00	$205,000.00	$95,802.00	$20,116.00	$86,878.00	$14,696.00	$907.00	$21,821.00	$18,656.00	$949,202.00
Entertainment	$18,000.00													$18,000.00
Direct purchases Overseas				$9,214.00	$10,000.00	$10,000.00			$3,130.00	$6,500.00		$200,145.00		$238,989.00
Purchase service local	$39,314.00			$14,565.00	$11,112.00	$8,068.00	$173,914.00	$85,884.00	$72,600.00	$7,764.00		$127,167.00	$2,421.00	$542,809.00
Cleaning														$0.00
Purchase service overseas								$139,000.00						$139,000.00
Local referral														$0.00
Hire of Plant	$87,653.00			$19,114.00			$20,729.00		$25,200.00					$152,696.00
Telecoms	$44,880.00			$11,845.00	$2,150.00	$2,500.00	$15,000.00	$5,520.00	$9,200.00	$3,000.00		$24,949.00	$1,500.00	$120,544.00
Electricity and gas	$32,940.00			$35,448.00	$21,080.00	$13,000.00	$40,425.00	$5,000.00	$36,000.00	$34,520.00		$44,152.00		$262,565.00
Water	$280.00													$280.00
One off expenses														$0.00
Special														$0.00
Commitment/other														$0.00
Recruitment														$0.00
Relocation		$70,288.00	$62,816.00											$133,104.00
Local training									$3,500.00					$3,500.00
Overseas training														$0.00
Motor vehicle fund														$0.00
Sub total	**$403,968.00**	**$173,453.00**	**$186,866.00**	**$509,761.00**	**$131,396.00**	**$255,821.00**	**$466,949.00**	**$343,539.00**	**$262,755.00**	**$81,805.00**	**$907.00**	**$418,342.00**	**$22,577.00**	**$3,258,139.00**
Total recurrent expenditure	**$847,874.00**	**$6,771,778.00**	**$5,928,983.00**	**$1,352,246.00**	**$394,232.00**	**$691,564.00**	**$958,624.00**	**$439,914.00**	**$477,969.00**	**$197,336.00**	**$44,137.00**	**$444,736.00**	**$89,058.00**	**$18,638,451.00**

			ACTUAL											
Description	01 Policy adv	02 Primary edu ser	03 Junior Sec Edu	04 KGV&EBS	05 Meleangi	06 Teabike	07 KTC	08 Exam	09 Teaching res	10 Library	11 Secondary sch	12 FMU	13 Statistic	Total Actual
Revenue														
Fare on charter vessel	$776.00													$776.00
Rental of properties	$0.00													$0.00
Fees Rurubao sch		$39,128.00												$39,128.00
KGV & EBS school fees				$39,958.00										$39,958.00
MTSS school fees					$11,380.00									$11,380.00
Teabike school fees						$34,999.00								$34,999.00
National certificate								$1,880.00						$1,880.00
Certificate of exam result								$909.00						$909.00
Library fines										$63.00				$63.00
Membership										$1,274.00				$1,274.00
Recovery of stock										$4,730.00				$4,730.00
Total revenue	**$776.00**	**$39,128.00**		**$39,958.00**	**$11,380.00**	**$34,999.00**		**$2,789.00**		**$6,067.00**				**$135,097.00**
														$0.00
Expenditure														
KPF contribution	$64,381.00	$426,254.00	$386,385.00	$56,334.00	$22,394.00	$41,496.00	$39,797.00	$6,927.00	$17,219.00	$7,497.00		$6,889.00		$1,075,573.00
Salaries	$292,512.00	$6,058,937.00	$4,504,186.00	$653,939.00	$103,155.00	$221,422.00	$361,344.00	$65,974.00	$150,452.00	$52,868.00	$33,200.00	$53,919.00	$22,906.00	$12,574,814.00
Housing	$12,564.00			$25,538.00			$14,400.00	$5,124.00	$5,235.00					$62,861.00
Allowances	$8,861.00	$336,662.00	$146,512.00	$12,026.00	$5,264.00	$21,199.00	$5,606.00	$3,023.00	$1,991.00	$2,468.00				$543,612.00
Overtime	$73,686.00			$47,944.00	$8,394.00	$11,344.00	$26,000.00	$7,343.00	$19,490.00	$6,519.00				$200,720.00
Temporary	$10,584.00	$327,723.00	$514,488.00	$61,945.00		$114,333.00	$34,112.00	$6,282.00	$12,570.00	$21,321.00	$10,030.00			$1,113,388.00
Wages														$0.00
Leave grants	$16,035.00	$245,504.00	$211,666.00	$28,235.00	$12,166.00	$17,698.00	$14,250.00	$1,685.00	$5,250.00	$5,275.00				$557,764.00
Sub total	**$478,623.00**	**$7,395,080.00**	**$5,763,237.00**	**$885,961.00**	**$151,373.00**	**$427,492.00**	**$495,509.00**	**$96,358.00**	**$212,207.00**	**$95,948.00**	**$43,230.00**	**$60,808.00**	**$22,906.00**	**$16,128,732.00**
Transport to work	$27,438.00	$81,328.00	$80,915.00	$43,670.00	$383.00		$59,397.00		$11,407.00	$9,813.00				$314,351.00
Internal travel	$3,859.00	$21,759.00	$41,708.00	$25,019.00	$19,194.00	$16,219.00	$22,653.00	$61,838.00	$5,685.00	$104.00		$2,322.00		$220,360.00
External travel	$73,988.00						$22,683.00		$8,334.00	$5,331.00				$110,336.00
Direct purchases local	$67,694.00			$350,886.00	$104,243.00	$205,000.00	$95,802.00	$19,228.00	$61,012.00	$14,696.00	$907.00	$51,821.00	$18,656.00	$989,945.00
Entertainment	$19,246.00													$19,246.00
Direct purchases Overseas				$9,214.00	$360.00				$3,094.00			$120,564.00		$133,232.00
Purchase service local	$46,355.00			$14,565.00	$9,714.00	$8,068.00	$14,873.00	$39,755.00	$68,573.00	$6,152.00		$38,824.00	$3,541.00	$250,420.00
Cleaning														$0.00
Purchase service overseas								$81,399.00						$81,399.00
Local referral														$0.00
Hire of Plant	$90,622.00			$19,114.00			$20,729.00		$25,200.00					$155,665.00
Telecoms	$44,476.00			$11,845.00	$2,061.00	$1,296.00	$15,000.00	$5,290.00	$9,200.00	$2,314.00		$27,949.00	$1,500.00	$120,931.00
Electricity and gas	$27,568.00			$35,448.00	$19,515.00	$13,000.00	$40,425.00	$4,662.00	$33,585.00	$34,520.00		$44,152.00		$252,875.00
Water	$653.00													$653.00
One off expenses														$0.00
Special														$0.00
Commitment/other														$0.00
Recruitment														$0.00
Relocation		$7,717.00	$41,202.00											$48,919.00
Local training														$0.00
Overseas training														$0.00
Motor vehicle fund														$0.00
Sub total	**$401,899.00**	**$110,804.00**	**$163,825.00**	**$509,761.00**	**$155,470.00**	**$243,583.00**	**$291,562.00**	**$212,172.00**	**$226,090.00**	**$72,930.00**	**$907.00**	**$285,632.00**	**$23,697.00**	**$2,698,332.00**
Total recurrent expenditure	**$880,522.00**	**$7,505,884.00**	**$5,927,062.00**	**$1,395,722.00**	**$306,843.00**	**$671,075.00**	**$787,071.00**	**$308,530.00**	**$438,297.00**	**$168,878.00**	**$44,137.00**	**$346,440.00**	**$46,603.00**	**$18,827,064.00**

			VARIANCE											
Description	01 Policy adv	02 Primary edu ser	03 Junior Sec Edu	04 KGV&EBS	05 Meleangi	06 Teabike	07 KTC	08 Exam	09 Teaching res	10 Library	11 Secondary sch	12 FMU	13 Statistic	Total variance
Revenue														
Fare on charter vessel	$40,024.00			$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$40,024.00
Rental of properties	$6,528.00			$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$6,528.00
Fees Rurubao sch		$22,384.00		$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$22,384.00
KGV & EBS school fees	$0.00	$0.00		$13,558.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$13,558.00
MTSS school fees	$0.00	$0.00		$0.00	$1,520.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$1,520.00
Teabike school fees	$0.00	$0.00		$0.00	$0.00	$1,001.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$1,001.00
National certificate								$1,720.00	$0.00	$0.00	$0.00	$0.00	$0.00	$1,720.00
Certificate of exam result								-$609.00	$0.00	$0.00	$0.00	$0.00	$0.00	-$609.00
Library fines										$937.00	$0.00	$0.00	$0.00	$937.00
Membership										$1,226.00	$0.00	$0.00	$0.00	$1,226.00
Recovery of stock										$2,970.00	$0.00	$0.00	$0.00	$2,970.00
Total revenue	**$46,552.00**	**$22,384.00**		**$13,558.00**	**$1,520.00**	**$1,001.00**		**$1,111.00**		**$5,133.00**	**$0.00**	**$0.00**	**$0.00**	**$91,259.00**
									$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Expenditure														
KPF contribution	-$35,697.00	-$254,781.00	-$27,242.00	-$43,476.00	-$11,146.00	-$14,810.00	-$6,538.00	-$923.00	$0.00	$0.00	$0.00	-$3,268.00	$0.00	-$397,881.00
Salaries	-$1.00	-$334,756.00	$20,000.00	$0.00	$0.00	$19,611.00	$0.00	$0.00	$2,319.00	$19,583.00	$0.00	-$31,146.00	$43,575.00	-$260,815.00
Housing	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Allowances	$981.00	-$91,342.00	$0.00	$0.00	$0.00	$11,301.00	$2,704.00	$0.00	$688.00	$0.00	$0.00	$0.00	$0.00	-$75,668.00
Overtime	$0.00	$0.00	$0.00	$0.00	-$7,774.00	-$3,691.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	-$11,465.00
Temporary	$0.00	-$128,375.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	-$128,375.00
Wages	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Leave grants	$0.00	$12,499.00	-$13,878.00	$0.00	-$6,091.00	-$4,160.00	$0.00	$940.00	$0.00	$0.00	$0.00	$0.00	$0.00	-$10,690.00
Sub total	**-$34,717.00**	**-$796,755.00**	**-$21,120.00**	**-$43,476.00**	**-$25,011.00**	**$8,251.00**	**-$3,834.00**	**$17.00**	**$3,007.00**	**$19,583.00**	**$0.00**	**-$34,414.00**	**$43,575.00**	**-$884,894.00**
Transport to work	$5,491.00	$0.00	-$78.00	$0.00	-$383.00	$0.00	$323.00	$0.00	$0.00	-$1,421.00	$0.00	$0.00	$0.00	$3,932.00
Internal travel	$2,214.00	$78.00	$1,505.00	$0.00	$566.00	$1,034.00	$0.00	$16,375.00	$155.00	$1,109.00	$0.00	-$2,214.00	$0.00	$20,822.00
External travel	$765.00	$0.00	$0.00	$0.00	$0.00	$0.00	$16,023.00	$9,806.00	$666.00	$389.00	$0.00	$0.00	$0.00	$27,649.00
Direct purchases local	-$548.00	$0.00	$0.00	$0.00	-$36,949.00	$0.00	$0.00	$888.00	$25,866.00	$0.00	$0.00	-$30,000.00	$0.00	-$40,743.00
Entertainment	-$1,246.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	-$1,246.00
Direct purchases Overseas	$0.00	$0.00	$0.00	$0.00	$9,640.00	$10,000.00	$0.00	$0.00	$36.00	$6,500.00	$0.00	$79,581.00	$0.00	$105,757.00
Purchase service local	-$7,041.00	$0.00	$0.00	$0.00	$1,398.00	$0.00	$159,041.00	$46,129.00	$4,027.00	$1,612.00	$0.00	$88,343.00	-$1,120.00	$292,389.00
Cleaning	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Purchase service overseas	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$57,601.00	$0.00	$0.00	$0.00	$0.00	$0.00	$57,601.00
Local referral	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Hire of Plant	-$2,969.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	-$2,969.00
Telecoms	$404.00	$0.00	$0.00	$0.00	$89.00	$1,204.00	$0.00	$230.00	$0.00	$686.00	$0.00	-$3,000.00	$0.00	-$387.00
Electricity and gas	$5,372.00	$0.00	$0.00	$0.00	$1,565.00	$0.00	$0.00	$338.00	$2,415.00	$0.00	$0.00	$0.00	$0.00	$9,690.00
Water	-$373.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	-$373.00
One off expenses	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Special	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Commitment/other	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Recruitment	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Relocation	$0.00	$62,571.00	$21,614.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$84,185.00
Local training	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$3,500.00	$0.00	$0.00	$0.00	$0.00	$3,500.00
Overseas training	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Motor vehicle fund	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Sub total	**$2,069.00**	**$62,649.00**	**$23,041.00**	**$0.00**	**-$24,074.00**	**$12,238.00**	**$175,387.00**	**$131,367.00**	**$36,665.00**	**$8,875.00**	**$0.00**	**$132,710.00**	**-$1,120.00**	**$559,807.00**
Total recurrent expenditure	**-$32,648.00**	**-$734,106.00**	**$1,921.00**	**-$43,476.00**	**-$49,085.00**	**$20,489.00**	**$171,553.00**	**$131,384.00**	**$39,672.00**	**$28,458.00**	**$0.00**	**$98,296.00**	**$42,455.00**	**-$325,087.00**

MINISTRY OF COMMUNICATION TRANSPORTAND TOURISM DEVELOPMENT (MCTTD)

							BUDGET							
Code	Description	01 Policy Dev	02 Search & Rescue	03 Services to shipping	04 Safer Navig	05 Adm & Reg	06 Oper of Airport	07 Postal Services	08 Philatelic	09 Printing ser	10 Promotion	11 Met	12 IT	Total Budget
Revenue														
	Jaxa(Downrange)	$1,200,000.00												$1,200,000.00
	Jaxa(Air Service)	$1,500,000.00												$1,500,000.00
	Open ship Registration		$500,000.00											$500,000.00
	Licensce for foreign vessel			$10,000.00										$10,000.00
	Licence for Domestic vessel			$15,000.00										$15,000.00
	Seaworthiness			$5,000.00										$5,000.00
	Recruitment & exam fees			$9,000.00										$9,000.00
	Light dues				$10,000.00									$10,000.00
	Letter Post terminal credit							$1,000.00						$1,000.00
	Sale of stamps							$50,000.00						$50,000.00
	Parcel post terminal credit							$3,000.00						$3,000.00
	Sundry fees							$4,000.00						$4,000.00
	Private Box rental							$16,000.00						$16,000.00
	Commission on money ord							$85,000.00						$85,000.00
	Local sales								$8,000.00					$8,000.00
	Overseas sales								$15,000.00					$15,000.00
	Printing charges									$80,000.00				$80,000.00
	Cruise line fees										$3,000.00			$3,000.00
	Cruise line													
	Total revenue	**$2,700,000.00**	**$500,000.00**	**$39,000.00**	**$10,000.00**			**$159,000.00**	**$23,000.00**	**$80,000.00**	**$3,000.00**			**$3,514,000.00**
Expenditure														
20	KPF contribution	$14,423.00		$9,405.00	$948.00	$4,406.00	$16,346.00	$13,534.00	$4,581.00	$10,283.00	$6,172.00	$12,568.00	$1,968.00	$94,634.00
21	Salaries	$171,666.00		$115,867.00	$11,568.00	$53,269.00	$194,469.00	$170,680.00	$55,337.00	$133,455.00	$77,221.00	$162,578.00	$24,246.00	$1,170,356.00
22	Housing	$24,000.00		$9,132.00		$4,248.00							$4,248.00	$41,628.00
23	Allowances	$14,112.00		$11,975.00	$3,000.00	$2,515.00	$16,731.00	$9,284.00	$943.00	$2,900.00	$5,577.00	$17,000.00	$1,100.00	$85,137.00
24	Overtime	$16,280.00		$5,996.00	$2,000.00	$9,317.00	$25,000.00	$4,716.00	$1,000.00	$7,260.00	$500.00	$10,000.00		$82,069.00
25	Temporary	$4,000.00		$2,000.00	$400.00	$1,000.00	$10,000.00	$3,000.00	$1,000.00	$2,840.00	$500.00	$5,000.00		$29,740.00
26	Wages													
27	Leave grants	$7,244.00		$7,610.00	$2,000.00	$2,125.00	$11,920.00	$13,000.00	$3,280.00	$7,542.00	$4,590.00	$12,900.00	$625.00	$72,836.00
	Sub total	**$251,725.00**		**$161,985.00**	**$19,916.00**	**$76,880.00**	**$274,466.00**	**$214,214.00**	**$66,141.00**	**$164,280.00**	**$94,560.00**	**$220,046.00**	**$32,187.00**	**$1,576,400.00**
28	Transport to work	$15,104.00		$5,000.00		$4,435.00	$16,000.00	$6,000.00	$1,752.00	$2,050.00	$7,000.00	$6,400.00	$1,300.00	$65,041.00
30	Internal travel	$16,110.00		$4,000.00	$7,000.00	$9,000.00	$4,700.00		$1,500.00		$4,000.00	$20,201.00		$66,511.00
35	External travel	$70,500.00		$10,000.00		$12,615.00		$8,000.00	$3,560.00	$5,000.00	$7,420.00	$12,000.00	$9,720.00	$138,815.00
40	Direct purchases local	$22,850.00		$8,558.00	$15,216.00	$10,610.00	$15,600.00	$12,770.00	$11,440.00	$4,703.00	$12,825.00	$6,815.00	$5,840.00	$127,227.00
41	Entertainment	$4,500.00												$4,500.00
45	Direct purchases Overseas					$1,000.00		$5,000.00	$7,754.00	$20,000.00	$4,900.00		$3,000.00	$41,654.00
50	Purchase service local	$10,000.00		$10,500.00	$15,000.00	$7,385.00	$10,800.00	$37,870.00	$1,000.00	$5,050.00	$4,500.00	$8,636.00	$1,000.00	$111,741.00
52	Cleaning													
55	Purchase service overseas	$18,756.00				$10,000.00		$40,000.00	$10,000.00		$19,580.00		$2,000.00	$100,336.00
59	Local referral													
60	Hire of Plant	$47,900.00				$7,400.00	$16,300.00	$7,800.00						$79,400.00
64	Telecoms	$46,800.00		$8,000.00	$2,000.00	$40,400.00	$28,220.00	$10,000.00	$4,000.00	$6,000.00	$5,500.00	$12,849.00	$8,420.00	$172,189.00
67	Electricity and gas	$37,800.00		$13,000.00	$11,450.00	$25,000.00	$16,000.00	$15,330.00	$12,000.00	$11,000.00	$6,275.00	$20,200.00	$1,020.00	$169,075.00
68	Water													$0.00
	One off expenses													
70	Special													
72	Commitment/other													
81	Recruitment													
82	Relocation													
85	Local training													
86	Overseas training													
95	Motor vehicle fund													
	Sub total	$290,320.00		$59,058.00	$50,666.00	$127,845.00	$107,620.00	$142,770.00	$53,006.00	$53,803.00	$72,000.00	$87,101.00	$32,300.00	$1,076,489.00
	Total recurrent expenditure	$542,045.00	$0.00	$221,043.00	$70,582.00	$204,725.00	$382,086.00	$356,984.00	$119,147.00	$218,083.00	$166,560.00	$307,147.00	$64,487.00	$2,652,889.00

			ACTUAL											
Code	Description	01 Policy Dev	02 Search & Rescue	03 Services to shipping	04 Safer Navig	05 Adm & Reg	06 Oper of Airport	07 Postal Services	08 Philatelic	09 Printing ser	10 Promotion	11 Met	12 IT	Total Actual
Revenue														
	Jaxa(Downrange)	$634,225.00												$634,225.00
	Jaxa(Air Service)	$757,728.00												$757,728.00
	Open ship Registration		$546,527.00											$546,527.00
	Licensce for foreign vessel			$32,078.00										$32,078.00
	Licence for Domestic vessel			$17,036.00										$17,036.00
	Seaworthiness			$1,438.00										$1,438.00
	Recruitment & exam fees			$15,225.00										$15,225.00
	Light dues				$31,459.00									$31,459.00
	Letter Post terminal credit													
	Sale of stamps							$28,038.00						$28,038.00
	Parcel post terminal credit													
	Sundry fees							$7,447.00						$7,447.00
	Private Box rental							$6,422.00						$6,422.00
	Commission on money ord							$93,964.00						$93,964.00
	Local sales								$4,211.00					$4,211.00
	Overseas sales								$19,236.00					$19,236.00
	Printing charges									$94,813.00				$94,813.00
	Cruise line fees										$8,057.00			$8,057.00
	Cruise line												$21,129.00	$21,129.00
	Total revenue	**$1,391,953.00**	**$546,527.00**	**$65,777.00**	**$31,459.00**			**$135,871.00**	**$23,447.00**	**$94,813.00**	**$8,057.00**			**$2,319,033.00**
Expenditure														
20	KPF contribution	$14,423.00		$9,403.00	$940.00	$3,872.00	$14,531.00	$13,534.00	$4,581.00	$10,283.00	$6,172.00	$12,568.00	$1,968.00	$92,275.00
21	Salaries	$171,495.00		$115,802.00	$11,084.00	$51,626.00	$193,756.00	$170,031.00	$54,473.00	$127,875.00	$73,992.00	$163,608.00	$24,190.00	$1,157,932.00
22	Housing	$23,773.00		$9,132.00		$4,248.00							$4,248.00	$41,401.00
23	Allowances	$14,112.00		$11,970.00	$2,610.00	$1,965.00	$16,716.00	$8,945.00	$943.00	$2,117.00	$4,934.00	$15,596.00	$643.00	$80,551.00
24	Overtime	$16,279.00		$5,996.00	$2,000.00	$9,317.00	$25,000.00	$4,711.00	$1,000.00	$7,251.00	$490.00	$27,787.00		$99,831.00
25	Temporary	$3,982.00		$2,000.00	$330.00	$995.00	$9,998.00	$2,872.00	$1,000.00	$2,837.00	$500.00	$10,848.00		$35,362.00
26	Wages													
27	Leave grants	$5,813.00		$2,100.00	$1,992.00	$1,216.00	$11,915.00	$9,370.00	$2,910.00	$6,000.00	$3,492.00	$13,212.00	$625.00	$58,645.00
	Sub total	**$249,877.00**		**$156,403.00**	**$18,956.00**	**$73,239.00**	**$271,916.00**	**$209,463.00**	**$64,907.00**	**$156,363.00**	**$89,580.00**	**$243,619.00**	**$31,674.00**	**$1,565,997.00**
28	Transport to work	$15,060.00		$5,000.00		$4,435.00	$15,994.00	$5,979.00	$1,753.00	$2,038.00	$6,944.00	$7,353.00	$1,280.00	$65,836.00
30	Internal travel	$16,296.00		$3,961.00	$6,976.00	$9,000.00	$4,642.00		$1,500.00		$4,012.00	$22,454.00		$68,841.00
35	External travel	$70,482.00		$9,992.00		$10,563.00		$7,251.00	$1,808.00	$5,000.00	$7,122.00	$11,741.00	$9,718.00	$133,677.00
40	Direct purchases local	$22,849.00		$8,558.00	$15,215.00	$10,604.00	$15,670.00	$12,765.00	$11,401.00	$4,663.00	$12,816.00	$10,214.00	$5,831.00	$130,586.00
41	Entertainment	$4,448.00												$4,448.00
45	Direct purchases Overseas					$991.00		$4,902.00	$7,754.00	$19,981.00	$4,546.00		$2,774.00	$40,948.00
50	Purchase service local	$9,999.00		$10,480.00	$15,445.00	$7,380.00	$7,346.00	$38,269.00	$1,001.00	$3,576.00	$4,453.00	$10,594.00	$1,000.00	$109,543.00
52	Cleaning													
55	Purchase service overseas	$18,756.00				$9,995.00		$39,999.00	$10,000.00		$19,550.00		$2,000.00	$100,300.00
59	Local referral													
60	Hire of Plant	$46,031.00				$3,867.00	$16,286.00	$939.00						$67,123.00
64	Telecoms	$46,764.00		$8,000.00	$1,998.00	$39,998.00	$28,219.00	$9,998.00	$3,993.00	$5,992.00	$5,498.00	$18,963.00	$8,420.00	$177,843.00
67	Electricity and gas	$37,800.00		$12,959.00	$9,138.00	$25,000.00	$16,000.00	$14,837.00	$12,000.00	$11,000.00	$6,276.00	$15,436.00	$1,016.00	$161,462.00
68	Water													$0.00
	One off expenses													
70	Special													
72	Commitment/other													
81	Recruitment													
82	Relocation													
85	Local training													
86	Overseas training													
95	Motor vehicle fund													
	Sub total	**$288,485.00**		**$58,950.00**	**$48,772.00**	**$121,833.00**	**$104,157.00**	**$134,939.00**	**$51,210.00**	**$52,250.00**	**$71,217.00**	**$96,755.00**	**$32,039.00**	**$1,060,607.00**
	Total recurrent expenditure	**$538,362.00**	**$0.00**	**$215,353.00**	**$67,728.00**	**$195,072.00**	**$376,073.00**	**$344,402.00**	**$116,117.00**	**$208,613.00**	**$160,797.00**	**$340,374.00**	**$63,713.00**	$2,626,604.00

			VARIANCE											
Code	Description	01 Policy Dev	02 Search & Rescue	03 Services to shipping	04 Safer Navig	05 Adm & Reg	06 Oper of Airport	07 Postal Services	08 Philatelic	09 Printing ser	10 Promotion	11 Met	12 IT	Total Variance
Revenue														
	Jaxa(Downrange)	$565,775.00		$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$565,775.00
	Jaxa(Air Service)	$742,272.00		$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$742,272.00
	Open ship Registration	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	Licensce for foreign vessel	$0.00	$0.00	-$22,078.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	-$22,078.00
	Licence for Domestic vessel	$0.00	-$46,527.00	-$2,036.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	-$48,563.00
	Seaworthiness	$0.00	$0.00	$3,562.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$3,562.00
	Recruitment & exam fees	$0.00	$0.00	-$6,225.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	-$6,225.00
	Light dues	$0.00	$0.00	$0.00	-$21,459.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	-$21,459.00
	Letter Post terminal credit	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$1,000.00	$0.00	$0.00	$0.00	$0.00	$0.00	$1,000.00
	Sale of stamps	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$21,962.00	$0.00	$0.00	$0.00	$0.00	$0.00	$21,962.00
	Parcel post terminal credit	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$3,000.00	$0.00	$0.00	$0.00	$0.00	$0.00	$3,000.00
	Sundry fees	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	-$3,447.00	$0.00	$0.00	$0.00	$0.00	$0.00	-$3,447.00
	Private Box rental							$9,578.00	$0.00	$0.00	$0.00	$0.00	$0.00	$9,578.00
	Commission on money ord							-$8,964.00	$0.00	$0.00	$0.00	$0.00	$0.00	-$8,964.00
	Local sales							$0.00	$3,789.00	$0.00	$0.00	$0.00	$0.00	$3,789.00
	Overseas sales							$0.00	-$4,236.00	$0.00	$0.00	$0.00	$0.00	-$4,236.00
	Printing charges							$0.00	$0.00	-$14,813.00	$0.00	$0.00	$0.00	-$14,813.00
	Cruise line fees							$0.00	$0.00	$0.00	-$5,057.00	$0.00	$0.00	-$5,057.00
	Cruise line												-$21,129.00	-$21,129.00
	Total revenue	**$1,308,047.00**	**$0.00**	**-$26,777.00**	**-$21,459.00**	**$0.00**	**$0.00**	**$23,129.00**	**-$447.00**	**-$14,813.00**	**-$5,057.00**	**$0.00**	**$0.00**	**$1,194,967.00**
Expenditure														
20	KPF contribution	$0.00	-$46,527.00	$2.00	$8.00	$534.00	$1,815.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	-$44,168.00
21	Salaries	$171.00	$0.00	$65.00	$484.00	$1,643.00	$713.00	$649.00	$864.00	$5,580.00	$3,229.00	-$1,030.00	$56.00	$12,424.00
22	Housing	$227.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$227.00
23	Allowances	$0.00	$0.00	$5.00	$390.00	$550.00	$15.00	$339.00	$0.00	$783.00	$643.00	$1,404.00	$457.00	$4,586.00
24	Overtime	$1.00	$0.00	$0.00	$0.00	$0.00	$0.00	$5.00	$0.00	$9.00	$10.00	-$17,787.00	$0.00	-$17,762.00
25	Temporary	$18.00	$0.00	$0.00	$70.00	$5.00	$2.00	$128.00	$0.00	$3.00	$0.00	-$5,848.00	$0.00	-$5,622.00
26	Wages	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
27	Leave grants	$1,431.00	$0.00	$5,510.00	$8.00	$909.00	$5.00	$3,630.00	$370.00	$1,542.00	$1,098.00	-$312.00	$0.00	$14,191.00
	Sub total	**$1,848.00**	**$0.00**	**$5,582.00**	**$960.00**	**$3,641.00**	**$2,550.00**	**$4,751.00**	**$1,234.00**	**$7,917.00**	**$4,980.00**	**-$23,573.00**	**$513.00**	$10,403.00
28	Transport to work	$44.00	$0.00	$0.00	$0.00	$0.00	$6.00	$21.00	-$1.00	$12.00	$56.00	-$953.00	$20.00	-$795.00
30	Internal travel	-$186.00	$0.00	$39.00	$24.00	$0.00	$58.00	$0.00	$0.00	$0.00	-$12.00	-$2,253.00	$0.00	-$2,330.00
35	External travel	$18.00	$0.00	$8.00	$0.00	$2,052.00	$0.00	$749.00	$1,752.00	$0.00	$298.00	$259.00	$2.00	$5,138.00
40	Direct purchases local	$1.00	$0.00	$0.00	$1.00	$6.00	-$70.00	$5.00	$39.00	$40.00	$9.00	-$3,399.00	$9.00	-$3,359.00
41	Entertainment	$52.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$52.00
45	Direct purchases Overseas	$0.00	$0.00	$0.00	$0.00	$9.00	$0.00	$98.00	$0.00	$19.00	$354.00	$0.00	$226.00	$706.00
50	Purchase service local	$1.00	$0.00	$20.00	-$445.00	$5.00	$3,454.00	-$399.00	-$1.00	$1,474.00	$47.00	-$1,958.00	$0.00	$2,198.00
52	Cleaning	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
55	Purchase service overseas	$0.00	$0.00	$0.00	$0.00	$5.00	$0.00	$1.00	$0.00	$0.00	$30.00	$0.00	$0.00	$36.00
59	Local referral	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
60	Hire of Plant	$1,869.00	$0.00	$0.00	$0.00	$3,533.00	$14.00	$6,861.00	$0.00	$0.00	$0.00	$0.00	$0.00	$12,277.00
64	Telecoms	$36.00	$0.00	$0.00	$2.00	$402.00	$1.00	$2.00	$7.00	$8.00	$2.00	-$6,114.00	$0.00	-$5,654.00
67	Electricity and gas	$0.00	$0.00	$41.00	$2,312.00	$0.00	$0.00	$493.00	$0.00	$0.00	-$1.00	$4,764.00	$4.00	$7,613.00
68	Water	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	One off expenses	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
70	Special	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
72	Commitment/other	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
81	Recruitment	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
82	Relocation	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
85	Local training	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
86	Overseas training	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
95	Motor vehicle fund	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	Sub total	**$1,835.00**	**$0.00**	**$108.00**	**$1,894.00**	**$6,012.00**	**$3,463.00**	**$7,831.00**	**$1,796.00**	**$1,553.00**	**$783.00**	**-$9,654.00**	**$261.00**	$15,882.00
	Total recurrent expenditure	**$3,683.00**	**$0.00**	**$5,690.00**	**$2,854.00**	**$9,653.00**	**$6,013.00**	**$12,582.00**	**$3,030.00**	**$9,470.00**	**$5,763.00**	**-$33,227.00**	**$774.00**	**$26,285.00**

MINISTRY OF FINANCE AND ECONOMIC DEVELOPMENT (MFED)

		BUDGET								
Code	**Description**	**01 Adm/Policy**	**02 Rec. Acct.**	**03 Internal audit**	**04 E/Planning**	**05 Tax**	**06 Customs**	**07 Statistical ser**	**08 IT**	**Total budget**
Revenue										
	Interest on loan charge	$11,300.00								$11,300.00
	Interest on consolidated fund									
	Sundry Revenue		$600,000.00							$600,000.00
	RERF Drawdown									
	Company tax					$7,500,000.00				$7,500,000.00
	Other taxes -hotel					$85,000.00				$85,000.00
	Personal Income tax					$7,000,000.00				$7,000,000.00
	Customs division services						$60,000.00			$60,000.00
	Customs licence fees						$50,000.00			$50,000.00
	Import duties						$17,960,000.00			$17,960,000.00
	Sale of custom books						$1,400.00			$1,400.00
	Sale of warehouse rental						$2,000.00			$2,000.00
	Customs sundry revenue						$13,000.00			$13,000.00
	Sale of Publication							$100.00		$100.00
	Total revenue	**$11,300.00**	**$600,000.00**			**$14,585,000.00**	**$18,086,400.00**	**$100.00**		**$33,282,800.00**
Expenditure										
20	KPF contribution	$15,652.00	$30,620.00	$4,107.00	$11,011.00	$12,957.00	$16,255.00	$8,443.00	$3,698.00	$102,743.00
21	Salaries	$156,826.00	$334,693.00	$47,584.00	$121,615.00	$153,833.00	$215,981.00	$101,648.00	$51,054.00	$1,183,234.00
22	Housing	$5,734.00	$8,376.00		$11,496.00	$8,027.00	$8,375.00	$3,339.00	$610.00	$45,957.00
23	Allowances	$17,330.00	$12,111.00	$965.00	$3,182.00	$27,088.00	$7,696.00		$427.00	$68,799.00
24	Overtime	$22,709.00	$16,758.00	$855.00		$13,373.00	$72,531.00	$3,588.00	$7,020.00	$136,834.00
25	Temporary	$12,046.00	$62,683.00	$7,172.00	$21,619.00	$15,928.00		$10,930.00		$130,378.00
26	Wages									
27	Leave grants	$7,173.00	$20,437.00	$1,340.00	$4,375.00	$5,680.00	$18,323.00	$5,187.00	$1,865.00	$64,380.00
	Sub total	**$237,470.00**	**$485,678.00**	**$62,023.00**	**$173,298.00**	**$236,886.00**	**$339,161.00**	**$133,135.00**	**$64,674.00**	**$1,732,325.00**
28	Transport to work	$39,484.00				$19,648.00	$2,925.00	$2,500.00	$610.00	$65,167.00
30	Internal travel	$600.00	$4,032.00	$14,715.00	$1,284.00	$9,641.00	$12,075.00	$9,500.00	$500.00	$52,347.00
35	External travel	$49,338.00	$28,387.00		$27,241.00	$36,925.00	$12,402.00		$11,070.00	$165,363.00
40	Direct purchases local	$23,123.00	$31,693.00	$5,033.00	$12,893.00	$21,064.00	$23,958.00	$12,110.00	$49,543.00	$179,417.00
41	Entertainment	$3,115.00								$3,115.00
45	Direct purchases Overseas		$6,555.00			$3,000.00			$5,482.00	$15,037.00
50	Purchase service local	$15,395.00	$2,714.00	$3,500.00	$7,030.00	$15,372.00	$17,600.00	$3,800.00	$1,608.00	$67,019.00
52	Cleaning									
55	Purchase service overseas					$7,500.00	$4,500.00	$900.00		$12,900.00
59	Local referral									
60	Hire of Plant	$114,779.00					$40,800.00			$155,579.00
64	Telecoms	$92,961.00							$170.00	$93,131.00
67	Electricity and gas	$116,222.00				$9,000.00	$34,570.00			$159,792.00
68	Water						$200.00			$200.00
70	One off expenses	$420,148.00								$420,148.00
72	Commitment/other									
81	Recruitment									
82	Relocation						$7,235.00			$7,235.00
85	Local training						$2,420.00	$4,000.00	$5,400.00	$11,820.00
86	Overseas training									
95	Motor vehicle fund									
	Sub total	**$875,165.00**	**$73,381.00**	**$23,248.00**	**$48,448.00**	**$122,150.00**	**$158,685.00**	**$32,810.00**	**$74,383.00**	**$1,408,270.00**
	Total recurrent expenditure	**$1,112,635.00**	**$559,059.00**	**$85,271.00**	**$221,746.00**	**$359,036.00**	**$497,846.00**	**$165,945.00**	**$139,057.00**	**$3,140,595.00**

			ACTUAL							
Code	**Description**	**01 Adm/Policy**	**02 Rec. Acct.**	**03 Internal audit**	**04 E/Planning**	**05 Tax**	**06 Customs**	**07 Statistical ser**	**08 IT**	**Total Actual**
Revenue										
	Interest on loan charge	$11,018.00								$11,018.00
	Interest on consolidated fund	$99,620.00								$99,620.00
	Sundry Revenue		$224,061.00							$224,061.00
	RERF Drawdown				$37,500,000.00					$37,500,000.00
	Company tax					$4,734,410.00				$4,734,410.00
	Other taxes -hotel					$91,708.00				$91,708.00
	Personal Income tax					$7,300,639.00				$7,300,639.00
	Customs division services						$158,856.00			$158,856.00
	Customs licence fees						$70,613.00			$70,613.00
	Import duties						$15,215,553.00			$15,215,553.00
	Sale of custom books						$1,919.00			$1,919.00
	Sale of warehouse rental						$210.00			$210.00
	Customs sundry revenue						$371.00			$371.00
	Sale of Publication							$91.00		$91.00
	Total revenue	**$110,638.00**	**$224,061.00**		**$37,500,000.00**	**$12,126,757.00**	**$15,447,522.00**	**$91.00**		**$65,409,069.00**
Expenditure										
20	KPF contribution	$15,701.00	$30,620.00	$3,576.00	$10,245.00	$11,004.00	$16,216.00	$8,650.00	$3,698.00	$99,710.00
21	Salaries	$156,826.00	$334,693.00	$42,288.00	$122,153.00	$132,843.00	$208,118.00	$95,585.00	$51,029.00	$1,143,535.00
22	Housing	$5,725.00	$8,376.00		$11,419.00	$3,490.00	$4,248.00			$33,258.00
23	Allowances	$17,330.00	$12,111.00	$600.00	$2,777.00	$13,102.00	$7,696.00	$6,342.00	$427.00	$60,385.00
24	Overtime	$22,709.00	$16,753.00			$13,373.00	$72,531.00	$1,884.00	$2,394.00	$129,644.00
25	Temporary	$15,587.00	$62,682.00	$7,160.00	$21,610.00	$10,339.00		$8,929.00		$126,307.00
26	Wages									
27	Leave grants	$7,173.00	$20,436.00	$1,323.00	$2,757.00	$5,680.00	$17,841.00	$5,187.00	$1,277.00	$61,674.00
	Sub total	**$241,051.00**	**$485,671.00**	**$54,947.00**	**$170,961.00**	**$189,831.00**	**$326,650.00**	**$126,577.00**	**$58,825.00**	**$1,654,513.00**
28	Transport to work	$39,483.00				$19,648.00	$2,711.00	$1,520.00	$605.00	$63,967.00
30	Internal travel	$600.00	$3,985.00	$8,587.00	$400.00	$9,641.00	$12,075.00	$7,915.00		$43,203.00
35	External travel	$61,588.00	$24,676.00		$27,240.00	$30,470.00	$12,329.00		$7,380.00	$163,683.00
40	Direct purchases local	$23,122.00	$29,926.00	$5,172.00	$12,873.00	$20,263.00	$26,358.00	$11,932.00	$46,288.00	$175,934.00
41	Entertainment	$3,115.00								$3,115.00
45	Direct purchases Overseas		$6,554.00						$5,058.00	$11,612.00
50	Purchase service local	$15,395.00	$2,714.00	$4,320.00	$4,173.00	$18,144.00	$17,597.00	$3,355.00	$1,700.00	$67,398.00
52	Cleaning									
55	Purchase service overseas						$4,436.00			$4,436.00
59	Local referral									
60	Hire of Plant	$124,781.00					$40,796.00			$165,577.00
64	Telecoms	$92,960.00								$92,960.00
67	Electricity and gas	$116,222.00					$34,560.00			$150,782.00
68	Water									
70	One off expenses	$420,148.00								$420,148.00
72	Commitment/other									
81	Recruitment									
82	Relocation						$7,235.00			$7,235.00
85	Local training						$2,398.00	$904.00	$5,400.00	$8,702.00
86	Overseas training									
95	Motor vehicle fund									
	Sub total	**$897,414.00**	**$67,855.00**	**$18,079.00**	**$44,686.00**	**$98,166.00**	**$160,495.00**	**$25,626.00**	**$66,431.00**	**$1,378,752.00**
	Total recurrent expenditure	**$1,138,465.00**	**$553,526.00**	**$73,026.00**	**$215,647.00**	**$287,997.00**	**$487,145.00**	**$152,203.00**	**$125,256.00**	**$3,033,265.00**

			VARIENCE							
Code	Description	01 Adm/Policy	02 Rec. Acct.	03 internal audit	04 E/Planning	05 Tax	06 Customs	07 Statistical ser	08 IT	Total Variance
Revenue										
	Interest on loan charge	$282.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
	Interest on consolidated fund	-$99,620.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
	Sundry Revenue	$0.00	$375,919.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
	RERF Drawdown	$0.00	$0.00	$0.00	-$37,500,000.00	$0.00	$0.00	$0.00	$0.00	
	Company tax	$0.00	$0.00	$0.00	$0.00	$2,765,590.00	$0.00	$0.00	$0.00	
	Other taxes -hotel				$0.00	-$6,708.00	$0.00	$0.00	$0.00	
	Personal Income tax				$0.00	-$300,639.00	$0.00	$0.00	$0.00	
	Customs division services				$0.00	$0.00	-$98,856.00	$0.00	$0.00	
	Customs licence fees				$0.00	$0.00	-$20,613.00	$0.00	$0.00	
	Import duties				$0.00	$0.00	$2,744,447.00	$0.00	$0.00	
	Sale of custom books				$0.00	$0.00	-$519.00	$0.00	$0.00	
	Sale of warehouse rental				$0.00	$0.00	$1,790.00	$0.00	$0.00	
	Customs sundry revenue				$0.00	$0.00	$12,629.00	$0.00	$0.00	
	Sale of Publication	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$9.00	$0.00	
	Total revenue				**-$37,500,000.00**			**$9.00**	**$0.00**	
Expenditure										
20	KPF contribution	-$49.00	$0.00	$531.00	$766.00	$1,953.00	$39.00	-$207.00	$0.00	
21	Salaries	$0.00	$0.00	$5,296.00	-$538.00	$20,990.00	$7,863.00	$6,063.00	$25.00	
22	Housing	$9.00	$0.00	$0.00	$77.00	$4,537.00	$4,127.00	$3,339.00	$610.00	
23	Allowances	$0.00	$0.00	$365.00	$405.00	$13,986.00	$0.00	-$6,342.00	$0.00	
24	Overtime	$0.00	$5.00	$855.00	$0.00	$0.00	$0.00	$1,704.00	$4,626.00	
25	Temporary	-$3,541.00	$1.00	$12.00	$9.00	$5,589.00	$0.00	$2,001.00	$0.00	
26	Wages	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
27	Leave grants	$0.00	$1.00	$17.00	$1,618.00	$0.00	$482.00	$0.00	$588.00	
	Sub total	**-$3,581.00**	**$7.00**	**$7,076.00**	**$2,337.00**	**$47,055.00**	**$12,511.00**	**$6,558.00**	**$5,849.00**	
28	Transport to work	$1.00	$0.00	$0.00	$0.00	$0.00	$214.00	$980.00	$5.00	
30	Internal travel	$0.00	$47.00	$6,128.00	$884.00	$0.00	$0.00	$1,585.00	$500.00	
35	External travel	-$12,260.00	$3,711.00	$0.00	$1.00	$6,455.00	$73.00	$0.00	$3,690.00	
40	Direct purchases local	$1.00	$1,767.00	-$139.00	$20.00	$801.00	-$2,400.00	$178.00	$3,255.00	
41	Entertainment	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
45	Direct purchases Overseas	$0.00	$1.00	$0.00	$0.00	$3,000.00	$0.00	$0.00	$424.00	
50	Purchase service local	$0.00	$0.00	-$820.00	$2,857.00	-$2,772.00	$3.00	$445.00	-$92.00	
52	Cleaning	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
55	Purchase service overseas	$0.00	$0.00	$0.00	$0.00	$7,500.00	$64.00	$900.00	$0.00	
59	Local referral	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
60	Hire of Plant	-$10,002.00	$0.00	$0.00	$0.00	$0.00	$4.00	$0.00	$0.00	
64	Telecoms	$1.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$170.00	
67	Electricity and gas	$0.00	$0.00	$0.00	$0.00	$9,000.00	$10.00	$0.00	$0.00	
68	Water	$0.00	$0.00	$0.00	$0.00	$0.00	$200.00	$0.00	$0.00	
70	One off expenses	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
72	Commitment/other	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
81	Recruitment	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
82	Relocation	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
85	Local training	$0.00	$0.00	$0.00	$0.00	$0.00	$22.00	$3,096.00	$0.00	
86	Overseas training	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
95	Motor vehicle fund	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
	Sub total	**-$22,249.00**	**$5,526.00**	**$5,169.00**	**$3,762.00**	**$23,984.00**	**-$1,810.00**	**$7,184.00**	**$7,952.00**	
	Total recurrent expenditure	**-$25,830.00**	**$5,533.00**	**$12,245.00**	**$6,099.00**	**$71,039.00**	**$10,701.00**	**$13,742.00**	**$13,801.00**	**$107,330.00**

MINISTRY OF PUBLIC WORKS AND UTILITIES (MPWU)

			Budget								Total budget
Code	**Description**	**01 Policy adv**	**02 Energy plan**	**03 Electricity**	**04 Public works**	**05 Const/ser**	**06 Water supp**	**07 Joinery**	**08 Tech/design**	**09 Civil eng**	
Revenue	Sundry revenue	500									500
	Petroleum storage licen	1,100									1,100
	Recoveries of base stock		5,000								5,000
	Sales of stock					1,000					1,000
	Recoveries of salaries						3,000				3,000
	Private works							3,100			3,100
	Overhead charges							3,000			3,000
	Service fee								30,000		30,000
	Private works									4,000	4,000
	Hire of Plant									11,000	11,000
	Total revenue	**1,600**	**5,000**			**1,000**	**3,000**	**6,100**	**30,000**	**15,000**	**61,700**
Expenditure											
20	KPF contribution	18,851	5,284		3,838	23,513	15,405	8,100	10,013	20,135	105,139
21	Salaries	185,829	67,018		30,602	243,315	181,783	106,886	129,099	183,178	1,127,710
22	Housing	7,064					3,150		8,449	16,800	35,463
23	Allowances	17,308	1,480			15,876	3,314	3,737	20,349	4,100	66,164
24	Overtime	19,119	326			32,550	25,754	2,285	1,010	17,570	98,614
25	Temporary	30,634	442		510	23,850	3,167	1,109	608	1,872	62,192
0	Wages										
27	Leave grants	7,625	2,650		1,000	13,537	10,625	4,500	4,000	13,500	57,437
	Sub total	**286,430**	**77,200**		**35,950**	**352,641**	**243,198**	**126,617**	**173,528**	**257,155**	**1,552,719**
28	Transport to work	21,786	806	790	7,875	6,755	1,509	6,814	1,580	44,698	92,613
30	Internal travel	9,239	64		8,812	5,414	19,335	41	6,302	15,799	65,006
35	External travel	39,273									39,273
40	Direct purchases local	17,301	4,362	3,431	7,345	13,069	19,629	7,583	7,718	33,193	113,631
41	Entertainment	7,154									7,154
45	Direct purchases Overseas			1,330			3,149	24	4,439	4,968	13,910
50	Purchase service local	15,654	3,857	7,270	9,264	2,966	8,414	395	1,486	74,049	123,355
52	Cleaning										
55	Purchase service overseas								600		600
59	Local referral										
60	Hire of Plant	49,672			17,300	38,515		18,485	10,269	21,645	155,886
64	Telecoms	47,895				4,860					52,755
67	Electricity and gas	42,871		14,172		3,394		2,854		3,753	67,044
68	Water	197									197
	One off expenses										
70	Special										
72	Commitment/other										
81	Recruitment										
82	Relocation	237									237
85	Local training										
86	Overseas training										
95	Motor vehicle fund										
	Sub total	**251,279**	**9,089**	**26,993**	**50,596**	**74,973**	**52,036**	**36,196**	**32,394**	198,105	**731,661**
	Total recurrent expenditure	**537,709**	**86,289**	**26,993**	**86,546**	**427,614**	**295,234**	**162,813**	**205,922**	**455,260**	**2,284,380**
	Other commitments										
	PUB	480,000									
	Government Build maint	500,000									
	Local Con.to Dev fund	150,000	178,511								
	Subtotal	1,130,000	178,511								
	Grandtotal	**1,667,709**	**264,800**	**26,993**	**86,546**	**427,614**	**295,234**	**162,813**	**205,922**	**455,260**	**3,592,891**

			Actual								Total actual
Code	**Description**	**01 Policy adv**	**02 Energy plan**	**03 Electricity**	**04 Public works**	**05 Const/ser**	**06 Water supp**	**07 Joinery**	**08 Tech/design**	**09 Civil eng**	
Revenue	Sundry revenue				0						0
	Petroleum storage licen	626									626
	Recoveries of base stock		1,482								1,482
	Sales of stock					7,530					7,530
	Recoveries of salaries						16,120				16,120
	Private works							5,766			5,766
	Overhead charges							974			974
	Service fee								34,242		34,242
	Private works									0	0
	Hire of Plant									3,467	3,467
	Total revenue	**626**	**1,482**			**7,530**	**16,120**	**6,740**	**34,242**	**3,467**	**0**
Expenditure											
20	KPF contribution	30,750	4,235		473	18,057	10,299	11,340	5,065	15,655	95,874
21	Salaries	188,143	67,018		30,602	242,996	186,589	106,886	112,904	183,647	1,118,785
22	Housing	6,980					3,150		8,449	8,979	27,558
23	Allowances	5,402	821			22,662	3,434	3,737	20,349	4,100	60,505
24	Overtime	28,098	0			35,970	4,181	5,126	3,390	29,130	105,895
25	Temporary	23,309	0		0	23,850	3,167	2,584	6,422	16,582	75,914
0	Wages										
27	Leave grants	7,458	2,660		0	13,537	10,000	4,500	2,488	12,148	52,791
	Sub total	**290,140**	**74,734**		**31,075**	**357,072**	**220,820**	**134,173**	**159,067**	**270,241**	**1,537,322**
28	Transport to work	20,763	778	0	4,332	6,866	1,509	6,814	1,996	37,650	80,708
30	Internal travel	11,443	65		7,402	5,414	26,999	0	7,878	29,220	88,421
35	External travel	39,933									39,933
40	Direct purchases local	17,641	4,362	3,763	7,345	13,069	19,629	7,583	8,392	31,689	113,473
41	Entertainment	6,807									6,807
45	Direct purchases Overseas			1,350			3,149	24	4,380	4,805	13,708
50	Purchase service local	15,765	3,500	6,775	33,356	2,966	9,139	4,267	1,486	72,544	149,798
52	Cleaning										
55	Purchase service overseas										
59	Local referral										
60	Hire of Plant	67,049			17,300	51,115		18,485	24,279	24,045	202,273
64	Telecoms	43,669				4,710					48,379
67	Electricity and gas	42,517		13,924		3,394		2,854		6,603	69,292
68	Water	0									0
	One off expenses										
70	Special										
72	Commitment/other										
81	Recruitment										
82	Relocation	0									0
85	Local training										
86	Overseas training										
95	Motor vehicle fund										
	Sub total	**265,587**	**8,705**	**25,812**	**69,735**	**87,534**	**60,425**	**40,027**	**48,411**	**206,556**	**812,792**
	Total recurrent expenditure	**555,727**	**83,439**	**25,812**	**100,810**	**444,606**	**281,245**	**174,200**	**207,478**	**476,797**	**2,350,114**
	Other commitments										
	PUB	480,000									
	Government Build maint	457,617									
	Local Con.to Dev fund	287,989	0								
	Subtotal	1,225,606									
	Grandtotal	**1,781,333**	**83,439**	**25,812**	**100,810**	**444,606**	**281,245**	**174,200**	**207,478**	**476,797**	**3,575,720**

			Variance								Total variance
Code	Description	01 Policy adv	02 Energy plan	03 Electricity	04 Public works	05 Const/ser	06 Water supp	07 Joinery	08 Tech/design	09 Civil eng	(Over)/Under
Revenue	Sundry revenue	500	0	0	0	0	0	0	0	0	500
	Petroleum storage licen	474	0	0	0	0	0	0	0	0	474
	Recoveries of base stock		3,518	0	0	0	0	0	0	0	3,518
	Sales of stock		0	0	0	-6,530	0	0	0	0	-6,530
	Recoveries of salaries		0	0	0	0	-13,120	0	0	0	-13,120
	Private works		0	0	0	0	0	-2,666	0	0	-2,666
	Overhead charges		0	0	0	0	0	2,026	0	0	2,026
	Service fee								-4,242	0	-4,242
	Private works								0	4,000	4,000
	Hire of Plant		0	0	0	0	0	0	0	7,533	7,533
	Total revenue	**974**	**3,518**	**0**			**-13,120**				**-8,507**
Expenditure			0								
20	KPF contribution	-11,899	1,049	0	3,365	5,456	5,106	-3,240	4,948	4,480	9,265
21	Salaries	-2,314	0	0	0	319	-4,806	0	16,195	-469	8,925
22	Housing	84	0	0	0	0	0	0	0	7,821	7,905
23	Allowances	11,906	659	0	0	-6,786	-120	0	0	0	5,659
24	Overtime	-8,979	326	0	0	-3,420	21,573	-2,841	-2,380	-11,560	-7,281
25	Temporary	7,325	442	0	510	0	0	-1,475	-5,814	-14,710	-13,722
0	Wages		0	0	0	0	0	0	0	0	0
27	Leave grants	167	-10	0	1,000	0	625	0	1,512	1,352	4,646
	Sub total	**-3,710**	**2,466**	**0**	**4,875**	**-4,431**	**22,378**	**-7,556**	**14,461**	**-13,086**	**15,397**
28	Transport to work	1,023	28	790	3,543	-111	0	0	-416	7,048	11,905
30	Internal travel	-2,204	-1	0	1,410	0	-7,664	41	-1,576	-13,421	-23,415
35	External travel	-660	0	0	0	0	0	0	0	0	-660
40	Direct purchases local	-340	0	-332	0	0	0	0	-674	1,504	158
41	Entertainment	347	0	0	0	0	0	0	0	0	347
45	Direct purchases Overseas		0	-20	0	0	0	0	59	163	202
50	Purchase service local	-111	357	495	-24,092	0	-725	-3,872	0	1,505	-26,443
52	Cleaning		0	0	0	0	0	0	0	0	0
55	Purchase service overseas		0	0	0	0	0	0	600	0	600
59	Local referral		0	0	0	0	0	0	0	0	0
60	Hire of Plant	-17,377	0	0	0	-12,600	0	0	-14,010	-2,400	-46,387
64	Telecoms	4,226	0	0	0	150	0	0	0	0	4,376
67	Electricity and gas	354	0	248	0	0	0	0	0	-2,850	-2,248
68	Water	197	0	0	0	0	0	0	0	0	197
	One off expenses		0	0	0	0	0	0	0	0	0
70	Special		0	0	0	0	0	0	0	0	0
72	Commitment/other		0	0	0	0	0	0	0	0	0
81	Recruitment		0	0	0	0	0	0	0	0	0
82	Relocation	237	0	0	0	0	0	0	0	0	237
85	Local training		0	0	0	0	0	0	0	0	0
86	Overseas training		0	0	0	0	0	0	0	0	0
95	Motor vehicle fund		0	0	0	0	0	0	0	0	0
	Sub total	**-14,308**	**384**	**1,181**	**-19,139**	**-12,561**	**-8,389**	**-3,831**	**-16,017**	**-8,451**	**-81,131**
	Total recurrent expenditure	**-18,018**	**2,850**	**1,181**	**-14,264**	**-16,992**	**13,989**	**-11,387**	**-1,556**	**-21,537**	**-65,734**
	Other commitments										
	PUB	0									
	Government Build maint	42,383									
	Local Con.to Dev fund	-137,989									
	Subtotal	-95,606									
	Grandtotal	**-113,624**	**2,850**	**1,181**	**-14,264**	**-16,992**	**13,989**	**-11,387**	**-1,556**	**-21,537**	**-161,340**

MINISTRY OF LABOR AND HUMAN RESOURCE DEVELOPMENT (MLHRD)

		Budget					
Code	**Description**	**01 P.Dev**	**02 Labour**	**03 KIT**	**04 MTC**	**05 FTC**	**Total**
REVENUE		(Over)/Under					
01 Trade Union Registration fee			400				400
03 Employment services			1,100	0			1,100
01 Course fees				27,000			27,000
02 Hire of classrooms				580			580
01 MTC upgrading fees					25,400		25,400
	Total Revenue	**0**	**1,500**	**27,580**	**25,400**	**0**	**54,480**
EXPENDITURE		(Over)/Under					
20	KPF Contribution	11,110	9,402	26,132	33,129	15,758	95,531
21	Salaries	143,880	118,352	249,886	247,714	157,726	917,558
22	Housing Assistance	9,915	2,125	7,156	30,060	8,600	57,856
23	Allowances	11,620	3,127	6,035	7,170	3,268	31,220
24	Overtime	7,320	6,545	3,336	9,058	28,716	54,975
25	Temporary Assistance	4,252	8,825	10,962	142,000	30,877	196,916
27	Leave Grants	8,943	4,630	10,085	18,032	10,160	51,850
	Sub Total	**197,040**	**153,006**	**313,592**	**487,163**	**255,105**	**1,405,906**
28	Transport to work	18,252	0	30,168	47,420	21,494	117,334
30	Internal Travel	13,765	29,911	2,441	12,000	16,324	74,441
35	External Travel	89,809	46,907	4,800	800	26,034	168,350
40	Local Purchases	7,658	18,145	85,918	381,358	190,133	683,212
41	Entertainment	5,000	0	0	0	0	5,000
45	Overseas Purchases	0	0	0	87,460	0	87,460
50	Local Services	15,275	28,910	69,331	10,000	22,340	145,856
52	Cleaning	0	0	0	0	0	0
55	Overseas Services	0	4480	0	0	0	4,480
59	Internal Service charge	0	0	0	0	0	0
60	Hire of Plant & Equip	76,560	18,920	0	0	17,150	112,630
64	Telecommunications	23,368	0	6,310	13,732	8,621	52,031
67	Electricity & gas	29,199	0	56,800	128,000	18,855	232,854
68	Water	5	0	0	23,000	3,529	26,534
70	Special Expenditure	0	0	0	0	0	0
82	Relocation Expenses	0	0	0	0	1,347	1,347
85	Training & Dev	0	84,520	0	104,200	44,809	233,529
	Sub Total	**278,891**	**231,793**	**255,768**	**807,970**	**370,636**	**1,945,058**
	Total Recurrent Expenditure	**475,931**	**384,799**	**569,360**	**1,295,133**	**625,741**	**3,350,964**
OTHER COMMITMENTS							
02 LCDF Banaba compensation		500,000					500,000
	GRAND TOTAL	**975,931**	**384,799**	**569,360**	**1,295,133**	**625,741**	**3,850,964**

		Actual					
Code	Description	01 P.Dev	02 Labour services	03 KIT	04 MTC	05 FTC	Total
REVENUE		(Over)/Under					
01 Trade Union Registration fee			1,438				1,438
03 Employment services			920	0			920
01 Course fees				1,022			1,022
02 Hire of classrooms				879			879
01 MTC upgrading fees					29,258		29,258
	Total Revenue	**0**	**2,358**	**1,901**	**29,258**	**0**	**33,517**
EXPENDITURE		(Over)/Under					
20	KPF Contribution	16,158	6,528	21,054	32,255	14,420	90,415
21	Salaries	153,501	112,735	254,075	247,624	157,675	925,610
22	Housing Assistance	9,824	2,124	7,131	30,059	8,486	57,624
23	Allowances	12,232	3,127	6,034	2,820	3,382	27,595
24	Overtime	20,245	6,544	3,302	8,685	30,771	69,547
25	Temporary Assistance	13,946	8,824	20,427	175,700	34,203	253,100
27	Leave Grants	8,942	6,103	10,083	18,210	10,464	53,802
	Sub Total	**234,848**	**145,985**	**322,106**	**515,353**	**259,401**	**1,477,693**
28	Transport to work	17,529	0	30,029	53,384	25,499	126,441
30	Internal Travel	13,765	72,594	2,265	23,242	17,241	129,107
35	External Travel	130,830	135,342	4,787	762	26,033	297,754
40	Local Purchases	40,797	25,234	100,718	382,616	204,053	753,418
41	Entertainment	5,017	0	0	0	0	5,017
45	Overseas Purchases	0	0	0	87,459	0	87,459
50	Local Services	25,473	43,896	74,551	17,874	23,409	185,203
52	Cleaning	0	0	0	0	0	0
55	Overseas Services	0	5959	0	0	0	5,959
59	Internal Service charge	0	0	0	0	0	0
60	Hire of Plant & Equip	109,786	18,947	0	0	23,120	151,853
64	Telecommunications	25,103	0	9,941	13,731	8,620	57,395
67	Electricity & gas	34,017	0	60,248	136,119	18,854	249,238
68	Water	0	0	0	24,374	2,655	27,029
70	Special Expenditure	0	0	0	0	0	0
82	Relocation Expenses	0	0	0	0	1,346	1,346
85	Training & Dev	0	175,499	0	114,015	44,272	333,786
	Sub Total	**402,317**	**477,471**	**282,539**	**853,576**	**395,102**	**2,411,005**
	Total Recurrent Expenditure	**637,165**	**623,456**	**604,645**	**1,368,929**	**654,503**	**3,888,698**
OTHER COMMITMENTS							
02 LCDF Banaba compensation		500,000					500,000
	GRAND TOTAL	**1,137,165**	**623,456**	**604,645**	**1,368,929**	**654,503**	**4,388,698**

		Variance					
Code	**Description**	**01 P.Dev**	**02 Labour services**	**03 KIT**	**04 MTC**	**05 FTC**	**Total**
REVENUE		**(Over)/Under**					
01 Trade Union Registration fee		0	-1,038	0	0	0	-1,038
03 Employment services		0	180	0	0	0	180
01 Course fees		0	0	25,978	0	0	25,978
02 Hire of classrooms		0	0	-299	0	0	-299
01 MTC upgrading fees		0	0	0	-3,858	0	-3,858
	Total Revenue	**0**	**-858**	**25,679**	**-3,858**	**0**	**20,963**
EXPENDITURE		**(Over)/Under**					
20	KPF Contribution	-5,048	2,874	5,078	874	1,338	5,116
21	Salaries	-9,621	5,617	-4,189	90	51	-8,052
22	Housing Assistance	91	1	25	1	114	232
23	Allowances	-612	0	1	4,350	-114	3,625
24	Overtime	-12,925	1	34	373	-2,055	-14,572
25	Temporary Assistance	-9,694	1	-9,465	-33,700	-3,326	-56,184
27	Leave Grants	1	-1,473	2	-178	-304	-1,952
	Sub Total	**-37,808**	**7,021**	**-8,514**	**-28,190**	**-4,296**	**-71,787**
28	Transport to work	723	0	139	-5,964	-4,005	-9,107
30	Internal Travel	0	-42,683	176	-11,242	-917	-54,666
35	External Travel	-41,021	-88,435	13	38	1	-129,404
40	Local Purchases	-33,139	-7,089	-14,800	-1,258	-13,920	-70,206
41	Entertainment	-17	0	0	0	0	-17
45	Overseas Purchases	0	0	0	1	0	1
50	Local Services	-10,198	-14,986	-5,220	-7,874	-1,069	-39,347
52	Cleaning	0	0	0	0	0	0
55	Overseas Services	0	-1,479	0	0	0	-1,479
59	Internal Service charge	0	0	0	0	0	0
60	Hire of Plant & Equip	-33,226	-27	0	0	-5,970	-39,223
64	Telecommunications	-1,735	0	-3,631	1	1	-5,364
67	Electricity & gas	-4,818	0	-3,448	-8,119	1	-16,384
68	Water	5	0	0	-1,374	874	-495
70	Special Expenditure	0	0	0	0	0	0
82	Relocation Expenses	0	0	0	0	1	1
85	Training & Dev	0	-90,979	0	-9,815	537	-100,257
	Sub Total	**-123,426**	**-245,678**	**-26,771**	**-45,606**	**-24,466**	**-465,947**
	Total Recurrent Expenditure	**-161,234**	**-238,657**	**-35,285**	**-73,796**	**-28,762**	**-537,734**
OTHER COMMITMENTS							
02 LCDF Banaba compensation		-					-
	GRAND TOTAL	**-161,234**	**-238,657**	**-35,285**	**-73,796**	**-28,762**	**- 537,734**

MINISTRY OF LINE AND PHOENIX ISLAND DEVELOPMENT (MLPID)

		Budget											
Code	Description	01 Admin	02 Fin. Mg	03 Public Works	04 Housing	05 E.Distrib	06 E. Generator	07 Water Supply	08 Dev. Planning	09 Solar Salt	10 IT	11 Civil	Total Budget
REVENUE													
01 01 Sundry Recoveries		3,500											3,500
01 02 Rental of gov't premises		13,000											13,000
05 01 Carpentry & Joinery				800									800
06 01 Rental of houses					68,000								68,000
07 01 Sales of Electricity						250,000							250,000
09 01 Water fees & charges								46,000					46,000
12 01 Solar salt sales										5,200			5,200
13 01 Computer services											1,200		1,200
14 01 Sales of business plans												1,000	1,000
	Total Revenue	**16,500**	**0**	**800**	**68,000**	**250,000**	**0**	**46,000**	**0**	**5,200**	**1,200**	**1,000**	**388,700**
EXPENDITURE													
20	KPF Contribution	18,867	6,433	27,650	2,580	8,026	8,999	16,350	3,639	2,625	2,010	6,694	103,873
21	Salaries	247,960	69,659	342,063	32,396	103,012	115,986	176,500	47,424	32,500	24,206	85,254	1,276,960
22	Housing Assistance	0	0	0	0	0	0	0	0	0	0	0	0
23	Allowances	14,000	3,801	8,900	1,850	1,900	9,000	13,426	500	500	3,000	6,100	62,977
24	Overtime	14,000	10,170	18,482	4,350	13,600	13,000	22,000	1,000	5,000	0	7,000	108,602
25	Temporary Assistance	3,600	3,040	4,000	2,000	4,000	4,000	4,000	1,100	2,500	2,600	4,000	34,840
27	Leave Grants	51,700	19,140	30,000	14,300	23,212	16,000	16,000	7,940	7,000	7,738	10,000	203,030
	Sub Total	**350,127**	**112,243**	**431,095**	**57,476**	**153,750**	**166,985**	**248,276**	**61,603**	**50,125**	**39,554**	**119,048**	**1,790,282**
28	Transport to work	41,700	3,000	10,000	9,130	9,396	7,000	32,770	1,460	7,000	7,000	10,000	138,456
30	Internal Travel	163,400	66,100	11,400	0	0	0	33,690	4,700	0	3,440	3,000	285,730
35	External Travel	3,900	0	0	0	0	0	0	0	0	9,800	0	13,700
40	Local Purchases	20,000	7,007	9,000	4,000	7,080	6,000	3,300	2,670	7,000	5,600	8,200	79,857
41	Entertainment	22,700	0	0	0	0	0	0	0	0	0	0	22,700
45	Overseas Purchases	15,400	1,993	13,960	0	2,702	10,000	8,000	2,000	0	8,800	0	62,855
50	Local Services	14,000	2,960	3,900	1,270	3,834	0	720	10,030	8,000	4,900	9,000	58,614
52	Cleaning	0	0	0		0	0	0	0	0	0	0	0
55	Overseas Services	2,000	0	0	0	0	0	0	0	0	1,540	0	3,540
60	Hire of Plant & Equip	30,000	2,000	18,750	12,400	20,826	25,550	17,596	0	29,800	0	25,550	182,472
64	Telecommunications	32,900	0	0	0	0	0	0	0	0	0	0	32,900
67	Electricity & gas	4,200	0	0	0	0	0	0	0	0	0	0	4,200
68	Water	1000	0	0	0	0	0	0	0	0	0	0	1,000
70	Special Expenditure	0	0	0	0	0	0	0	0	0	0	0	0
81	Recruitment Expenses	0	0	0	0	0	0	0	0	0	0	0	0
82	Relocation exp	0	0	0	0	0	0	0	0	0	0	0	0
85	Local Training	800	0	200	0	0	0	0	0	0	1,450	0	2,450
	Sub Total	**352,000**	**83,060**	**67,210**	**26,800**	**43,838**	**48,550**	**96,076**	**20,860**	**51,800**	**42,530**	**55,750**	**888,474**
	Total Recurrent Expenditure	**702,127**	**195,303**	**498,305**	**84,276**	**197,588**	**215,535**	**344,352**	**82,463**	**101,925**	**82,084**	**174,798**	**2,678,756**
OTHER COMMITMENTS													
31	95 Housing Maintenance				150,000								150,000
	02 LCDF						500,000						500,000
	Sub Total	**-**	**-**	**-**	**150,000**	**-**	**500,000**	**-**	**-**	**-**	**-**	**-**	**650,000**
	GRAND TOTAL	**702,127**	**195,303**	**498,305**	**234,276**	**197,588**	**715,535**	**344,352**	**82,463**	**101,925**	**82,084**	**174,798**	**3,328,756**

		Actual											
Code	Description	01 Admin	02 Fin. Mg	03 P.Works	04 Housing	05 E.Distrib	06 E. Generator	07 Water Supply	08 Dev. Planning	09 Solar Salt	10 IT	11 Civil	Total Actual
REVENUE													
01 01 Sundry Recoveries		52,052											52,052
01 02 Rental of gov't premises		9,135											9,135
05 01 Carpentry & Joinery				1,600									1,600
06 01 Rental of houses					29,098								29,098
07 01 Sales of Electricity						289,662							289,662
09 01 Water fees & charges								69,936					69,936
12 01 Solar salt sales										3,075			3,075
13 01 Computer services											1,287		1,287
14 01 Sales of business plans												749	749
	Total Revenue	**61,187**	**0**	**1,600**	**29,098**	**289,662**	**0**	**69,936**	**0**	**3,075**	**1,287**	**749**	**456,594**
EXPENDITURE													
20	KPF Contribution	18,867	5,739	27,650	2,580	8,026	7,438	15,626	5,762	3,032	2,222	8,611	105,553
21	Salaries	247,960	69,659	331,861	32,396	103,012	115,986	176,488	47,424	31,563	24,206	85,254	1,265,809
22	Housing Assistance	0	0	0	0	0	0	0	0	0	0	0	0
23	Allowances	14,000	3,624	8,879	1,817	4,293	9,000	13,389	500	741	2,245	7,468	65,956
24	Overtime	14,035	9,623	18,482	4,291	11,704	13,000	21,012	472	4,160	0	7,000	103,779
25	Temporary Assistance	3,600	3,040	4,000	2,000	1,607	4,000	4,000	1,100	1,948	2,494	4,000	31,789
27	Leave Grants	51,784	19,139	70,740	10,735	23,212	27,626	55,858	7,933	7,608	7,736	18,361	300,732
	Sub Total	**350,246**	**110,824**	**461,612**	**53,819**	**151,854**	**177,050**	**286,373**	**63,191**	**49,052**	**38,903**	**130,694**	**1,873,618**
28	Transport to work	41,407	2,985	9,980	9,130	9,960	7,000	31,421	1,460	7,000	5,687	10,000	136,030
30	Internal Travel	164,358	66,100	11,343	1	0	0	33,687	5,630	0	3,150	2,691	286,960
35	External Travel	3,900	0	0	0	0	0	0	0	0	8,619	0	12,519
40	Local Purchases	26,225	7,007	9,000	3,772	7,075	6,000	3,290	2,393	7,000	3,195	3,108	78,065
41	Entertainment	22,678	0	0	0	0	0	0	0	0	0	0	22,678
45	Overseas Purchases	15,451	2,151	13,957	0	2,702	10,000	7,527	2,007	0	8,782	0	62,577
50	Local Services	14,000	2,956	3,840	1,257	3,850	0	720	10,027	8,000	4,888	7,590	57,128
52	Cleaning	0	0	0	0	0	0	0	0	0	0	0	0
55	Overseas Services	2,000	0	0	0	0	0	0	0	0	552	0	2,552
60	Hire of Plant & Equip	53,164	2,000	18,750	12,400	20,826	25,550	17,596	0	29,800	0	25,550	205,636
64	Telecommunications	32,857	0	0	0	0	0	0	0	0	0	0	32,857
67	Electricity & gas	894,972	0	0	0	0	0	0	0	0	0	0	894,972
68	Water	807	0	0	0	0	0	0	0	0	0	0	807
70	Special Expenditure	0	0	0	0	0	0	0	0	0	0	0	0
81	Recruitment Expenses	0	0	0	0	0	0	0	0	0	0	0	0
82	Relocation exp	800	0	0	0	0	0	0	0	0	0	0	800
85	Local Training	0	0	0	0	0	0	0	0	0	0	0	0
	Sub Total	**1,272,619**	**83,199**	**66,870**	**26,560**	**44,413**	**48,550**	**94,241**	**21,517**	**51,800**	**34,873**	**48,939**	**1,793,581**
	Total Recurrent Expenditure	**1,622,865**	**194,023**	**528,482**	**80,379**	**196,267**	**225,600**	**380,614**	**84,708**	**100,852**	**73,776**	**179,633**	**3,667,199**
OTHER COMMITMENTS													
31	95 Housing Maintenance				304,740								304,740
	02 LCDF						-						-
	Sub Total	**-**	**-**	**-**	**304,740**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**304,740**
	GRAND TOTAL	**1,622,865**	**194,023**	**528,482**	**385,119**	**196,267**	**225,600**	**380,614**	**84,708**	**100,852**	**73,776**	**179,633**	**3,971,939**

		2012 Variance											
Code	Description	01 Admin	02 Fin. Mg	03 Public Works	04 Housing	05 E.Distrib	06 E. Generat	07 Water Supply	08 Dev. Planning	09 Solar Salt	10 IT	11 Civil	Total Variances
REVENUE		(Over)/Under											
01 01 Sundry Recoveries		-48,552	0	0	0	0	0	0	0	0	0	0	-48,552
01 02 Rental of gov't premises		3,865	0	0	0	0	0	0	0	0	0	0	3,865
05 01 Carpentry & Joinery		0	0	-800	0	0	0	0	0	0	0	0	-800
06 01 Rental of houses		0	0	0	38,902	0	0	0	0	0	0	0	38,902
07 01 Sales of Electricity		0	0	0	0	-39,662	0	0	0	0	0	0	-39,662
09 01 Water fees & charges		0	0	0	0	0	0	-23,936	0	0	0	0	-23,936
12 01 Solar salt sales		0	0	0	0	0	0	0	0	2,125	0	0	2,125
13 01 Computer services		0	0	0	0	0	0	0	0	0	-87	0	-87
14 01 Sales of business plans		0	0	0	0	0	0	0	0	0	0	251	251
	Total Revenue	**-44,687**	**0**	**-800**	**38,902**	**-39,662**	**0**	**-23,936**	**0**	**2,125**	**-87**	**251**	**-67,894**
EXPENDITURE		(Over)/Under											
20	KPF Contribution	0	694	0	0	0	1,561	724	-2,123	-407	-212	-1,917	-1,680
21	Salaries	0	0	10,202	0	0	0	12	0	937	0	0	11,151
22	Housing Assistance	0	0	0	0	0	0	0	0	0	0	0	0
23	Allowances	0	177	21	33	-2,393	0	37	0	-241	755	-1,368	-2,979
24	Overtime	-35	547	0	59	1,896	0	988	528	840	0	0	4,823
25	Temporary Assistance	0	0	0	0	2,393	0	0	0	552	106	0	3,051
27	Leave Grants	-84	1	-40,740	3,565	0	-11,626	-39,858	7	-608	2	-8,361	-97,702
	Sub Total	**-119**	**1,419**	**-30,517**	**3,657**	**1,896**	**-10,065**	**-38,097**	**-1,588**	**1,073**	**651**	**-11,646**	**-83,336**
28	Transport to work	293	15	20	0	-564	0	1,349	0	0	1,313	0	2,426
30	Internal Travel	-958	0	57	-1	0	0	3	-930	0	290	309	-1,230
35	External Travel	0	0	0	0	0	0	0	0	0	1,181	0	1,181
40	Local Purchases	-6,225	0	0	228	5	0	10	277	0	2,405	5,092	1,792
41	Entertainment	22	0	0	0	0	0	0	0	0	0	0	22
45	Overseas Purchases	-51	-158	3	0	0	0	473	-7	0	18	0	278
50	Local Services	0	4	60	13	-16	0	0	3	0	12	1,410	1,486
52	Cleaning	0	0	0	0	0	0	0	0	0	0	0	0
55	Overseas Services	0	0	0	0	0	0	0	0	0	988	0	988
60	Hire of Plant & Equip	-23,164	0	0	0	0	0	0	0	0	0	0	-23,164
64	Telecommunications	43	0	0	0	0	0	0	0	0	0	0	43
67	Electricity & gas	-890,772	0	0	0	0	0	0	0	0	0	0	-890,772
68	Water	193	0	0	0	0	0	0	0	0	0	0	193
70	Special Expenditure	0	0	0	0	0	0	0	0	0	0	0	0
81	Recruitment Expenses	0	0	0	0	0	0	0	0	0	0	0	0
82	Relocation exp	-800	0	0	0	0	0	0	0	0	0	0	-800
85	Local Training	800	0	200	0	0	0	0	0	0	1,450	0	2,450
	Sub Total	**-920,619**	**-139**	**340**	**240**	**-575**	**0**	**1,835**	**-657**	**0**	**7,657**	**6,811**	**-905,107**
	Total Recurrent Expenditure	**-920,738**	**1,280**	**-30,177**	**3,897**	**1,321**	**-10,065**	**-36,262**	**-2,245**	**1,073**	**8,308**	**-4,835**	**-988,443**
OTHER COMMITMENTS													
31	95 Housing Maintenance	0	0	0	-154,740	0	0	0	0	0	0	0	-154,740
	02 LCDF						500,000						500,000
	Sub Total	**0**	**0**	**0**	**-154,740**	**0**	**500,000**	**0**	**0**	**0**	**0**	**0**	**345,260**
	GRAND TOTAL	**-920,738**	**1,280**	**-30,177**	**-150,843**	**1,321**	**489,935**	**-36,262**	**-2,245**	**1,073**	**8,308**	**-4,835**	**-643,183**

8.6 Ministries Responses 2012 Appendix F

Office of the Beretitenti

3.1.4 External Travel

Management Response:
We do agree with Audit query. The overrun is caused by retirement of Imprest from previous years which are just accounted for in 2012. There is no supplementary submitted due to the fact that we have to utilize savings from other outputs. Regarding the missing supporting documents for those two claims, T/c no 671/12 we do have supporting documents attached and it will submit to you asap while TC 781/12 supporting documents is missing and we have to look for it and bring to your attention at the earliest.

3.1.5 Internal travel

Management Response:
The overrun experienced under this output is due to misposting and unexpected invitations from Outer islands which are not budgeted.

3.1.6 Overtime

Management Response:
No supplementary submitted base on the understanding that we will utilize possible savings from other outputs.

3.1.7 Electricity

Management Response:
We forgot to update the cashbook and do agree with the audit. All 02 electricity bills are accounted for in output 01 and that why there is no records appear under 02. Adjustment will be made on this however we have no time to journalize them prior closing of account.

3.1.8 Hire of Plant and vehicle

Management Response:
The provision under this output is okay however there were numerous direct debit made from Finance. We have liaise with them on these and explained to us that those Direct debit are the lease payment of HE Vehicles that were provided from Toyota. The inclusion of these direct debit hence create an overspent to our Hire & Plant Vehicle output as it is not provisioned in our 2012 budget

Public Service Office (PSO)

3.2.2 Overpaid Salaries

Management response:

- The contract appointment for a Registry clerk was continued to be paid by PSO but employed at FTC in exchanged of our newly appointed OM who is promoted from FTC. This is only a temporary arrangement to fill in FTC post.

- With regards to the salary overpayment of a former Assistant Secretary, MFED was informed on the 17th May 2013 to cease the salary of the officer with immediate effect. Further to that MFED would be able to recover that overpayment from the former officer's KPF since we received confirmation that he had not withdrawn his KPF.

3.2.3 Leave grant and passage

Management response:

- The overrun under this output is due to miss-posting of PV/JV during the closing of final account whom I could not make an attempt to rectify it.

- PV# 28/12 is for BPA charges $347.00 and not the leave passage. I am very sorry because the PV copies of 28/12 not attached cause it hard to find at finance as their system in down (attache) for about 3 days.

3.2.4 Overtime

Management response:
Copies of overtime dockets are always kept in a box in the office however the box file is misplaced somewhere during the cleaning up hence unable to locate it whereabouts. We have traced it up with the Salary section but they only records such overtimes in their computer.

3.2.5 Electricity and Gas

Management response:
In our records PV# 182/12 is the payment to PUB however it does not state of when the payment was carried out and the purpose of that payment. It is also difficult to verify it further as we have not been able to locate the copy of that PV after going to MFED.

3.2.6 External Travel

Management response:

- We were not able to locate the invitation letter of the Director in justifying his travel. We do agree with the report that we need to improve our record system.

- Regarding retirement of imprest, we do agree that it was common for almost all officers to retire imprest at the very last minute prior to their travel or at their own pace and time.

- We will ensure that in our future our staff will retire their imprest on time according to policy.

3.2.8 Control over GRR & LPO

Management Response:
We do have a register for LPO however we agreed that it was not maintained and updated on a daily basis. We do apologise for such shortcomings but our Accounting unit give assurance that all registered will be always updated.

3.2.9.2 Local Contribution to Development Fund: Local and Overseas training

Management Response:
The comments provided by draft management report is a bit confusing as it states that the total warrant for overseas training for 2012 is $213,245 when it facts there is no warranted funds for overseas training as claimed in the report.
Our office agreed that the only ongoing projects for 2012 is local training valued at $100,000.
If our observation is correct then there is a need for the report to revise its comments otherwise we would happy to reconcile our findings with the KNAO on this part of the report.

Judiciary

3.3.1.2 Comparative Revenues against Budget 2010 – 2012

Management Response:
In complying with your report on the shortfall of Revenue Collection for 2012. The shortfall based on the number of cases especially for Court Fees for the current year.

3.3.3 Court Fine

Management response:
For Court Fines an outstanding of $11,577.00 resulted from the failure on the part of those ordered by the court to pay their fines to the courts.

3.3.4 Practicing fees

Management response:
An understated of $300.00 for practicing fees was for the non-payment of practicing fees required from private lawyers. Reprimand or invoices have been sending to them but to no avail.

3.3.5 Revenue reconciliation

Management response:
A variance of Court Fees and Court Fines occurred as the record from High Court Office did not include the fees and fines paid on Outer Islands, but only recorded fines and fees paid at the Judiciary's main office in Betio, Bairiki and Bikenibeu Courts including those paid at other ministries on the same government receipts and same output number. Also there were some receipts for Civil Payment which should be allocated under the O00500006010A but instead they were allocated to the Court Fee Output which is C1102000002A. For further information related to the shortfall of actual Revenue collected against the Revenue Budget for this year, Provision was higher than what actually collected each year. Please refer to the 2013 Budget for the reduce of Revenue Budget.

3.3.6.2 Expenditure against Budget by divisions 2012

Management response:
Overspend occurred in 2012 especially Allowances and Transport came up after the delay of the posting for outer islands State Fund Account (mainly for Allowances). These were all for DWs sent to Outer Islands for Sitting Allowances for Lay Magistrates. A transfer out from Allowances Output also affects the overspend. An overspend for Internal Travel occurred as some Imprest Drawn in 2011 were just retired in 2012 and also for DWs sent to Outer Islands for Boundary Transport (late in the posting). There was an increase in the number of court clerks' transfer this year.

Police and Prison Services

Responses were not expected from the Commissioner of KPPS as the management letter was just issued a week before the close of the final audit report.

Public Service Commission (PSC)

3.5.1 Budget against Actual Expenditure

Management Response:
We have expenditure for maintenance on chairman house, and there was no budget for that. Including

expenditures on contract more than 7 thousand. For 7,000.00 that I already asked my secretary for this matter and He asked and used me, we have to leave it to the chairman as he would deal with such with MPWU.

3.5.2 Outstanding Bill (Telecoms)

Management response:
PSC has an outstanding bill for telephone from 2002 up to 2012.This is the urgent matter and we couldn't avoid because TSKL disconnected all office lines.

Ministry of Foreign Affairs

3.6.4 Revenue system weaknesses

Management Response:
Due to the work load and we couldn't manage to check the collection everyday at the end of the work, but for the depositing to the Bank we did the balancing with the cashier before she went to deposit. There is only one staff with the MFAI who deals with account work and also collect revenue everyday and that work load wouldn't get time to deposit daily.

3.6.7 Salaries

Management Response:
We agreed the audit query and have to follow-up on this by writing the officer concerning the matter.

3.6.8 Outstanding electricity

Management Response:
The lateness submissions of electricity bill cause the overspent.

Ministry of Internal and Social Affairs

3.7.2 Revenue Reconciliation

Management Response:
Control over revenues
The management has agreed and also support the three recommendations given in the report regards to the controlling of revenues. The monthly reconciliation report with the MFEP figures has now enforced in order to achieve and get realistic figures that can assist in the next budget preparation.

The officer in charge of the Accounts section is responsible to make strict review and ensure that daily collections are deposited into the Government number one Account.

Comparative Revenue against Budget for the years 2010.12
The management would like to thank the auditor's report for illustrating the comparative of revenues from 2010-2012 refer to fig.3a.The management also agreed that there was a short fall of 4k in 2012 while 2010-2011 have incurred an increase over the estimated budget. Proper monitoring of revenue collection is encourage and be implemented in future.

Misa Revenue against Budget by Divisions
The Comparative illustrated in fig 3b of Revenue collections by output have indicated divisions that have exceeded and shortfall of their revenue collections. The graph can quickly show which divisions have failed to

reach their estimated targets. The management would like to encourage each division to make ensure that revenues are collected and reached their respected approved estimates given in the budget.

Revenue Reconciliation
Again the management really support the importance of reconciliation of figures between the Ministry and MFEP. It has been enforced that monthly reconciliation of revenues are carried out to enable to know the exact amount of revenue collected for each month.

3.7.4 Salary

Management Response:
Control Over expenditure
All recommendations provided in the report were all acknowledged and agreed by the management. It is the intention of the Management to ensure that proper monitoring of funds should be maintained and carried out as in accordance to the Financial Regulations.

`Fig 3.7C Expenditure against Budget 2012

It is the management sincere apology that some divisions of the Ministry have exceeded expenditure over their normal budget. They also agree that proper monitoring of funds should be maintained in order to overcome any overspend of funds for the next financial year.

Revised Budget	2829486.00
Less Actual Expenditure	2538006.00
Balance	291480.00

MISA Expenditures against Budget by Divisions
First of all the management would like to apologize again for the excessive expenditure that have been incurred to several codes especially to output 01within the administration unit. According to the management report, the excessive expenditure was all likely received from controllable codes that have been reduced during the cut that was implicated towards their initial submission. It is not the management intention to incur excessive expenditure over the estimated approved provisions. However they would ensure that the same mistake may not be continued to the next financial year.

Salary
The management would like to seek assistance from the MFEP to answer issues that are related to Salary Expenses.

3.7.5 Log Books
The maintenance of logs books has been implemented and each driver's own responsibility to ensure that updated records of their vehicle movements are submitted to the Office Manager, who is duty to monitor and control over the usage office vehicles.

3.7.6.3 Ferry Services

Management Response:
Other Government Expenses
the management is agree that the two recommendations in question 3.2.9 were well noted and consider that

reconciliation of government expenditures should be treated as priority. This is to enable to have a more significant realistic figure of expenditure for the next budget

Support Grant

It has been reported that the final account for Support Grant to the outer Islands have incurred the under expenditure of 81342.00. The management would like to express that all returns against the DWs issued against this project have not appeared in the MFEP print out. The details of expenditure commitments are all details refer to the reconciliation statement as at December 2012.

Elections

Budget 152370.00

Actual 65925.00

(Over)/under 86445.00

The management would like to confirm that the remaining funds available as at December 2012 was 62778.62.The difference of 234666.38 indicated that a number of returns were yet to process by the Finance. The management would like to encourage that all respective councils should forward all their returns before the closing of the account. It is very important that all expenditure and revenue records are captured in the attaché system of mfep.

The management has confirmed that the budget for electoral has been excess and the actual amount expenditure would be considered as a working budget to the next four years.

Ferry Services

Budget 22757.00

Actual 1980.00

(Over)/Under 20777.00

Please be notified that funds that were allocated for the ferry services on the outer Islands have been included on a DW that was issued for the Council Support Grant. It has confirmed that all funds for the ferry services have been fully utilized and posted against the council support grant account.

This is a very good reminder that proper allocation of funds should be made on individual issued DWs to overcome this problem.

Ministry of Environment, Lands & Agricultural Division (MELAD)

No responses were received from MELAD.

Maneaba ni Maungatabu

No responses were received from the Maneaba ni Maungatabu.

Ministry of Commerce, Industry and Cooperatives (MCIC)

No responses were received from MCIC.

Office of the Attorney General (OAG)

Salaries and Allowances etc

Management Response:

Salaries and Allowances
Salaries overspent are also high and this has resulted from the movement of staff such as Account Officer, Registry Clerks and Executive Assistance to this office. Whilst their movement to this office, there were no transfers made in relations to their salaries.

- Overtime:

Unavailability of overtime docket copies resulted from poor management and controlling system in this office which I could not to re-locate them. Despite the unavailability of such docket, overtime is poorly managed. Two drivers always claimed in every 3 months in that they usually get more than $600. Thus in 4 times number of claims in a year, they spend more than $5000. Despite that amount spend for just 2 drivers, other staff such as registry clerks, account officer, cleaners and librarian also claimed of only two times or ones in a year. To this end, I suggest an increasing budget for overtime next year.

- Housing Assistance:

The overspent under this code was resulted from other previous outstanding of $10,319 of which the budget of such outstanding housing assistance were not included during those year. The office paid the house rent for every month of $3,146 that means in one year we should cover to pay $37,752.00.

- Local Purchase:

The budget under this code was only $6075. This amount was not enough to cover the need for stationeries and other necessary need for the running of the office efficiently. The office had tried to increase such amount, unfortunately, this had always been rejected. The running of this office is basically on paper rims and tonners to cater for the need to run heap copies of Bills in times of parliament session, Cabinet papers, Law Books and lawyer's copies for the court trials. Thus, the office normally spends about 10 boxes of paper and purchasing tonners every 3 – 4 months. Other unexpected expenses which has been covered during that year was the renewal of air-condition which were not covered under that year budget as well.
To note at the outset, I made all such payment to be included for the 2012 budget to ensure it will not affect the next year budget (2013).

- Hire of Plant & Vehicle:

The overspent under this code was resulted from previous outstanding payment. It is worth to note that during the first time I used this budget to pay for such previous outstanding, that budget was then exhausted. To that effect, all other expenses incurred in relation to permanent hire of two office transports; one covered $75 per day while the other was $65 a day were all paid from Code 50. The total cost for such hires for that year that has been paid off from Code 50 was more than $50,000. Regretfully, I forgot to note and update such transfers within these Codes.

- Telecommunications:

The overspent under this Code, was resulted from previous years payment which were not included in the budget for that year in issue. These included Recharge cards and Internet fees.

- Electricity and Gas:

The overspent under this Code, resulted from being paying previous years outstanding which did not included in the 2012 budget. Despite previous outstanding payment, the funds being budgeted for in this Code, did not enough and very small. This Office had tried to increase the budget for this Code, unfortunately, it was still cut down.

To clarify on the payment of such funds, the office could pay about $2300 bill in a month while in one year, it was over $27,000.

Miscellaneous Matters

Taking up the opportunity of being transferring and posting to this office for the first time, was a challenged one. At first, I noted the following failure to the accounting system which I trust it was another reasons for overspent during that year in issue:

- Vote Book– This book was not updated and poorly controlled. Thus the controlling system was poorly managed.
- PV register book – The Register was also poorly controlled. Some Pvs being raised were not recorded in the Register, even copies of Pvs were missing and were all kept all over the place.
- Accounting Documents – All Accounting Documents which were related to the controlling system was missing too.
- Shortage of account staff – The Account staff transferring to this office was one of a Account Officer, rather than Assistant Accountant or Accountant. The work load was one of the challenged for this officer because he/she was the one who did all the accounting transactions for the running of the whole office, despite the limited experienced.

Ministry of Fisheries and Marine Resource Development (MFMRD)

3.12.1.3 Comparative graph of Budget Revenue against actual per division

Management Response:

The Vessel Day Scheme was applied resulting in an increase in budget. In addition the fishing was relatively good this year. Budget revised to $37,000,000 in 2013.

3.12.2.4 MFMRD comparative expenditure graph by division

Management Response

The original surplus for salary is $186,072 were $144.790 was transferred to other items which need more fund from personal emolument and operational cost so that the Ministry will operate well throughout this year 2012. The surplus reflects vacancies, transferred and retired staff from output E2101 (HQ), E2103 (FD) and E2105 (Mineral). Therefore, the surplus is from salary has when we looked at the report some items under each output had an increase revised budget.

Apart from salary some staff had not allocated to their house which reflect a surplus under Housing Assisting item. The original surplus is $26,842 were $15,953 transferred to other items which need more fund.
This was to cater for staff who will be taking their leaves, however most of the senior staff at higher levels did not take their leaves. So there was a surplus of $36,014 from which 31,858 was transferred to another item which required additional funding.

Ministry of Health and Medical Service

3.13.2 Revenue from Private Ward

Management response:

Have discussed matter with SNO and now they add columns for room number occupied, number of days spent, amount paid and receipt number, last column is for Remarks to determine whether patient still inward after one week or released for being well or deceased for how many days, and revenue cashier have to go to private ward for checking admission register twice a week for updating.

Furthermore, if the patients do not pay his bill and this do not cleared during the year, then this outstanding should be reflected in the Arrears of Revenue for that particular year.

Another suggestion to improve the revenue collection for private wards in particular for those who are admitted and discharged during the weekend and public holidays is to give Private Ward a receipt and to make returns to Account on a weekly basis. MHMS has to look into this before implement it.

3.13.3 Revenue Control system

Management Response:

Bullet Point 1: Duplication of Receipt Book

Management agreed with the findings in regards to the duplication of receipt books. However these two GRR books were all accounted for in the general ledger. Refer Table in bullet point 2 below.

GRR Book	Date of period used	Comments
934601-934800	12/01/12 – 17/01/12	Not noticed by MFED as well as MHMS, but found by KNAO.
934601-934800	30/01/12 – 01/02/12	Same as above

Bullet Point 5: Cash Book does not agree with General Ledger

I share the same findings while doing revenue reconciliation for the year 2013and I agree that this could overstate or understate revenue items concerned or vice versa. I now make adjustment according to the cash book for 2013. The same thing applied to misallocation of revenue from ministries. So this needs a thorough reconciliation.

3.13.6 Control over payroll

Management Response:
The overpayment of salary in respect of one staff for 2012 has not been recovered to date. We have to formally inform the officer and advise her to give her consent with the agreed amount of money to be deducted from her salary to recover this overpayment.

3.13.7 Stores register

Management Response:
MHMS has a Stores Register but this has not been maintained and updated properly. Management has to check the register on a monthly basis to ensure that all items that need to be recorded in a purchase form should be entered.
To add more, given that the purchase form that currently used do not specified other important things for better control for example items that have serial and model numbers, there has been some suggestions where items have to be categorized in terms of electrical, carpentry, IT, stationeries etc and to assigned those departments concerned to maintain a separate register apart from the one that Account maintained.

3.13.8 Ration

Management Response:
A stock card has been introduced to Kitchen unit early January 2014 but not yet used. The purpose of the stock card is to easily determine the level of each stock anytime upon request. This will also assist to forecast when the next order to avoid shortage of stock is. So Kitchen has advised to use a stock card to comply with the Stores Regulations and also to draw up a summary card to give a balance instantly. This will be used to support their next order and could also be used for stocktaking when required.

For future control, due to the huge number of food items used by Kitchen, Management put up proposal to IT Specialist to design a Data Base for Kitchen. This will help to assist for better control and for future decision.

Another issue is a physical stock take. No physical stock take has been carried out from the Account, MHMS. Toward the end of 2013, there was no stock take either. This is because the Account needs a menu with the ingredients and also a stock card to be in placed to make stocktaking easier and efficient. However, stock card has been designed early 2014 but not yet used. Regular stock take will start off during this second quarter.

3.13.9 Communication charges

Management Response:

Bullet Point 1: Variance of 433.84 - PV 3082/12:
MHMS agreed and noted that this needs a thorough reconciliation. However, it was the correction from Finance in the sum of $9,892.21 while MHMS amount was 10,326.05 which revealed a variance of $433.84

Bullet Point 2: Outstanding Payment since 2008

Date	**PV No.**	**Amount**	**Period**
22.11.12	3083/12	$37,027.11	Outstanding 2009
22.11.12	3082/12	$9,892.21	Outstanding 2008

These claims were processed based on a confirmation from the Senior Account that these outstanding invoices from TSKL still not been paid since 2008 until November, 2012. Refer letter dated 26th November 2012 which is attached for ease of reference.

Bullet Point 4: Maintained Records

Management agreed with KNAO comments and it was noted. MHMS has to ensure that all records are maintained properly.

3.13.10 Misposting (local referral)

Management Response:
In the year 2012, Local Referral was budgeted under the Government Local Contribution for Development Funds (LCDF) while prior years were budgeted under the Recurrent Budget.

For LCDF and all other projects, all funds for the beginning of the each year, should be warranted based on a proper reconciliation. Such misposting(s) should be noted and adjusted accordingly.

However, management agreed and confirmed that PV 25/9 and 30/9 for Copra were misposted to Local Referral for the amount of $431.20 and 894.40 respectively.

Given that Projects and Special Fund balances are rolled over in the next financial year, management has to seek MFED approval if this could be adjusted in 2013 Account.

3.13.11 Local Contribution to Development Fund

Management response:
Overseas Referral: Overspent $178,911.18
The Overseas Referral Budget each year is $400,000.00. The use of the fund depends on the number of referral cases referred offshore in each particular year. Based on the 2012 report, it clearly shows that the actual expenditure overruns by $178,911.18. This means that more patients were referred overseas.

On the other hand, the procedure for Supplementary is to be adhered. However there were emergency cases due to their critical conditions that are beyond the capacity of treatment at MHMS which were happened toward the end of the year and it was too late to take up Supplementary request for Parliament.
Even though the fund was overspent by $178,911.18, but the annual budget share for 2013 in the sum of $400,000 should be reduced by this overspent. This should be reflected in a reconciliation for 2012 which is used to determine the amount to be warranted in 2013.

Local Referral: Overspent $3,150.71
There are three (3) main districts of Local Referral that include Tarawa, Line and Phoenix Islands and Southern Kiribati Hospital (SKH) with different allocation of budgets.

Local Referral	Allocation	Budget	Actual Expenditure	Balance
MHMS - HQ	H2204 12 C057	$235,350.00	$320,890.71	($85,540.71)
Linnix Health Services	H2204 12 C058	$80,000.00	Warrant issues (no GL report	
Southern Kiribati Hospital (SKH)	H2204 12 C059	$20,000.00	No warrant issued	$20,000.00
Total	$335,350.00			

Note that the actual expenditure being reported is $338,580.71 while the General Ledger figure is $320,890.71 which revealed a variance of $17,690.00. Refer GL print out.

However the use of the fund depends on the number of cases referred from outer islands to Tarawa and Linnix.

An overspent of $3,150.71 was caused by the expenses of referred patients from the Southern Group who were referred to Tarawa instead of KieiaAtaei Hospital, SKH. This is due to the current status of SKH. Only a few were referred to SKH and this mainly from the island itself including Tabiteuea South

Ministry of Education (MOE)

3.14.2 Control over revenue

Management response:
REVENUE (BUDGET)
The revenue budget inflated from 2011 to 2012 to cater for the following:

- Exam fees – based on the underestimated figures in 2011
- School Fees - the increase in number of students in the following year. MTSS in 2011 cater for Form 4s only and in 2012 cater for form 4 and 5.

- Caution Fees - the imposition of caution fees - Caution fees are subject to refund depending on the students' clearances but done normally at the end of the year or can be made the year later to late submissions.

- Fare on Chartered Vessels - no inflation

- Rental of Properties – no inflation

- National Certificates – deflated in 2012 by $1908

- Library fines, membership fees and recovery of costs (photocopy) – Predictions were also based on the total collected revenue the previous year. They are just probable values that depend on the demand only.

Providing that some revenues depend on the demand of the public, estimated figures were based on the actual collection made the previous year with the expectation that there might be an increase or a downfall while others were predicted according to the expected increase the following year.

In strengthening revenue collection a committee been established by MOE SMM where Senior Accountant coordinate the meeting with HODs involve in revenue collection. The meeting been held once and ended successfully. 2013 now meets it total revenue but still need more improvement on other revenue heads.

These revenues were not met due to the following:

- Exam fees were paid only when late submissions occur and were subject to refund if found to be the office mistake. (flexible estimate)

- School Fees –

o It was noticed that there were also unpaid fees in 2012. This case was commonly experienced by all Government Secondary Schools as well as Rurubao Primary School. Despite the reprimanding efforts made, the issue remains unsolved. (Enforcement of Penalties was usually constraint by Political implications.

o Students' migration also contributes to the downfall of these revenues as they were accounted when predictions made. These impacts are mainly faced from expatriate students as well as indigenous students moving out to other schools.

- Fare on Chartered Vessels – In 2012 KSSL no longer provide a service to MOE, uplifting and repatriating of Secondary students based on a signed agreement by the two parties. KSSL vessels were down and MOE rushed the uplifting of secondary students so they wouldn't be late. Most payment were on a fare base and also chartered some vessels with few passengers.

We have revenue collected during 2012 in repatriating at end of year .(refer explanation on table 1)

- Rental of Properties – This was no longer exist. This was a deduction from few teacher's salary occupying quarters in the outer island that is unfairly deducted causing heaps of complaints

CONTROL OVER REVENUE

- Review of collections at the end of the day and before every deposits were not exercised due to the understanding on the normal practice that the cashier was entrusted with the daily cash collection and deposit of cash whereby the control was strictly monitored by Revenue at Finance as they have everything consistent on their record. Despite the understanding the recommendations will be well noted by Account in Future.

- MOE Account apologized that there was no GRR register maintained as they depend on the record at Finance and depend on the issue voucher copies they use to store in files without realizing the need of maintaining own register. Anyway, as Audit recommend there is one opened for 2013.

MOE findings on the missing receipts:

The list on table 2 shows the search status of the missing and undetected receipts. As you may see, there are many receipts discovered while some are still traced. Since some receipts are difficult to be located, MOE wishes to note further for your understanding that there were occasions where one receipt book shared by all ministries and this was normally done for charter purposes only. In this regard, MOE suspect that the untraceable receipts might be those issued to other Ministries.
Failure to cancel the duplicate copies of the cancelled original receipts:

MOE wishes to apologize for such failure and wishes to clarify that these concerned receipts were collections earned from students whom their names were by mistake off the list MOE prepared. Refunds were issued at MOE Headquarter when confirmation received from the responsible department. In this regard, these refunds were made

Proper but the cashier that time forgot to make cancellations on the duplicate copies which will be well noted in the future. (Refer certified list showing all names of refund students on the concerned receipts).

3.14.4 KPF expenditure for Meleangi Tabai and Teabike College

Management response:

EXPENDITURE (BUDGET)
In 2011, there was a huge overspent which was mainly affected from the underestimated expenditures in that year such as Upgrading of teachers relievers, Incentive allowance for Primary and JSS, Terminal Pay for retired teachers, house rent refund for teachers occupied quarters, at outer island and this was paid when teachers sought legal advice to sue Education. The budget inflated in 2012 in order to cater more for the expected increase and for the underestimate in 2011.

Overspent for Primary Division:

- Impact of the KELP training as the expenses were all met by the recurrent budget. It should less than that when the budget support from KEIP deposited in the correct place for warranting process as it was receipted and allocated to the sundry revenue code. Until now, the issue remains unsolved and the fund never warranted but the supporting documents are attached for verification. (Receipt and Form A copies, PV copy of Project PV 410/12 payable to No.1, Total Expenditure of KELP relievers for 2012)

On other overspent outputs:

- KGV / EBS –

o caused from the underestimation of provision for students ration.

o Unbudgeted Caution Fees paid in 2012 from parents complaints.

3.14.5 Leave grants for Teabike and Meleangi Tabai schools

Management response:
LEAVE GRANTS FOR TEABIKE COLLEGE AND MELEANG TABAI schools

- The name of one person was not on Teabike list except for another.

- One teacher was a contract JSS teacher in 2012 but the leave grant payment might be a misallocation.

3.14.6 Overtime Meleangi Tabai and Teabike schools

Management response:

OVERTIME MELEANG AND TEABIKE Schools

- Based on Audit Findings on Overtime dockets being signed and approved by the same personnel, MOE is still tracing those overtime copies as they were claims from MTSS and Teabike College. To note further, overtime copies for MTSS can be obtained from Tabuaeran or Linnix at Kiritimati as they were used to be paid there.

- Missing overtime dockets: MoE obtain copies of the listed missing dockets from Salary, MFED. (seeattachment)

3.14.7 Return for Meleangi Tabai School

Management response:

RETURN FOR MELEANG TABAI S/SCHOOL
Reminder had been made to Account Officer at Meleang Tabai that all copies should be returned to MoE HQ for references. This was conveyed by one of our account staff visited Meleang Tabai earlier this year.

Ministry of Communication, Transport and Tourism Development

3.15.1.4 Comparative graph of Budget revenue against actual per division

Management response:

Cause: Jaxa revenue for 2011 was not received due to unsigned agreement by former Hon Minister Temate. In 2012 with expected signing of agreement for both years, 2011 and 2012, the budget proposed and approved for Jaxa revenue was increased to meet both years collection. Unfortunately only 2011 agreement was signed and therefore funds for 2011 was received only in 2012, thus causing a major downfall of $1.3million.

In 2013 both Jaxa revenue for 2012 and 2013 were received therefore big increase in revenue collected for year 2013.

Postal collection against budget with shortfall of $23k. Cause: Over budget in sale of stamps. Communication via letters had decreased due to more advanced and fast mode of communication. Phones, internet, Skype, facebook, etc.

Revenue under Information Technology of $21,129 with no budget is Cruise line fees and should be under Tourism. Collection at Kiritimati.

3.15.3 Boarding fees

Management response:

Non-payment of boarding fee is for those passengers on transit and aircraft own passengers like engineer or security officer as well as child two years and under and diplomats authorized by Immigration officials as well as locals holding diplomatic passports. I agree that checking of collection should be made straight after the flight and this system is in place but need improvement as now noted with your queries.

3.14.4 Postal revenue

Management response:
All issues were shared during the meeting. It is noticed that the ministry is not aware of these cases. Finalisation will now depend on the production of inspection reports as the ministry does not have record of these.

Your comment on the recovery action imposed by Finance is for Finance to answer as we are not aware of this.

Ministry of Finance and Economic Development (MFED)

3.16.1.4 Comparative graph of Budget revenue against actual per division

Management Response:
Over collection:

- What is the $99K revenue over collection under Admin & Policy and why?

This relates to the Interest on Consolidated Funds which constitutes interests earned from Government IBDs during the course of FY2012 and interests earned from Kiribati Government No.4.

- National Economic Planning Office

The $37.5 million is a RERF Drawdown

Shortfalls:
Accounting Division:

o The $1.3 million shortfall under the Accounting Division is related to Sundry Revenue and Dividend.

o Sundry Revenue – relates to unforeseen or abnormal transactions that the Government encounters during the course of the financial year. Examples of such transactions are: reimbursement of external travel expenditures incurred by Line Ministries; revenues from the disposal of government assets; court fines imposed on foreign fishing vessels in breach of their contractual obligations; etc. Since these are abnormal transactions it is impossible to know for certain how much will be collected.

Dividend Revenue – Government only receives dividend from ANZ for FY2011 and there is no dividend received from SOEs and Statutory Corporations. In 2011 Government receives dividends from ANZ for FY2010 and KOIL for FY2009 which totals to over $1.7 million.

Customs Division:

o The $2.6 million under collection is attributed to the following:

a. Though there is evidence that the volume of trade has been dramatically increased however according to the OCO Baseline Study conducted in June 2012, it is evident that the bulk of the importation are commodities that only attract 0 up to 10% as illustrated in Figure 1 below (see Annex III). Figure 2 portrays how importation attract different duty rate hence the volume of trade does not reflect what really happen.

b. There is a huge decline of revenue that used to be collected in cigarette since Wishing Star Cigarette Manufacture is stated. Wishing Star Cigarette Manufacture has dominate the local market and have great impact on other cigarette brand that we used to collect substantial import duty out of them but since Wishing Star started manufacturing cigarette and attract very small import duty to pay, the other cigarette distributor who import other cigarette brands reduce their volume hence there are evidence that MOEL and Coral Ace request to destroy their Pall Mall cigarette which amounted to $615,000.00 that should be added to the revenue collection. Not only this but the impact has affecting the revenue that other importers like Taotin for its Rothman brand and Microcean cigarette to import them again which cause a huge decline in revenue from Taotin and Microcean cigarette and may be other importers who distribute other cigarette brand in 2012. Refer to Table 1 for calculation

Taxation Division

o The $2.78 million under collection under Company Tax is attributed to the following:

a. Change in ANZ's provision payment schedule – usually throughout the year, ANZ Bank (Kiribati) Ltd pays four (4) provision taxes to the Government of Kiribati. In FY2012 ANZ Bank (Kiribati) Ltd started paying only 3 provisional taxes which is in line with the existing Income Tax Act. This change has resulted in a reduction of $3.7 million in Company Tax collected in 2011 to $2.3 million in 2012, a decline in Company Tax revenue of around $1.4 million.

b. Optimistic Projection – the other $1.3 million relates primarily with the Company Tax arrears. The $7.5 million target set in FY2012 fails to take into account the fact that around $1.2 million out of these arrears of company tax, from years prior to 2012, may not be recoverable. The Tax office had recently submitted a request to their board to write off these arrears.

3.16.3.1 Comparative expenditure graph by divisions 2012

Management Response:

Overspending:

- What is the $25K overspend shown under Admin & Policy and why?

o The $25K overspend is related to overseas travel vote and hire of plant vote.

o Overseas travel – the amount of $12,250 relates claims for Statistics staffs but posted under Policy & Admin.

o Hire of Plant – the amount of $10,002 relates to financing loans for Ministers vehicles with ANZ. These vehicles were bought from Tarawa Motors.

Underspending

Internal Audit Division

o The under spent amount is mainly from our Salaries and internal travel votes.

o In 2012, two internal auditor positions were filled in temporarily and by contract on an off and on basis. Therefore part of our budget for the salaries was left unutilized.

o Since the Division was not fully staffed, most of our outer islands programs were not carried hence the savings under our internal travel vote.

Customs Division

- The under spent amount is mainly from our Salaries and trainings votes
- In 2012, Kiribati Customs Service (KCS) faced a six of vacancies especially at the mid-level up to the management level. There is a plan to fill those gaps during that year however the process took us more than a year hence the savings under salaries.
- Given the vacancies planned trainings were deferred during 2012 hence the savings under our training vote.

Statistics Division

o Though the Statistics Division displays an overall savings of $13.7K there is more than meets the eye.

o Annex II aptly explains what really happens such as where the savings from their Salaries vote comes from and so on.

IT Division

o The under spent amount is mainly from our Overtime votes, External Travel, and Direct Purchase Order.

o Overtime Vote – we have being trying our best to minimize the overtime from our staff hence the savings;

o External Travel – Attaché training has 3 stages, in 2012 but I do not attend stage 1 as we have a commitment to finalise the Annual Account for 2011 and the training is due that month.

o Direct Purchase Order – we budget during that year to buy our servers however the Public Financial Management Project (PFM Project) bought the servers for us hence the savings under this vote.

Taxation Division

o The savings of $70K under the Tax Division output is a cumulative savings primarily from the Salaries, Allowances, External Travel, Direct Purchases Overseas, Purchase Services Overseas, and Electricity and Gas.

o Salaries – the division had vacancies in their middle to senior posts which are not yet filled permanently during FY 2012.

o External Travel – due to staff shortages the Division did not attend their planned overseas training with Pacific Islands Tax Administrators Association (PITAA)

o Direct Purchases Overseas – the Division's CATA Contribution in FY2012 was not paid thus resulting in the saving.

o Electricity and Gas – this is for the Tax Division in Christmas islands which was not paid in FY2012.

Ministry of Public Works and Utilities (MPWU)

3.17.2 Revenue reconciliation

Management Response:

Q = Audit revealed a misallocation on GL of $1,160.00 posted under Recoveries of base stock instead of Petroleum license.

Response: Adjustment for the misposting is not reflected on GL report.

Q = Lack of reconciliation identified a variance of $7,529.00 between GL report and MPWU records.

Response: MPWU's cashbook being misplaced during auditing. Some of the Adjustments made for Revenue are not reflected on gl report.

3.17.3 Control over revenue

Management response:

All collections for the day can be revealed in the cash book and receipts book.

One of the duties of Senior Account is to check Form A's against daily deposit made by the cashier.

3.17.5 Expenditure (Purchase service local)

Management Response:
Payment of $2,756.98 made is for service fee or labor charge for job carried out therefore should be charged to purchase service local. KPF deductions are not applicable for service fee.

3.17.6 Expenditure (Internal travel and Transport)

Management Response:
the nature of the trip is for internal travel being airfare of DS to Kiritimati.

Q = Audit noted that the payment of pv # 1281/12 amount $20,152.00 was misallocated and should be charged to external travel.

Response: It's not a misallocation But misposting to GL report and should be adjusted by MFED.
Q = Audit cannot proceed further auditing due to the unavailability of payment vouchers :253/12,255/12 and 331/12

Responses: The ministry has tried to implement a system to solve the problem of missing Document by scanning all Document s for future reference but unfortunately the system does not worked due to power failure from time to time.

3.17.7 Unavailable supporting document

Management response:
PV # 242/12 Payment to Maneiko travel Agent being airfare iro HM SEC and Civil Engineer to Australia.

PV # 429/12 Payment of travelling claim iro former Secretary (Attending a meeting in Tonga)

3.17.8 Overtime

Management response:
Regarding payment of overtime, all dockets have to be checked by Head of division and approved by Senior Responsible Officer, so I am certain that all payment s made are proper.

3.17.10 Local Contribution to Development Fund

Management Response:
Our reconciled indicate that a payment of $153,000.00 to PUB for Watsanprogramme have been misposted to Support to Kiriwtsan project. The actual amount warranted for this programme was $153,000.00 funded by NZ Government.

Ministry of Labor and Human Resource Development

3.18.1.1 Comparative Revenues against budget for years 2010 – 12

Management Response:
The Ministry understands that the report's analysis of the projections may have based on the collection deposited in Government's No.1 Account; however it may worth noting that some of the revenues collected were also deposited in No.4 Account.

3.18.1.2 MLHRD Revenues against budget by divisions 2012

Management Response:
KIT's little collection relates to those revenues collected but were deposited in No.4 Account.

3.18.2 FTC Course fee

Management Response:
The Ministry concurs that there was no official receipt used by FTC but confirms also that there was no revenue collection in 2012.
While revenue collected recently only happened in 2013 and should not form part of the report for 2012, the Ministry wishes to inform that the fees collected for FTC's Basic Sea Safety Course (BSSC) were deposited to the Revenue Cashier at MFED.
The Ministry takes note of the delay and will instruct account staff to ensure that deposits are made in a timely manner.

3.18.3 KIT Course fee

Management Response:
This is directly due to the establishment of a separate bank account for KIT which was approved by the Accountant General. The revenue collected for KIT courses were then deposited to the Kiribati No. 4 Account instead of Kiribati No.1 Account. These deposits were later paid back to KIT through revenue retention to cater for related costs incurred for the delivery of those services.

At KIT, there are two types of course fees collected and this includes fees for full time students and fees for short and customized courses. Full time students' course fees should be deposited in Kiribati No. 1 Account while fees collected for the short and customized courses should be deposited in Kiribati No. 4

Account. This issue has been rectified in 2013 to ensure that the respective revenue collected are deposited in the appropriate Kiribati Government Bank Accounts and are recorded and reconciled appropriately.

3.18.4 MTC upgrading fees

Management Response:
The Form A's mentioned in the report referenced 28/12 amounting to $819.00 was deposited on 25/07/12 and Form A38/12 amounting to $409.00 was deposited on 15/10/12 as stated on the deposit slip.

However, in an effort to assist our divisions and perhaps other Ministries stationed in Betio to process regular deposits, it would be helpful if MFED can make an arrangement with ANZ Betio branch in organizing deposit schedules for cashiers similarly to what has been arranged for Bairiki branch.

3.18.5.1 Comparative expenditure against budget 2010 – 12

Management Response:
The Ministry agrees that it has continuously incurred expenses exceeding the approved budget for the years 2010 to 2012 as illustrated in Fig.3c Expenditure against Budget 2010-2012.

This was due to costs relating to activities that were not budgeted for but unexpected activities which were significant to be carried out such as implementation of instructions issued from Cabinet, activities related to issues raised and approved by the Parliament including those that also formed part of the Ministry's role such as employment opportunities abroad.

In some cases, there was an under calculation of the budget pertaining to salaries for some officers though the amount is not substantial, it contributed to the overall over expenditure as these are payments that should be paid out.

3.18.6 External Travel

Management Response:
The Ministry concurs that there was an overspent of more than $129,000 under this subhead, the bulk of which came from the Output 01 (Admin) and Output 02 (Labour). This was due to the activities carried out as part of the Ministry's effort in expanding and seeking overseas employment for the increasing unemployed youth.

(i) There was an overpayment of Imprest paid under Imprest no. AU 409/12 and AU 408/12. The overpayment was due to the wrong per diem rate used which was an oversight. Despite this overpayment, the payments made were recorded and formed part of the respective officer's account under the Below Line Account (BLA).

(ii) The retirement of Imprest on T/C 493/12, the officer concerned had agreed that there was an outstanding and had also gave consent to the Accounting Section in the MFED for salary deduction to recover that outstanding.

3.18.7 Internal Travel

Management Response:
The Ministry agrees that there was an overspent by the amount of $55,000, the bulk of which came from the Labour division. This was due to activities carried out as part of the Ministry's mission in creating employment opportunities and providing incentives to encourage self-employment.

The imprest of $4,108 to Teraina for Youth Employment Workshop was paid out from the recurrent budget to cater for the Accountant's and non-civil servant. This non-civil servant formed part of the Ministry's team as a trainer on the Virgin Oil who provided training to the youth in Teraina and Tabuaeranon how to make business from their own natural resources without or less financial assistance.

In addition, this was an issue that was raised during the Parliament by MP RereaoTetaakeEria and the Ministry was instructed to carry out this activity and to meet expenses from its recurrent budget. This activity was organized based on the available shipping schedule, however, it would have cost the Ministry more if it held up the ship for four or five days for the training delivery, hence, the team has to travel later to Christmas and waited for the next available ship.

Moreover, the project mentioned has already lapsed in the year 2011 and that was why payments were paid out from the 2012 recurrent budget.

3.18.8 Payroll weaknesses

Management Response:
i. No resignation letter

The Ministry acknowledges the importance of having public officers submit a resignation letter to his/her employer prior to taking up another job. In the absence of a resignation letter, the Ministry had terminated the concerned officer.

ii. Overpaid salary

Two officers who got terminated continued to receive their salaries following their termination and salary cessation effective date and this might have due to the lengthy process involved in the mail circulation system. MFED could process recovery of overpayment by deduction of the officers' KPF.

iii. Returned salary

The delayed return of the uncollected salary receipted on No.986080 was due to an oversight but has been duly noted for similar cases in future and that responsible staff have been reminded to ensure that uncollected salary are returned to MFED in a timely manner.

3.18.9 Overtime

Management Response:
The Ministry concurs to the overtime overspent by the amount of $14,572.00. The majority of this overspent was incurred at the HQ for the chauffeur's and the driver's overtime. The overtime was due to the increased number of functions and activities carried out by the Ministry and functions that the Minister was invited to including those that the Ministry hosted.

3.18.10 Purchase Service local

Management Response:
KIT
The Ministry concurs that there were payments made from the subhead 50: Purchases Service Local. The PV no. 011/12, 018/12, 313/12 and 359/12 were payments for staff salary recruited by KIT as the posts were not on the Establishment Register (ER) for year 2012. This staffs were under the contract with the Kiribati Institute Technology (KIT) and were paid on this output with their salary being charged with tax but no KPF deduction.

MTC
The payment made for the PV number stated is again payments made to cater for staff salary for posts that were not included in the ER 2012 but services which were urgently required to cater for the Institute's need. In addition these payment were under the contract for the period of 26/10/12 up to the end of the year 31/12/12.

3.18.11 Hire of Plant and vehicle

Management Response:
The bulk of the Ministry's overspent came from the Admin Division to cater for the payment of the Minister's new transport amounting to $20,000 as an upfront payment which was not budgeted for in 2012. Also there was a direct debit from MFED to recover the finance lease for the purchase of the Minister's transport that was made in 2011.

3.18.12 Leave grants

Management Response:
The overspent of this output was due the following:

a) Payment from the Admin division that was not budgeted for the year which was the payment for the repatriation of the terminated officer. SA – note that an employee who resigns or is dismissed from the service of the Government of Kiribati will not be entitled to any repatriation expenses as per policy (NCS E7.4)

b) Reconsideration had been made to recheck the expenses incurred. That overspent amount was a misallocation which should be re-allocated to the lap coding instead of MTC code. It was highlighted though following the reconciliation that the JV for the expense incurred was not submitted for adjustment hence the variance.

c) At the HQ there was unbudgeted payment of the repatriation fare for one retired staff which was the cause of the overspent. For FTC, there was an incorrect forecast to the leave grant provision as some staffs were engaged on a contract basis and without provision made for leave grants. However, these are payments to make as contracted staffs are entitled to leave grants as per conditions of service.

3.18.13 Direct Local Purchase

Management Response:

i. Rations

The stock ledger card raised in the audit report is an ongoing issue given the implementation of this system at the two institutes. The issue relates to account staff not being able to access to the stock ledger card for effective monitoring of the movement of the in and out ration stocks. The Ministry will raise the matter with the respective HoDs and issue instruction for implementation of the stock ledger card and that account staff get to access these ledges when required.

The excess expenditure recorded for FTC on the ration was due to the passing out function which took place in January 2012.

ii. Stores

The Ministry wants to state that it maintains and updates its stock book register. However, it should be noted that payments for assets or no-expandable items raised for purchase were rejected by MFED when the payment was submitted without a purchase form.

3.18.14 Staff Training and Development

Management Response:

The Ministry wishes to explain that the pocket money for sponsored students are not part of KIT's budget (03) but the Labour Division (02) given that the management and approval for apprenticeship scholarship is managed by the Labour Division (Vocational Unit) through the Apprenticeship Advisory Board (AAB).

The Ministry is uncertain as to how the audit staffs were provided with the information on the replacement process as these are matters for consideration and approval by the AAB. Discussion papers on any matter relating to the apprenticeship scholarship whether it be a termination or proposed replacement are considered and discussed in the Board, minutes of which will then be circulated to KIT and to the Account for necessary action.

There were two unrelated payments made from the Staff Training and Development output which caused the output to overspend. This includes payment for Banaba compensation and for the MTC medical supplies made through ANZ Bank amounting to $17,930. These two payments were not the miss allocation as stated in the report but payments that were authorized by the accounting officer (Secretary) given its urgency and the possible implications it might have if not addressed on the seafarers' employment and to avoid complains from the public on their compensation payment for former BPC workers.

As per the report's query regarding the same PV (referenced 209/12) used for different payments, the correct PV number for the payment made for the medical supplies through the ANZ Bank is 230/12.

3.18.15 Control over Vote Ledger

Management Response:
The Ministry agreed that the vote ledger should be well maintained and reconciled against MFED's record. The Ministry has taken necessary steps to address this and to ensure that the vote ledgers are kept up to date and reconciled with MFED's record in a timely manner.

3.18.16 Control over leave balance

Management Response:
The Ministry concurs that there has been a delay in implementing Cabinet's instruction; however, it has commenced work to update employees' outstanding leaves to align with the two years entitlements as per Cabinet's instruction.

3.18.17 Control over Log Book

Management Response:
The Ministry had log books for all its vehicles except for BG 061. BG 057 was and continued to be used for staff transport to work. However, given that the vehicle was used by staff to run errands for the Ministry or activities related to their work, there has been a slack in maintaining the log book. The same applied to other vehicles in other divisions such as MTC and KIT and the fact that there is no driver post or at least a particular staff responsible for the vehicle may have contributed to this.

TC 076 was formerly used for trainees' transportation but the vehicle broke down for a long period which may be a factor in the log book not being maintained.

The Ministry will take steps to address issues raised regarding the maintenance of its log books throughout its divisions.

3.18.18 Control over bus tickets

Management Response:
The Ministry concurred that bus tickets should be strictly controlled and that concerned officer responsible for issuing tickets should record the bus tickets, date of issue, purpose and to ensure that it is signed by the employee.

The Ministry has taken steps to ensure that these are well recorded and controlled by officers responsible for issuing bus tickets.

3.18.19 Local Contribution to Development Fund

Refer to Issue 3.18.16 (ii) above
Management Response:

The Ministry agrees that there was a provision under the Banaba Compensation amounting $500,000.00 to cater for the payment of Banaban workers' claims for compensation. It was also correct that there was a miss-posting of one classic example as already mentioned in the issue 3.18.16(ii).

It should be acknowledged that the budget for 2012 was approved late during the first parliament session in 2013. This payment however, was made prior to the approval given the urgency, payment of which was authorized by the accounting officer.

Despite such payment, a JV was processed to recover expenses incurred in the recurrent budget, however this was not possible as MFED rejected the reimbursement as the process is not allowed for under the Financial Regulation.

Ministry of Line and Phoenix Islands Development (MLPID)

3.19.3 Solar Salt divisionManagement Response:

I tried looking for any direct credit for that amount but could not find for months June to December in Bank Statements

3.19.4 Revenue Control system

Management response:
We regret for this failure and now a most Senior Officer is tasked to check and monitor Cashier daily progress.

3.19.5 Revenue Reconciliation

Management response:
I disagree with the balance under C2901-02 and C2901-01 under MFED as should reverse. Also codes C2903-01, C2909-01, C2910-01 and C2911-01 as payment or recovery was mainly at Linnix and not through salary deduction. I assume figures under Linnix were at the time of auditing during the year where as figures under MFED were for the whole year. Lack of reconciliation for revenue is true as Attaché problem with Linnix had not resolved yet.

3.19.6 Housing Division

Management Response:
Actual amount of collection being receipted at Linnix account was $6,038.06 as confirmed in the general ledger at end of year. As mentioned, this represents non-government employee's payment being receipted at Linnix Office.

3.19.7 Outstanding revenues

Management Response:
We note to take these recommendations and make sure it is adhered to. With Attaché system still not back to work with, it is hardly to perform reconciliation on a monthly basis. We will submit collections on a monthly basis to Divisions, other Ministries and MFED for information and update. Outstanding revenue is getting fewer on housing, electricity & gas and Water by government staffs as payment is

made through deductions from their salaries except those of commercial bodies whose staffs have been retired or transferred back to Tarawa. I assume the lists for these outstanding have been sent to MFED for recovery. Lastly, the handing of cash is Cashier's main job where a most senior staff is now tasked to check and monitor her/his daily progress.

3.19.8.2 2012 MPLID Expenditure against budget by divisions

Management Response:
The excess under E2901-67A was mainly for fuel as supposed to be under LCDF. The breakdown is under E2906-67A but due to no provision, the balance is transferred to Admin refer to Hqjv 378. The overspent of about $390,966 is mainly costs of fuel as we continue to pay even though overspent. I hope there was a supplementary submitted but not entertained.

We will make sure to work or process payment within our budget.

3.19.9.2 Payroll weaknesses

Management Response:
Actual salary for the year is as given over revised budget of $1,276,960. The system in payroll is changed since the auditing and no one now can access to payroll except payroll officer. As mentioned for newly appointed temporaries, we depend on Salary's calculation but now we will check and do as recommended. In regards to Employees who require part of their salaries to their bank account, we will need the bank confirmation on that. In practice, we accept changes of bank accounts anytime officers came and ask for change or creation new account.

3,19.10 Overtime, charge, shift allowances etc

Management Response:
We will make sure that whoever responsible to check dockets for drivers has to state clearly hours on public holidays so that future auditing will find it easier to work with. For Drivers now, no overtime issued or paid unless they attach copy of their log book.

3.19.11 Leave passage and Internal travel

Management Response:
We apologize for unavailability of documents when required as it is our important role to keep documents in place but somehow some officers do not take their tasks seriously. Airfare amounted to $9,744 as stated entered twice in vote but according to general ledger code E2901-27A it was only appeared once. There are other payment vouchers with same amount but different Lap payment numbers. Pv120/2 was payment for Construction Staff as can be seen under output E2903-27A but amount is $3,761.60 and not $3,671.60 as given. The two major missing PVs no. 1038 & 2562, not 2502 as given were accounted for in general ledger under code E2901-30A and E2902-30A. One payment voucher has $7,840.50 while the other has $12,202.86 totaled $20,043.36. For PV 419/6 actual amount entered under output E2904-30A in general ledger was $366.13 and not $705.42 as stated entered in vote. See appendix3: Leave Grant & Internal Travel.

The overspent under Leave Grant or code 27 is caused when staffs intended to take their leave passage before new policy implemented hence the revised come up to $203,030 but still not enough to cater for overspent of about $97k.

3.19.12 Cash Book and Bank Reconciliation

Management Response:
This is our main failure to produce bank reconciliation on time but we are trying now to update both our manual and computerized cash books and submitting returns to MFED on a monthly basis. Then bank reconciliation will be done according to recommendation as well as presenting it on the right format.

3.19.13 Outstanding Imprest

Management Response:
We will control by issuing reminders to staffs returned from trip after 10 working days and make sure that no fresh ones issued unless prior trips were all cleared. As for those travelled from Tarawa, we will make sure that we have departmental warrant received from their Ministry for the extra days in Kiritimati.

Details of outstanding imprests were all submitted to MFED for information.

3.19.14 Solar Salt project

Management Response:
I assume each Division had their Stock cards as they have been trained by IT on how to use Stock cards system. In practice any order placed without stock card, they were returned or rejected.

To strengthen the operation on Salt, we have one Crusher machine ordered and will be in Kiritimati very soon. Solar Salt maintained their computerized register to record their products/sales which can be produced upon request.

3.19.15 Board of Survey (BOS) and others

Management Response:
The BOS was carried out on the 2nd day each year to Ministries which have the custody of public funds. Those Ministries that have other assets apart from cash will be included in our next BOS.
The Borrow Stock at Water indicated that the 500 litre Tank, Vacuum Lead wire and Tank have been returned. There was no date shown.
The Construction, they will improve their Register and update once returned. As mentioned, there was a need of 2 separate records for both expandable and non-expandable instead of one, therefore we will remind Construction to use or separate their register instead of one.

3.19.18 Local Contribution to Development Fund

Management Response:
I think if total amount needed for all projects, the total on vote book for all project is helpful for information. The opening of all projects bank account in Kiritimati has to be approved by MFED.