



NATIONAL AUDIT CHAMBER

**THE REPORT OF THE AUDITOR GENERAL
ON THE FINANCIAL STATEMENTS
OF THE GOVERNMENT OF SOUTHERN SUDAN**

**FOR THE FINANCIAL YEAR ENDED
31ST DECEMBER 2008**

**TO
THE PRESIDENT
THE REPUBLIC OF SOUTH SUDAN
AND
SOUTH SUDAN NATIONAL LEGISLATIVE ASSEMBLY**

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SOUTH SUDAN NATIONAL AUDIT CHAMBER

AUDITOR GENERAL'S OPINION

ON

GOVERNMENT OF SOUTHERN SUDAN

FINANCIAL STATEMENTS OF 2008

SOUTH SUDAN NATIONAL AUDIT CHAMBER
OPINION OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER 2008

1. INTRODUCTION

The year 2008 was the fourth fiscal cycle of the Government of Southern Sudan. The Financial Statements for 2008 were issued in January 2012 and hence the late presentation.

The audit of the Financial Statements of 2008 was conducted in 2012. Government Ministries and Agencies were more responsive to audit than in previous years. I thank the President for his helpful phone calls on this matter. For the first time, audit covered Defence and Interior. During 2012, several institutions stepped forward to voluntarily ask for audit services. Several investigations were conducted on request.

The human capacity constraints of the previous years had been reduced to some extent. The adoption of the Financial Accounting Procedures Ordinance in 2007 improved the systems gap. Unfortunately, these modest improvements in capacities were not proportionately reflected in the quality of financial management. Budget execution remained a serious challenge. Spending procedures were widely ignored. Legislative oversight was weak. Revenue accounting was anything but transparent.

The duty of the Auditor General is to present a report to the President and the Legislative Assembly. It is the responsibility of those institutions to take remedial measures as the report may indicate. Quite encouragingly, the Public Accounts Committee of the National Legislative Assembly of South Sudan took swift action on previous Audit Reports.

We in the National Audit Chamber are encouraged by the positive reaction of the people of South Sudan to the reports we have so far published.

As with the previous Audit Reports, after delivery to the House, the report becomes a public document.

2. LEGAL BASIS FOR AUDIT

My audit was conducted in compliance with the requirements of the Interim Constitution of Southern Sudan 2005, Section 195 Articles (4) and (5) which state:

Article 195 (4): 'The Southern Sudan Audit Chamber shall assume auditing of the accounts of the Southern Sudan Executive, the Southern Sudan Legislative Assembly, the Judiciary of Southern Sudan and the accounts of states, local governments, independent commissions, public institutions and corporations and any other institutions as may be determined by law.'

Article 195 (5): 'The Southern Sudan Auditor General shall present an annual report to the President of the Government of Southern Sudan and the Southern Sudan Legislative Assembly.'

3. RESPONSIBILITY

I have examined the Financial Statements of the Government of Southern Sudan for the Year ended 31st December 2008. The Financial Statements are the responsibility of the Ministry of Finance and Economic Planning. That Ministry is primarily responsible for budget execution and efficient cash management. In addition, the ministry is responsible for ensuring that the internal control procedures relevant to the preparation and fair representation of the Financial Statements were applied. These internal controls should ensure that the Financial Statements are free from material misstatement, whether due to fraud or error. The Ministry of Finance and Economic Planning has the responsibility of selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

My responsibility is to express an opinion whether the Financial Statements present a true and fair view of the financial position of the government on 31st December 2008 and the income and expenditure for the year then ended. I believe that my audit planning and testing provides a reasonable basis for my opinion.

The audit did not cover all the ministries, departments and agencies due to resource constraints, both financial and human, amongst other reasons. The sample of ministries, months of audit and vouchers were selected on the basis of the cooperation of officials and statistical sampling based on perceived risk and materiality. My opinion is based on the inference derived from the analysis of the samples examined.

4. SCOPE OF AUDIT

I conducted my audit in accordance with INTOSAI (International Organisation of Supreme Audit Institutions) Standards. These standards require that I plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatement. My audit included:

1. Examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements.
2. Assessing the accounting principles used and significant estimates made by management.
3. Examining to confirm whether public funds were expended according to the budget.
4. Evaluating the overall presentation of the financial statements for the year.

5. SPAN OF AUDIT

The audit covered nine specific areas and these are:

- a) Budget Execution
- b) Oil Revenue
- c) Non-Oil Revenue
- d) Payroll Expenditure
- e) Operating Expenditure
- f) Procurement and Capital Expenditure
- g) Bank and Cash Accounts
- h) Internal Controls and
- i) Maintenance of Asset Registers

I have provided details for each of these in the reports on individual ministries. The reader is invited to examine the detailed reports for a fuller appreciation of the financial affairs of the Government of Southern Sudan in 2008.

I wish to pronounce a few highlights here as pointers to my opinion.

6. Budget Execution

Audit found no evidence that the Ministry of Finance and Economic Planning based the release of funds to spending agencies on approved budget lines. While some institutions were cash starved, others received, on the discretion of the Ministry of Finance and Economic Planning, more funds than were legally authorized. The budget and the Appropriations Act of 2008 were ignored. Examples:

a) The Ministry of Cabinet Affairs:

- Received SDG 7,431,039 in excess.
- Savings of SDG 3,055,087 under certain budget heads were spent on others without approval of the Assembly.

b) The Ministry of Education, Science and Technology:

- Spent SDG 20,400,239 in excess.
- Under spent SDG 3.86 million on Payroll
- Spent SDG 6,045,892 on activities for which the fund was not allocated and no authorization by SSLA was made or sought for.

c) The Ministry of Health:

- Received 78 % of its appropriation for the year.
- Of this, the ministry had a cash balance of SDG 2,044,081 on 31st December 2008.

d) The Ministry of SPLA Affairs

- Overspent the budget by SDG 69,597,611
- Free balance (ledger) and SPLA budget books had a difference of SDG 704,614,197

e) The Ministry of Finance and Economic Planning:

- Overspent by SDG 313 million.
- Office and General Supplies was over spent by 404%.
- Overtime was overspent by 149%.
- Training overspent by 142%.
- Hospitality & Entertainment overspent by 137%.

- Donations overspent by 115%.
- Furniture overspent by 126% etc
- SDG 751,795 did not have details for the transactions.

f) Ministry of Internal Affairs:

- Over spent by 165 % (SDG 66 million) on Operating Expenditure.
- Overspent by 66% (SDG 33 million) on Capital Expenditure.

- SSLA had original budget of SDG 83.9 million and Supplementary of SDG 96.2 million. Yet it over spent by SDG 5.1 million.
- President Office over spent by SDG 29.1 million and Vice President's office by SDG 4.8 million.

7. Oil Revenue

- Audit did not receive adequate data on oil production, processing, storage and sales.
- Oil revenues received from the Government of National Unity (GoNU) during 2008 was SDG 6.67 billion.
- SDG 69.67 million stated to be transferred by GoNU was not recognized in the Financial Statements of GoSS.
- GoNU deducted SDG 24.74 million from GoSS oil revenue as direct expenditure but no supporting documents were availed to GoSS or audit.
- Accumulated amounts due to GoSS from GONU from 2005 to 2008 total to SDG 1.293 billion.

8. Non-Oil Revenues

- GoSS collected SDG 107.07 million. Of this SDG 94.92 million was collected as Personal Income Tax`. Collections from taxes, tariffs, fees licenses etc accounted for a mere SDG 12.15 million.
- Non-Oil revenue due to GoSS from GoNU, if any, was not reflected in the accounts of 2008. It was stated that GoNU did not collect any non oil revenue in 2008.
- The Ministry of Legal Affairs and Constitutional Development did not transfer to GoSS, SDG 805,948 collected as registration fees and SDG other revenue.

- d) The Ministry of Commerce did not account for SDG 37,800 collected as revenue.
- e) The Judiciary retained 40% of total revenue collected in the year.

9. Pay roll Expenditure

a) No ministry could avail complete pay rolls and related nominal rolls to audit. Illustratively:

- The Ministry of Health could not present pay sheets for SDG 4,630,055 paid to 4 individuals.
- The Ministry of SPLA Affairs could not supply pay rolls for 33 out of 40 Divisions.
- The Ministry of Internal Affairs could supply only 20% of the Pay rolls.
- The Judiciary supplied only 15% of the pay rolls.
- The Ministry of Legal Affairs spent SDG 6,120,408 between January and October 2008. Four months later in December 2008, total payroll expenditure had climbed to SDG 18,445,135. No explanation was given to auditors.

The failure to provide these records limited the scope of audit. Moreover, the reliability of the pay record received was questionable. As a result, I was unable to verify whether salaries and allowances paid were in accordance with employees' grades, and whether these payments were properly authorised.

b) The Spending agencies did not maintain Deposit Registers and could not therefore account for unclaimed salaries. Illustratively,

- Southern Sudan Electricity Corporation could not account for SDG 8,651.
- The MoFEP did not account for SDG 27,891.
- The Judiciary did not account for SDG 40,685
- Ministry of Internal Affairs did not account for SDG 114,481

c) Cabinet Affairs paid SDG 394,264 as double pension for three months to the person who authorised the payment.

d) SPLA paid SDG 1,473,000 as upkeep allowance. No legal instrument or administrative regulation was cited.

e) Unauthorized allowances paid by

- Southern Sudan Electricity Corporation SDG 719,071.

- The Judiciary SDG 215,000 as Travel Advance to 14 Judges.
- Southern Sudan Human Rights Commission SDG 24,000 'constitutional allowance'.

f) Salaries paid to third parties without beneficiaries' letters of authorization

.In Internal Affairs SDG 10,806.

g) In SSLA one employee collected two salaries for four months.

h) In MoFEP 63 officials collected salary without being on the nominal roll.

i) The judiciary was remarkably generous with advances of pay without a recovery scheme. For example, out of SDG 39,050 owing from a judge only SDG 2000 had been recovered. Total advances outstanding amounted to SDG 81,871.

10. Operating Expenditure

Despite the adoption of the Finance and Accounting Procedure Ordinance (FAPO) and Interim Public Procurement and Disposal Regulations (IPPRD), ministries and agencies procured goods and services without signing contracts and paid for them without supporting documents. The contracts were single sourced, not vetted by the Ministry of Legal Affairs and Constitutional Development (MoLACD). Payments were released on the orders of the implementing agencies ministries even before commencement of work.

a) The Ministry of Education, Science and Technology:

- Paid SDG 16,894,188 for 'student support' without recorded details of students and educational institutions. The students' assistance was delivered in cash, in foreign countries, without involving the liaison offices for identifying citizenship and school enrolment.
- Paid 3 individuals SDG 2,435,000 for unspecified activities. No liquidation report was filed.

b) The Ministry of Health:

- Made payments without vouchers for SDG 6,323,841.
- Made payments to unauthorised payees amounting to SDG 526,063.
- Presented photo copied vouchers instead of originals for SDG 810,774.
- Did not produce vouchers for audit holding SDG 2,538,142.

- Made payments amounting to SDG 3,545,607 under various headings without supporting documents.
 - Issued cheques worth SDG 2,778,234 without supporting documentation.
- c) The Southern Sudan Legislative Assembly:
- Aailed no vouchers to audit for SDG1,856,450 of operating expenditure.
- d) The Ministry of SPLA Affairs did not have supporting documents for
- Cheque payments of SDG 30,785,588
 - Cash payments of SDG 9,456,159.
- e) The Ministry of Internal Affairs:
- Made payments without any supporting document for SDG1,005, 233
 - Kept paid vouchers but not defaced was for SDG 434,106 constituting a potential risk of recycling.
 - Made cash payments without vouchers for SDG 1,807,253.
 - Made payments without approved payment orders for SDG 1,808,039.
 - Vouchers for SDG 566,798 was discharged at a cost of SDG 1,601,233.
 - Purchases without procurement processes amounted to SDG 1,219,420.
- f) The Ministry of Commerce paid SDG 163,770 without pay orders.
- g) The Ministry of Cabinet Affairs paid SDG 883,677 without supporting documents.
- h) The Ministry of Legal Affairs had no supporting documents for payments amounting to SDG 576,120.
- I) The Judiciary had no supporting documents for SDG 337,727 payments.
- j) Several ministries granted medical assistance for treatments in and out of the country, without recommendation from medical commission or with the recommendation of the Medical Commission but without proof of treatment. Illustratively,
- SPLA provided medical assistance of SDG 1,916,734.
 - Ministry of Internal Affairs provided SDG 511,914
 - Ministry of Cabinet Affairs provided SDG 71,840

- Electricity Corporation provided SDG 69,266
- k) Several ministries granted advances to staff not subject to recovery
- Ministry of Health sanctioned SDG 235,000
 - .Ministry of Legal Affairs and Constitutional Development paid SDG 62,850
 - The Southern Sudan Legislative Assembly paid SDG 1,081,331.
 - The Ministry of Commerce paid SDG 25,600
 - The Judiciary paid SDG 81,871
- l) House Rent Allowance paid without lease agreements and cheques made in personal names:
- The Ministry of Internal Affairs paid SDG 232,854
 - The Ministry of Cabinet Affairs paid SDG 1,258,750
- m) Christmas Allowance was sporadically paid in the absence of standardised rules.
- Southern Sudan Legislative Assemvly had paid SDG 512,905.
 - The Ministry of Wildlife paid SDG 381,505.
 - The Bank of Southern Sudan had paid SDG 2.5 million.
- n) Mamsco Construction was given SDG 6 million loan without loan agreement.

11. Capital Expenditure

Single source procurement continued in 2008. The value of vehicles purchased by GoSS was SDG 81.9 million.

- The Ministry of Cabinet Affairs received SDG 3 million for procurement of motor vehicles at year end (Dec 17th). There was no evidence that a procurement process was set in motion.
 - The Ministry of Education reported a capital expenditure of SDG 26 million. No Assets Register was kept. The existence of capital assets purchased or constructed could not be verified.
- a) Against a budget of SDG 2.6 billion for Durra purchases, contract awarded amounted to SDG 7 billion. Companies not registered or not capable of delivering the ordered quantities were favoured with the purchase orders. Payments made without proof of delivery amounted to SDG 37 027,800.

- b) The construction of Juba- Rajaf Road at a cost of SDG 13,450,407 was not tendered and 30 % down payment was made.
- c) Ariel Beck Investment Company was contracted for SDG 3,791,025 on a single source basis for the construction of 3 warehouses for the Ministry of Health against the objection of the Director General of Procurement.
- d) 400 Land Cruisers were ordered from Alok & Co Ltd for SDG 20 million without tender procedures and due diligence.
- e) Bona Bol Bol vehicles were procured at a cost of SDG 4 million on single source basis.
- f) Eyat Construction was awarded the construction of Aweil-Wau Road at a cost of SDG 121.68 million without due process for procurement.
- g) Juba Boat Yard reconstruction was awarded for SDG 22 million without due process of procurement.
- h) Rhino Stars Construction was awarded to build a bridge on Juba-Nimule road at a cost of SDG 2.2 million. Payment was made before the contract was approved by the Ministry of Legal Affairs.
- i) The Ministry of Internal Affairs procured goods and services for SDG 1,219,420 without tenders.
- j) The GoSS Financial Statements include a payment of SDG 4,060,800 to Golden Nest Sudan Limited for the construction of offices for the SSLA. We were unable to ascertain whether the construction was done or the assertion is a misclassification.
- k) The GoSS Financial Statements include a payment of SDG 4,278,210 for the procurement of offices for the Nairobi Liaison Office on Dennis Pritt Road and Lavington. Audit questions why the Nairobi Liaison Office continued to operate from a rented property at Bishops Gate, Nairobi.

12. Bank and Cash Balances

- a) Unconfirmed GoSS balances held with various banks on 31 December 2008 was SDG 1.136 billion.
- b) Year end cash balances in various ministries and agencies were not disclosed in the financial statements.

The Financial Statements show cash balance of SDG 8,195,653 on December 31st 2008.

The ledger of the Ministry of Finance indicates a negative balance (overdraft) of SDG 60,812 572. Therefore, the cash position was overstated by SDG 69,008,225.

13. OPINION

I audited the financial statement of the Government of Southern Sudan for the year 2008. No proper books of accounts were kept. I did not obtain all explanations pertaining to material transactions and omissions. Without the benefit of the review of oil revenue documents (97.5%) of total revenue, without review of the substantial records of SPLA pay roll expenditure for the year, and in the light of the discrepancies found in the sample tests in my opinion, the financial statements of the Government of Southern Sudan for the year ended 31st December 2008 do not present a true and fair financial position and its Income and Expenditure of the Government of Southern Sudan for the year then ended.

My constitutional responsibility is to present this audit report to The President and the National Legislative Assembly. If there are matters that require further action it is the duty of the Presidency and the Legislative Assembly to do so.

After this presentation, this report shall become a public document,

Signed: _____

Dated: _____

Ambassador Steven K Wöndu
AUDITOR GENERAL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

Outstanding matters

- 1 Supporting documentation for direct expenditures of US\$ 11.33 million reported in the Petroleum Unit Oil Report– **Note 2 (d)**.
- 2 Details of un-reconciled non-oil tax revenues SDG 828,562 and SDG 13 million– **Note 3 and Note 4** respectively.
- 3 Supporting documents and explanations for suspense items of SDG 751,795 (**Note 5**).
- 4 Details of goods and services purchased by third parties on behalf of GOSS.
- 5 The loan agreement for the US\$ 3 million loan advanced by GOSS to Mamsco Construction Company for construction of "Fireproof Green Composite Construction Materials" factory – **Note 24**.
- 6 Bank statements and supporting documents for bank accounts held at BNP Paribas Geneva, Switzerland – **Note 38**.
- 7 Details, from GOSS, of borrowings i.e. cash inflows from banks, or lending institutions as well as amounts owing in respect of non – cash assistance by third parties.
- 8 Details of external assistance to GOSS and its ministries.

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

Confidentiality/Disclaimer clauses

These draft financial statements are *strictly confidential* and are addressed solely to the Minister of Finance and Economic Planning (MoFEP), the Government of Southern Sudan (GOSS). KPMG cannot be held responsible for its unauthorised copying and distribution. Recipients are respectfully reminded that the financial statements contain sensitive information and should be kept secure at all times.

We have produced these financial statements specifically for the purposes stated in our engagement letter with the MoFEP and its interpretation, use or application for other purposes imposes no obligations on KPMG. The financial statements only cover the financial transactions reflected in known MoFEP bank accounts and do not include MDTF and CBTF financial affairs.

KPMG is responsible for only the preparation of the Government of Southern Sudan 2008 financial statements, on a modified cash basis in accordance with International Public Sector Accounting Standards (IPSAS) “Financial Reporting under the Cash Basis of Accounting” except for revenue which has been reported on a net basis and not on a gross basis, as required by Section 1.1.4 of Part 1 of the IPSAS “Financial Reporting under the Cash Basis of Accounting”. At no time however, is KPMG responsible for initiating or authorising any GOSS financial or operational transactions.

MoFEP, together with other GOSS ministries and agencies, is responsible for:

- Providing KPMG with all relevant information and accounting records;
- Budgetary monitoring and control, including managing, allocating and coding of budgeted expenditures, and provision of explanations for actual-to-budget variances to Parliament and stakeholders as appropriate; and
- Informing KPMG of all Government decisions and policy changes necessary for proper and effective execution of its accounting responsibilities.

The preparation of these financial statements is dependent on the completeness, accuracy and reliability of data received from a variety of sources. KPMG makes no warranty or claim as to the accuracy of the information on which this report is based and cannot be held responsible for any inaccuracies so arising.

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

SUMMARY OF ABBREVIATIONS USED IN THESE FINANCIAL STATEMENTS

MDTF	Multi Donor Trust Fund
CBTF	Capacity Building Trust Fund
ORSA	Oil Revenue Stabilisation Account
NGO	Non-Governmental Organisation
BOSS	Bank of Southern Sudan
SSRRC	Southern Sudan Relief and Rehabilitation Commission
SSRDF	Southern Sudan Reconstruction and Development Fund
CPA	Comprehensive Peace Agreement
SPLA	Sudan People’s Liberation Army
SSLA	Southern Sudan Legislative Assembly
DSA	Daily Subsistence Allowance
SPLM	Sudan People’s Liberation Movement
NCP	National Congress Party
SSDDR	Southern Sudan Disarmament and Demobilisation Commission
ICT	Information and Communication Technology
SSCCSE	Southern Sudan Centre for Census, Statistics and Evaluation
IDA	IDA Foundation
LRA	The Lords Resistance Army
IDP	Internally Displaced Persons
COVEC	China Overseas Engineering Company

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

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**STATEMENT OF CASH RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

	Note	2008	2007	Movement
CASH INFLOWS		SDG	SDG	SDG
Net oil revenues	2	6,673,702,800	2,875,455,112	3,798,247,688
Other receipts		168,648,411	13,272,884	155,375,527
Total cash inflows		6,842,351,211	2,888,727,995	3,953,623,215
CASH OUTFLOWS			-	
Suspense payments (Page 6)	-	751,795	94,693,148	(93,941,353)
Salaries (Page 6)	-	1,874,111,960	1,479,518,632	394,593,328
Operating costs (Page 7)	-	2,303,919,286	963,557,487	1,340,361,799
Development costs (Page 8)	-	1,611,149,317	398,265,030	197,583,134
Total cash outflows, excl. suspense payments		5,789,180,563	2,841,341,148	2,947,839,415
Total cash outflows, incl. suspense payments		5,789,932,358	2,936,034,296	2,853,898,059
Increase in bank balances	37	1,052,418,853	(47,306,301)	1,099,725,155
Bank balances at 1 January	37	83,888,519	128,687,424	(44,798,905)
Foreign exchange translation effect	41	-	2,695,977	(2,695,977)
Bank balances at 31 December analysed as follows:	37	1,136,307,372	84,077,100	1,052,230,272
Cash held under lien – Letters of Credit	37	5,956,539	1,101,503	4,855,036
Available bank balances	37	1,130,350,833	82,975,597	1,047,375,237
	37	1,136,307,372	84,077,100	1,052,230,273

The notes on pages 10 to 51 form an integral part of these financial statements.

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT
FOR THE YEAR ENDED 31 DECEMBER 2008

Description	Note	2008	2008	2008	2008 Actual	Under/(over) budget	% Annual budget to actual
		original budget	supplementary budget *	revised budget			
		SDG	SDG	SDG	SDG	SDG	
		(a)	(b)	(c)=(a)+(b)	(d)	(e)=(c)-(d)	(f) = (d/c)
CASH INFLOWS							
Oil revenue	2	3,312,000,000	3,136,043,167	6,448,043,167	6,673,702,800	(225,659,633)	103%
Non-oil tax revenue	3	130,800,000	(31,774,992)	99,025,008	107,073,312	(8,048,304)	108%
Non-tax revenue	4	21,064,076	-	21,064,076	61,575,099	(40,511,023)	292%
Sub-total - other receipts		151,864,076	(31,774,992)	120,089,084	168,648,411	(48,559,327)	140%
TOTAL RECEIPTS		3,463,864,076	3,104,268,175	6,568,132,251	6,842,351,211	(274,218,960)	104%
CASH OUTFLOWS							
Suspense payments							
Bank of Sudan SDG-6919/1000/3	5	-	-	-	751,795	(751,795)	100%
Total suspense payments		-	-	-	751,795	(751,795)	100%
Salaries							
GOSS employees	6	1,318,296,295	463,217,359	1,781,513,654	1,549,656,199	231,857,455	87%
Job specific allowances	7	39,789,541	14,868,800	54,658,341	32,650,810	22,007,531	60%
Gratuities	8	108,058,006	(94,958,200)	13,099,806	111,042,338	(97,942,532)	848%
Transfers to State Governments	9	180,708,435	-	180,708,435	180,762,613	(54,178)	100%
Total salaries		1,646,852,277	383,127,959	2,029,980,236	1,874,111,960	155,868,276	92%

* As received from MoFEP.

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT
FOR THE YEAR ENDED 31 DECEMBER 2008 (CONTINUED)

Description	Note	2008 original budget SDG	2008 supplementary budget* SDG	2008 revised budget SDG	2008 Actual SDG	Under/(over) budget SDG	% Annual budget to actual SDG
Operating costs							
Overtime and incentives	10	18,413,184	3,130,000	21,543,184	32,073,613	(10,530,429)	149%
Contract employment and professional services	11	25,670,363	2,735,000	28,405,363	10,049,572	18,355,791	35%
Utilities		5,272,570	819,500	6,092,070	720,301	5,371,769	12%
Telecommunications		5,681,571	1,265,200	6,946,771	4,673,059	2,273,712	67%
Domestic travel	12	25,113,086	58,866,558	83,979,644	54,348,909	29,630,735	65%
Foreign travel	13	19,670,975	5,283,000	24,953,975	16,731,160	8,222,815	67%
Printing and advertising		6,296,906	109,900	6,406,806	4,161,216	2,245,590	65%
Rent and equipment hire	14	41,518,685	9,395,316	50,914,001	50,966,391	(52,390)	100%
Training, workshops and conferences	15	32,976,169	35,034,869	68,011,038	96,540,339	(28,529,301)	142%
Hospitality and entertainment	16	28,693,801	14,833,587	43,527,388	59,674,986	(16,147,598)	137%
Insurance	17	8,630,455	870,682	9,501,137	6,569,771	2,931,366	69%
Specialised materials and supplies	18	212,547,729	240,355,825	452,903,554	985,874,738	(532,971,184)	218%
Office and general supplies	19	12,007,855	5,948,706	17,956,561	72,598,525	(54,641,964)	404%
Fuel and lubricants	20	59,534,060	7,096,499	66,630,559	52,061,756	14,568,803	78%
Vehicle maintenance		19,865,755	8,776,516	28,642,271	22,003,977	6,638,294	77%
Other maintenance	21	13,082,200	1,165,500	14,247,700	9,806,686	4,441,014	69%
Medical costs	22	21,782,539	1,768,852	23,551,391	9,631,426	13,919,965	41%
Emergency and disaster relief	23	16,205,040	1,500,000	17,705,040	9,569,829	8,135,211	54%
Grants to enterprises and co-operatives	24	6,653,314	23,500,000	30,153,314	22,830,588	7,322,726	76%
Donations	25	15,246,172	172,955,000	188,201,172	216,588,282	(28,387,110)	115%
Operating transfers to State Governments	26	319,091,120	127,666,667	446,757,787	455,251,664	(8,493,877)	102%
Other operating expenses	27	11,963,128	118,927,414	130,890,543	111,192,498	19,698,044	85%
Total operating costs		925,916,677	842,004,591	1,767,921,267	2,303,919,286	(535,998,018)	130%

* As received from MoFEP.

**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT
FOR THE YEAR ENDED 31 DECEMBER 2008 (CONTINUED)**

Description	Note	2008 original budget SDG	2008 supplementary budget * SDG	2008 revised budget SDG	2008 Actual SDG	Under/(over) budget SDG	% Annual budget to actual SDG
Development costs							
Furniture and general equipment	28	15,665,919	17,292,940	32,958,859	41,378,340	(8,419,481)	126%
Vehicles and other transport equipment	29	41,407,266	51,855,048	93,262,314	81,923,356	11,338,958	88%
Specialised plant, equipment & machinery	30	139,608,912	117,209,329	256,818,241	304,383,929	(47,565,688)	119%
Project preparation, design and supervision	31	30,531,877	34,000,000	64,531,877	63,919,813	612,064	99%
Construction and civil works	32	273,967,746	527,297,653	801,265,399	748,329,423	52,935,976	93%
Rehabilitation and renovation of assets	33	144,948,054	6,723,200	151,671,254	92,618,660	59,052,594	61%
Capital transfers to State Governments	34	1,670,000	-	1,670,000	870,012	799,988	52%
Transfers to MDTF projects	35	156,295,349	8,480,000	164,775,349	136,249,863	28,525,486	83%
Other capital transfers	36	51,237,961	90,237,961	141,475,922	141,475,922	-	100%
Total development costs		855,333,084	853,096,131	1,708,429,215	1,611,149,317	97,279,898	94%
Payments, excl. suspense payments		3,428,102,038	2,078,228,681	5,506,330,719	5,789,180,563	(282,849,844)	105%
TOTAL PAYMENTS, INCL. SUSPENSE PAYMENTS		3,428,102,038	2,078,228,681	5,506,330,719	5,789,932,358	(283,601,639)	105%
Reserves		35,762,038	1,026,039,494	1,061,801,532	-	-	-
Increase in bank balances	37	-	-	-	1,052,418,853	9,382,679	99%

* As received from MoFEP.

The notes on pages 10 to 51 form an integral part of these financial statements.

STATEMENT OF PAYMENTS BY SECTOR
FOR THE YEAR ENDED 31 DECEMBER 2008

PAYMENTS/EXPENDITURE	2008 Original Budget	2008 Supplementary Budget	2008 Revised Budget	2008 Actual	(Over)/under budget 2008	2007 Actual	Movement 2008/ 2007
SECTORS	(a)	(b)	(c)=(a)+(b)	(d)	(e)=(c)-(d)	(f)	(g)=(d)-(f)
	SDG	SDG	SDG	SDG	SDG	SDG	SDG
Accountability	53,000,000	297,439,353	350,439,353	655,310,160	(304,870,807)	71,355,408	583,954,753
Economic Functions	74,475,000	40,875,684	115,350,684	104,449,739	10,900,945	38,841,609	65,608,130
Education	220,000,000	49,864,869	269,864,869	290,265,108	(20,400,239)	233,034,999	57,230,110
Health	145,000,000	92,200	145,092,200	114,157,336	30,934,864	67,201,870	46,955,465
Infrastructure	518,000,000	506,075,755	1,024,075,755	904,450,812	119,624,943	184,168,300	720,282,512
Natural Resources & Rural Dev't	197,000,000	68,538,594	265,538,594	195,807,306	69,731,288	109,349,912	86,457,394
Public Administration	231,179,761	234,123,710	465,303,471	511,966,029	(46,662,558)	234,590,459	277,375,570
Rule of Law	507,447,277	231,151	507,678,428	514,974,007	(7,295,580)	257,126,645	257,847,361
Security	1,009,000,000	804,257,100	1,813,257,100	1,882,066,979	(68,809,879)	1,191,809,918	690,257,061
Social & Humanitarian Affairs	155,000,000	(50,936,402)	104,063,598	84,111,134	19,952,464	37,904,258	46,206,876
Transfers	318,000,000	127,666,667	445,666,667	531,621,953	(85,955,286)	415,957,770	115,664,183
Sub – total	3,428,102,038	2,078,228,681	5,506,330,719	5,789,180,563	(282,849,844)	2,841,341,148	2,947,839,415
Suspense - payments (Note 5)	-	-	-	751,795	(751,795)	231,676,753	(230,924,958)
Total payments/expenditure	3,428,102,038	2,078,228,681	5,506,330,719	5,789,932,358	(283,601,639)	3,073,017,901	2,716,914,457

A detailed sector-wise comparison of budget to actual expenditure is presented in Appendix 1 (Pages 49 - 51).

The notes on pages 10 to 51 form an integral part of these financial statements.

STATEMENT OF CASH RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

1. PRESENTATION OF THE FINANCIAL STATEMENTS

(a) Basis of preparation

These draft financial statements have been prepared in accordance with the International Public Sector Accounting Standards (IPSAS) on a modified cash basis of accounting, except where stated otherwise. The modified cash basis comprises the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting, transactions and other events are recognised when cash is received or paid.

[Under IPSAS third party expenditure on behalf of the Government (e.g. CBTF, MDTF) should be incorporated.]

(b) Reporting entity

The financial statements are for the Ministry of Finance and Economic Planning, Government of Southern Sudan (GOSS).

(c) Presentation currency

All amounts have been presented in these financial statements in Sudanese Pounds (SDG), which is the functional currency of GOSS for the 2008 budget year.

(d) Revenue

Oil revenues are recognised upon receipt by GOSS of oil sale proceeds from the Government of National Unity and have not been grossed up for any expenditure deducted at source by the Federal Ministry of Finance and National Economy in Khartoum.

[This accounting treatment does not comply with Section 1.3.13 of the International Public Sector Accounting Standard – Financial Reporting Under the Cash Basis of Accounting updated in January 2007, which requires that total cash receipts should be reported on a gross basis.]

Non-oil revenues and local and foreign aid assistance are recognised in the financial records on a receipts basis.

[Any non-oil revenues and local and foreign aid assistance received directly by Government ministries and agencies have not been included in these financial statements.]

(e) Expenditure

Salaries, wages and other employee benefits

Salaries, wages and other employee benefits comprise payments to GOSS employees and are recognised as an expense in the statement of receipts and payments upon payment.

Goods and services

Payments made for goods and services are recognised as an expense in the statement of receipts and payments on a payments basis. Expenses are classified as capital if goods and services are used on a capital project.

Transfers and subsidies

All transfers and subsidies to the States are recognised as expenses on a payments basis.

(f) Assets

Assets are written off upon purchase. Any amounts in hand at the reporting date are shown at cost in the disclosure notes to the financial statements.

Cash and cash equivalents

Cash and cash equivalents carried in the statement of receipts and payments comprise cash on hand, deposits held, and other short-term highly liquid investments.

Receivables

Receivables arising from cash payments that are recoverable from third parties, including loans advanced are shown in the disclosure notes to the financial statements.

Inventory

[Inventories are written off upon purchase. Any amounts in hand at the reporting date are shown at cost in the disclosure notes to the financial statements. **At 31 December 2008 this policy had not been effected and no disclosures are included in these financial statements.**]

(g) Liabilities

Payables

[Accounts payable are measured at amortised cost using the effective interest rate method. Payables arising from cash payments are shown in the disclosure notes to the financial statements. **At 31 December 2008 this policy had not been effected and no disclosures are included in these financial statements.**]

Accruals

[Accruals representing goods and services that have been rendered to the Government, but for which no invoices have been presented by the suppliers at the reporting date are included as disclosure notes to the financial statements. **At 31 December 2008 this policy had not been effected and no disclosures are included in these financial statements.**]

Contingent liabilities

[Contingent liabilities are possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the ministries and Government agencies. Contingent liabilities may also comprise present obligation that arise from past events but are not recognised either because it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligations or the amount of the obligations cannot be measured with sufficient reliability.]

[Contingent liabilities are included in the disclosure notes. **At 31 December 2008 this policy had not been effected and no disclosures are included in these financial statements.**]

Commitments

[Commitments represent goods and services that have been approved and/or contracted, but where no delivery has taken place at the reporting date.

Commitments are not recognised in the statements of receipts and payments as liabilities or as expenditure rather are included in the disclosure notes to the financial statements. **At 31 December 2008 this policy had not been effected and no disclosures are included in these financial statements.**]

(h) Borrowings

[Borrowings comprise cash inflows from banks, similar lending agencies and commercial institutions as well as amounts owing in respect of non – cash assistance provided by third parties. **At 31 December 2008 this policy had not been effected and no disclosures are included in these financial statements.**]

(i) Receipts and payments by other Government ministries and entities

[These financial statements include receipts and payments from known Ministry of Finance and Economic Planning (MoFEP) bank accounts. Accordingly, details of receipts and payments by other Government and State ministries are not included in these financial statements.]

(j) Receipts and payments by external third parties

[Details of receipts and payments made by other external third parties for goods and services are outstanding/unknown, apart from CBTF and MDTF.]

(k) Transfers

Amounts are transferred to eligible recipients in accordance with the operating mandate and authority of the Ministry of Finance and Economic Planning in Juba.

2. OIL REVENUES

a) Oil revenue receipts per MoFEP bank statements

Oil revenues relate to cash amounts received by the Ministry of Finance and Economic Planning, Government of Southern Sudan transferred by the Government of National Unity, Khartoum, on account of crude oil sale proceeds, net of direct expenditures deducted at source as reported in the Petroleum Unit's Oil Revenue Report for the year ended 31 December 2008 and shown below.

	SDG
Export crude oil	5,596,608,375
Local crude oil	120,041,780
ORSA share drawn by MoFEP	<u>957,052,645</u>
Oil revenue receipts per MoFEP bank statements	<u>6,673,702,800</u>

The above amount of SDG 6,673,702,800 was received in the following foreign currencies:

Foreign currency (FCY)	Amount (FCY)	Exchange rate	SDG equivalent
Sterling Pounds (GBP)	831,414,575	3.80	3,155,390,784
Euro	263,139,813	3.17	833,903,896
Sudanese Pounds (SDG)	2,684,408,120	1.00	2,684,408,120
US Dollars	=	=	=
			<u>6,673,702,800</u>

b) Determination of “gross” oil revenue receipts

	US\$ equivalent
Oil revenue receipts of SDG 6.67 billion above translated to their US\$ equivalents at an average spot rate of 1 US\$ = SDG 2.0913	<u>3,191,174,294</u>
Add:	
Transportation costs (local and export crude) per oil report	196,440,194
Administration costs (local and export crude) per oil report	81,702,764
Direct expenditures per oil report (Note 2 (e))	<u>11,330,000</u>
	<u>289,472,957</u>
“Gross” oil revenue receipts	<u>3,480,647,251</u>

c) Un-remitted oil revenues –2005 to 2008 as at 31 December 2008

A reconciliation of gross oil revenues due to GOSS per the December 2008 Petroleum Unit Oil report to cash received by GOSS for the years 2005, 2006, 2007 and 2008, shows **US\$ 592,095,328(SDG 1,293,136,197)**, as still due to GOSS, (excluding the effect of any amounts received directly by oil producing States with respect to their oil share) made up as follows:

i) Revenue per Oil Report for the year ended 31 December 2008

	US\$
GOSS share of net Crude Oil Export Revenue	2,239,270,000
GOSS Share of net Local Crude Oil Revenue	648,930,000
Transportation costs (local and export crude)	196,440,194
Administration costs (local and export crude)	81,702,764
ORSA - Share drawn by GOSS	436,370,000
2% Unity State oil revenue	47,590,000
2% Upper Nile State oil revenue	<u>63,380,000</u>
	<u>3,713,682,957</u>
Transfers to GOSS bank accounts, including ORSA (Note(d))	(2,943,737,900)
Transportation costs (local and export crude oil)	(196,440,194)
Administration costs (local and export crude oil)	(81,702,764)
Direct expenditures deduction (Note 2 (d))	(11,330,000)
Direct receipts of 2% revenue by States [Unknown]	=
“Gross” oil revenue receipts	<u>(3,233,210,857)</u>
“Un- remitted” oil revenues	<u>480,472,100</u>

ii) 2007 outstanding amounts

	US\$	US\$
2007 oil revenues outstanding as at 1 January 2008		201,818,904
Less: 2007 arrears paid in 2008 comprising:		
- Net amount received in bank accounts	(192,184,815)	
- Transfer costs & foreign exchange differences	<u>(210,354)</u>	<u>(192,395,169)</u>
“Un-remitted” oil revenues –2007		<u>9,423,735</u>

iii) 2006 outstanding amounts

	US\$	US\$
2006 oil revenues outstanding as at 1 January 2008		55,041,225
Less: 2006 arrears paid in 2008		
- Net amount received in bank accounts	(54,200,000)	
- Transfer costs & foreign exchange differences	<u>(841,225)</u>	<u>(55,041,225)</u>
“Un-remitted” oil revenues –2006		=

iv) 2005 outstanding amounts

	US\$
2005 oil revenues outstanding as at 1 January 2008	44,600,000
Less: 2005 arrears paid in 2008 for road construction	<u>(24,000,000)</u>
2005 oil revenues unpaid – earmarked for road construction (Note 1 below)	20,600,000
2005 Unity State 2% oil revenues (Note 2 below)	18,590,000
Less: 2005 2% oil revenue arrears shown as paid in 2006	<u>(14,880,000)</u>
2005 2% oil revenues unpaid	3,710,000
2005 direct expenditures to be refunded to GOSS (Note 3 below)	<u>77,889,493</u>
Un-remitted oil revenues –2005	<u>102,199,493</u>
Total un-remitted oil revenues –2005 to 2008 as at 31 December 2008	<u>592,095,328</u>
SDG equivalent – 1 US\$ = SDG 2.184.Bank of Sudan website – 31 December 2008	<u>1,293,136,196</u>

Notes

- 1 According to the Petroleum Unit’s Oil Revenue Report at 31 December 2008, **US\$ 80.6 million** relating to 2005 revenues was still outstanding from the Ministry of Finance and National Economy. This amount was earmarked for road construction and as at 31 December 2008 **US\$ 60 million** out of the US\$ 80.6 million was paid towards the construction of the Aweil Miriam road.
- 2 At 31 December 2005, **US\$ 18.59 million** relating to the 2% oil revenue share due to Unity State, for 2005, was shown in the Petroleum Unit’s report as outstanding as owed by the Federal Ministry of Finance. Of this amount, **US\$ 14.88 million** was received in 2006. No additional amounts were shown in the oil reports as having been remitted in 2007 and 2008.
- 3 The amount of **US\$ 77,889,493** relates to expenses deducted by the Federal Ministry of Finance and charged to GOSS in 2005. This amount has been confirmed in the Petroleum Unit’s report and was to have been repaid by end of November 2006. However, the Petroleum Unit’s report for December 2008 indicates that settlement of this amount has not been agreed upon.
- 4 Any oil proceeds paid directly to Unity and Upper Nile States with respect to the 2% payable to oil producing states by the Federal Ministry of Finance and National Economy have not been incorporated in these financial statements.

d) Reconciliation of oil revenue transfers to GOSS at 31 December 2008

	US\$
Transfers to GOSS bank accounts (Note (c))	2,943,737,900
Transfers to bank accounts per the December 2008 Petroleum Unit Oil Report	<u>2,975,640,000</u>
Unexplained difference	<u>(31,902,100)</u>
SDG equivalent – 1 US\$ = SDG 2.184 Bank of Sudan website-31.12.08	<u>(69,674,187)</u>

e) **Direct expenditure**

According to the Petroleum Unit report for December 2008, the amount of **US\$ 11,330,000 (SDG 24,744,702)** reported below, comprise payments made by the Federal Ministry of Finance in Khartoum on behalf of GOSS for the following items. The amount has not been allocated to a specific expense line in these financial statements, nor processed in the general ledger, as its acceptance by GOSS is subject to availability and review of related documents.

	US\$
Borhan Co. claim	2,190,000
VAT on materials for Aweil Mariam road	6,060,000
Durra	3,070,000
VAT on 3 cars	<u>10,000</u>
Total	<u>11,330,000</u>
SDG equivalent - 1 US\$ = SDG 2.184 - Bank of Sudan website- 31.12.08	<u>24,744,720</u>

At the time reporting, the supporting documents for the above transactions were outstanding.

3. **NON-OIL TAX REVENUES**

Collecting ministry/agency	Description	SDG
Finance and Economic Planning	Personal Income Taxes (PIT) -GOSS staff (Note 6)	84,089,568
Finance and Economic Planning	PIT- other	10,849,367
Finance and Economic Planning	Border collections and excise duty	7,522,422
Ministry of Legal Affairs	NGO/Company registration and licenses	1,300,061
Judiciary of Southern Sudan	Court fees	625,264
Ministry of Industry and Mining	License fees	206,900
Ministry of Commerce	License fees and border penalties	557,363
Ministry of Agriculture	License fees	469,616
Public Services and Human Resources	Work permits	216,900
Urban Water Corporation	Water bills	114,501
Ministry of Telecommunications	Telephone bills	80,766
Ministry of Health	Licenses and referral fees	38,915
Environment, Wildlife and Tourism	Park charges and Equatoria hotel rent	127,000
Ministry of Information	Radio and TV charges	46,107
Other un-reconciled deposits	Details pending at the time of reporting	<u>828,562</u>
		<u>107,073,312</u>

4. **NON TAX REVENUES**

	SDG
Foreign exchange gains	6,057,862
Interest income - Stanbic Bank	191,962
Miscellaneous income - refunds	
- Chinese Engineering Company (CEC) bond refund	41,437,249
- Southern Sudan Legislative Assembly for over payments in 2007	372,574
- BOSS erroneous debit from A/c 6919/1000/03 in 2007	306,000
- BOSS, Wau Branch - 2006 transfer payment not effected	<u>142,000</u> 42,257,823
Un-reconciled deposits (details pending at the time of reporting)	<u>13,067,452</u>
	<u>61,575,099</u>

5. **SUSPENSE PAYMENTS - PENDING FURTHER INFORMATION & EXPLANATIONS**

Bank of Sudan Juba Branch SDG account 6919/1000/3

<i>Bank statement date</i>	<i>Details of transactions</i>	SDG
31 Mar 2008	Accommodation of presidential guests – Equatoria Hotel bills overpaid	<u>751,795</u>

6. **SALARIES - GOSS EMPLOYEES** **SDG SDG**

Gross salaries:

GOSS Ministries and Commissions	539,412,903
SPLA	<u>1,014,634,800</u>
	1,554,047,703

Salary deductions:

Personal Income Taxes (PIT) deducted	(86,195,171)
Personal Income Taxes (PIT) remitted (Note 3)	<u>84,089,568</u>
Un-remitted PIT	(2,105,603)
Employee pension deducted	(24,079,631)
Employee pension remitted	<u>21,793,729</u>
Un-remitted pension	(2,285,902)

Net GOSS salary payments **1,549,656,199**

7. **SALARIES - JOB SPECIFIC ALLOWANCES** **SDG SDG**

Annual allowances:

- Ministers	2,194,300
- Members of Parliament (MPs)	3,746,300
- Judiciary staff	2,556,877
- Vice President	310,000
- Office of the President's staff	84,324
- Chairperson - Land Commission	75,100
- Chairperson – Local Government Board	41,800
- Chairperson – Financial and Fiscal Allocation Commission	91,600
- Chairperson – Anti Corruption Commission	41,800
- Chairperson – Employees Justice Chambers	41,800
- Chairperson – HIV/AIDS Commission	74,035
- Chairperson – Census and Statistics	37,500
- Chairperson – De-mining Commission	83,900
- Presidential Advisors	2,033,800
Uniform and reference allowances for legal counsels	11,413,136
Leave allowances for legal counsels	1,406,512
Uniform allowances for Judiciary staff	3,188,220
Senior Directors - Ministry of Cabinet Affairs	2,388,900
Khartoum Liaison Office staff	572,630
	175,900

Leave allowance for MPs	437,880
Travel allowances for MPs on recess	1,230,000
MPs' sitting allowances	1,011,255
MPs' medical allowances	750,000
Housing and phone allowances - SSLA staff	3,980,337
Christmas allowance - SSLA staff	512,905
Christmas allowance – Ministry of Wildlife and Environment staff	381,505
Ceasefire Joint Monitoring Committee (CJMC) allowances	3,434,400
House allowances - Cabinet Affairs staff in Khartoum	63,520
Undersecretary - Ministry of President Affairs	35,000
Undersecretary, Ministry of Legal affairs	505,000
Secretaries of specialised committees of SSLA	69,702
Other	1,094,008
	<u>32,650,810</u>

8. GRATUITIES

War veteran heroes	100,000,000
Other senior government staff	11,042,338
	<u>111,042,338</u>

9. SALARIES - TRANSFERS TO STATE GOVERNMENTS

		Ministry			Total
		Education	Health	Animal Resources	
	States	SDG	SDG	SDG	SDG
1	Central Equatoria	24,804,997	552,516	841,044	26,198,557
2	Eastern Equatoria	16,613,400	552,516	841,044	18,006,960
3	Western Equatoria	18,676,896	552,516	841,044	20,070,456
4	Upper Nile	17,540,796	552,516	841,044	18,934,356
5	Jonglei	16,199,328	552,516	841,044	17,592,888
6	Unity	10,841,549	552,511	841,044	12,235,104
7	Western Bahr el Ghazal	9,536,016	552,516	841,044	10,929,576
8	Northern Bahr el Ghazal	21,565,392	552,516	841,044	22,958,952
9	Lakes	17,368,428	552,516	841,044	18,761,988
10	Warrap	13,680,216	552,516	841,044	15,073,776
	Total	166,827,018	5,525,155	8,410,440	180,762,613

10. OVERTIME AND INCENTIVES	SDG
Ministry of Health doctors and medical staff	13,711,750
Incentives for Chiefs	9,150,680
Tutors Training Centre (Buluk and Digalla)	196,000
Ministry of Finance staff	1,673,317
Office of the President staff	70,000
Radio and TV staff	315,859
Joint Committee for Monitoring Oil Revenue	105,400
Committee on police head count in the States	200,000
Wau Teaching Hospital staff	66,000
Ministry of Labour payroll team	64,580
Ministry of Education staff	48,479
Ministry of Information staff	115,712
Ministry of Presidential Affairs staff	30,000
Ministry of Housing budget preparation team	26,200
Ministry of Housing staff	78,375
Security Protection Unit, Office of the Vice President	94,560
Interview panel staff, Police Service	42,000
Anti-Corruption Commission staff	117,499
Ministry of Environment staff	207,790
Deming, Demobilisation and Re-integration Commission staff	115,000
Committee on review of Government Agencies' payrolls	205,000
Technical Committee on Customs	46,279
SSRRC drivers	35,000
Ministry of Interior staff	40,000
Ministry of Commerce staff	25,745
Malakal power station staff	154,200
Electricity Corporation staff	559,453
SSLA members who participating budget discussion	233,750
Cabinet Affairs staff during Martyrs and CPA day	170,750
Ministry of Housing staffs participating in budget preparation	165,700
Laboratory technicians at Juba Teaching Hospital	66,000
Northern Barh el Ghazal State committees	56,000
Ministry of Commerce staff preparing 2009 budget	49,000
Ministry of Labour staff	254,500
Christmas token –SSRDF	80,077
Christmas token – Min of Environment	381,505
Parliamentary Affairs staff	40,000
Ministry of Legal Affairs staff	36,282
De-mining Authority staff	33,600
Ministry of Transport staff	26,500
Committee reviewing of the New Sudan Cooperatives Act 2003	25,000
Fire Safety staff working on 2009 budget proposal	25,000
Industry and Mining recruitment and selection board	25,000
Ministry of Agriculture drivers	20,645
Other	2,889,426
	<u>32,073,613</u>

11. **CONTRACT EMPLOYMENT AND PROFESSIONAL SERVICES**

SSRRC - Committee on assessment of abducted women and children	2,000,000
Professional fees	2,838,196
Human Rights Base Line survey	312,160
Reviewing draft law on civil and political rights	400,000
Establishment of examination system	104,400
Study of educational needs of street children	45,000
Donor co-ordinator, Ministry of Labour	24,000
Ministry of Health - consultancy fee, establishment of a monitoring and evaluation unit	30,000
Survey of Wau power station	39,000
Monitoring Committee - Pay sheets	395,963
Consultancy fee, expansion of Disarmament, Demobilisation and Reintegration Commission to States	33,000
Consultancy fee, construction of dykes and dams to control floods	50,000
Compilation and drafting of manual on GOSS senior staff terms of service	176,400
Anti-Corruption Commission - development of ethical code of conduct	115,700
National Civil Service Commission	147,000
Advance for contract employment – Office of the President	100,000
Formulation of a Tourism Policy and Master Plan	65,000
Consultancy on “Perception Survey on corruption”	62,800
Temporary/Contract staff – Ministry of Commerce	66,400
Research on resolution of CPA crisis and GOSS Ministry of Peace	58,800
Proposal on economic use of renewable energy - Reconstruction fund	54,500
Enumeration team, Census Commission	42,500
Professional cleaning services – Ministry of Information	54,900
Staff personal forms evaluation committee - Ministry of Commerce	42,000
Ministry of Agriculture and Forestry inventory survey	31,958
Accountants field trips Water Resource Management and Irrigation	83,200
Research on land problems in Juba	60,000
Doctors in Aweil Civil Hospital	60,000
Hand clearance operation in Kajiko Forestation Station	46,875
Office cleaning services - Cabinet Affairs	81,760
Consultant fee for Technical Advisor on policy – Water Resources	40,000
Architectural drawing plans – Min of Gender	37,610
Consultants fee on design of project proposal	28,000
Development of Strategic plan for 2009-2011 - SSRDF	26,640
Casual labourers – Ministry of Transport	23,550
Professional services – Ministry of Animal Resources	21,330
Landscaping and beautification of compound – Telecommunications	21,000
Other	2,229,930
	<u>10,049,572</u>

12. DOMESTIC TRAVEL

SSRRC transportation of IDPs from Northern Sudan	20,000,000
Charter of plane - SPLA Affairs - transport food to Rumbek and Tonji	9,350,000
Transportation of SPLA Forces - from Ramciel to Juba	492,000
- from South Darfur to Northern Bahr El-Ghazal	85,000
Various charters by SPLA Affairs	3,007,830
Accommodation	150,976
Travel - flood preventive work	150,000
Transporting water purification units from Khartoum to Juba	114,898
Accommodation for radio and TV technician trainees	82,160
CPA Implementation Committee	80,800
Verification Committee Members - Ministry of Presidential Affairs	66,900
Transport of power generators for Radio Juba Station to Gumbo	61,000
South Sudan Human Rights Commission travel to Northern	
Bahr El-Ghazal and Jonglei States	60,000
Travel advance- Presidential Affairs	350,000
Tour to Malakal and Wau power stations for 21 days	39,249
Minister of Regional Cooperation travel to Jonglei State	36,575
Human Rights Commission delegation to Bahr-El-Ghazal State	60,000
Air tickets to Khartoum for university students	64,800
Prison officers travel to the States	75,000
Charter of plane for State Governors and Ministers of Physical Infrastructure	96,514
Various charters – Office of Vice President	463,072
Staff travel for a tourism conference - Ministry of Environment	50,560
Minister for Energy trip to Kapoeta	35,000
Travel advance – SSLA	1,287,000
Air charters during funeral of the Governor of Western Equatoria State	280,348
Vice-President's office charters from Juba Air Cargo	225,345
Advance for domestic travel - President's Office	200,000
Advance for domestic travel - Khartoum Liaison Office	132,600
Prison Services charters - Air Services (K) Ltd	115,308
Travel allowance - Head Count Exercise staff	99,700
Tourism Conference in Khartoum	97,060
Wildlife staff travel to Lokichoggio - 748 Air services	64,225
DSA for staff on assessment of sites for de-mining activities	54,580
Fire Brigade officers to tour states	53,800
Advance for domestic travel - Ministry of education	50,000
Ceasefire Joint Monitoring Committee (CJMC)	189,180
Surveyors' team travel to states to create standard plan for GOSS houses	45,973
Ministerial trip to launch Gentel in States	42,568
Ministry of Water Resources charters – Track Mark Ltd	42,476
Staff to National Civil Commission Khartoum – Vice President's office	42,000
Minister of Animal Resources on advocacy mission on national census	37,770
Deployment of revenue collectors to States	33,000
Minister for Transport's trip to Rumbek	30,960

Plane crash investigation team - Ministry of Roads	402,960
President's trip to Upper Nile State	344,300
Ministry of Environment staff from the States to Juba	202,500
Emergency travel to States by Human Right commission	191,180
Travel advance - Ministry of Agriculture and Forestry	163,716
Schools supervision tour - Ministry of Education	63,315
DSA for police selection committee - Internal Affairs	58,800
Staff travel from Juba to Eastern Equatoria - Ministry of Housing	46,010
Plane charters, Juba to Bentiu - Vice President's office	38,000
Delegation to Malakal and Bentiu - Ministry of Health	30,000
Awareness creation campaign travel – Human Rights Commission	180,000
Advance for domestic travel – Anti- Corruption Commission	130,620
DSA for North-South Border Commission members - Office of the President	180,000
Joint Restructuring and Merger Technical Committee - Ministry of Internal Affairs	93,260
Ministry of Agriculture delegation to the States	171,750
Minister for Agriculture visit to Bentiu and Northern Bahr-El-Ghazal State	171,750
Council Generals visit to States - Ministry of Legal Affairs	197,000
DSA for Ministerial Committee for implementation of CPA - Cabinet Affairs	71,327
States survey tour - Ministry of Commerce	127,700
Monitoring and evaluation team visit to the States – Ministry of Education	62,580
SPLM/NCP meeting in Khartoum	400,705
Trip to States - Ministry of Parliamentary Affairs	197,320
Engineers travel to Khartoum - Ministry of Information	70,109
Police travel during officers' transfers - Ministry of Interior	52,000
Visit to States - Ministry of Cooperatives	44,090
Mission to Ganyiel - Ministry of Health officials	41,728
Police officers' travel to States	34,200
School children from Dongola to Juba for Inter-school competition	1,498,750
Team visiting the States- Office of the President	1,000,000
University students to Juba- Ministry of Education	937,990
Various charter planes, Office of the President	525,157
Police transfers to various stations	500,000
Advance for domestic travel, Census & Statistics Commission	449,000
Malakal University students travel- Ministry of Education	281,172
Advance for travel of Agriculture Advisor	240,000
Advance for travel – Regional Cooperation	223,250
Charter of plane from Juba to Bentiu - Office of the Vice President	216,000
Advance for travel – Cabinet Affairs	206,172
Ministry of Housing team to various project sites	184,826
SSDDR Commission States' staff to Juba	113,206
Minister of Health visit to Upper Nile and Unity States	100,000
DSA for doctors visiting the States	99,831
Ministry of Health delegation to States	98,249
Water Resources technical advisor site visits	93,700
Ministry of Cooperatives delegation to the States	141,580

Ministry of Finance committee on Dura/Maize visit to States	77,765
Charter plane to Bentiu - Ministry of Health	74,500
Delegation travelling to Khartoum - Office of the Vice President	72,000
Presidential body guards - Office of the Vice President	66,850
Employee Justice Chamber team to Yambio, Wau and Malakal	50,625
Other	5,235,139
	<u>54,348,909</u>

13. **FOREIGN TRAVEL**

3 rd Sudan Consortium Meeting in Norway	870,000
States Executive Directors travel to South Africa for training	650,000
Air charter for youth from Cairo to resettle in Juba	300,000
President's trips to USA	708,834
Police officers to Egypt for training	85,375
President's visit to Uganda	80,000
Ministry of Regional Cooperation staff travel to India for training	215,118
Minister of Finance - travel to Dubai	78,000
Minister of Information - trip to South Africa	74,600
Minister of Transport and Road - trip to China	91,000
Minister of Commerce - trip to India	53,000
Ministry of Transport - delegation to Netherlands and UK	61,000
Governor H.E Samuel Abu John - from South Africa	60,000
Ministry of Culture staff travel to Kampala	54,080
Ministry of Finance staff travel to India	49,100
Ministry of Housing - travel to Dubai	46,200
Electricity Corporation staff travel to Egypt for meter reading course	44,730
Raymond P Morbe and Samuel Taban travel to California	41,480
Dr. Festo F Kumba travel to India	40,200
Human Rights Commission staff exposure visits outside the country	40,000
Minister of Health's trip to South Africa for a conference	35,544
Education Coordinator trip to Egypt	32,000
Advance for foreign travel -SSLA	956,895
Director of Bilateral Relations, Regional Cooperation trip to Netherlands	137,050
Dr. M Lomuro trip to Khartoum for Oxford meeting on 2009 elections	205,000
7 th German-Sudanese Business Forum	127,861
Juba Teaching Hospital staff to Turkey	77,700
Ceasefire Joint Monitoring Committee (CJMC)	168,160
Investigation committee to Dubai to investigate Ministry of Housing LC utilization	84,294
Education coordinator to Cairo to understand issues facing Sudan students	50,400
GOSS delegation United Arab Emirates	90,000
Minister of Housing trip to Addis Ababa	46,872
Delegation to USA to attend Status of Women Conference	59,485
Study tour to Ethiopia - finance reform and capacity building	42,000
Human Rights Commission staff to Canada for training	42,000
Minister of Labour trip to Geneva for International Labour Organisations conference	40,800
Delegation to Holland for World Cultural Festival - Ministry of Culture	69,824

H.E. Lual Ding Wol travel	34,720
Dr. Ojwal to Boston for “Millennium Development Goals for Health” conference	32,826
Delegation to France to attend OIE Gen Meeting - Animal diseases	32,485
Minister for Housing travel to Italy	79,583
Minister for Information trip to East Africa	91,100
Australia to Juba - Ministry for Energy	58,277
Minister for Finance trip to Germany for German Business Forum Conference	50,400
Vice President’s children trip to London	45,000
Ministry of Animal Resources delegation to India	40,945
Minister for Presidential Affairs trip to New York for UN meeting	41,897
Police officers trip to Nairobi for research tour	46,688
Ministry of Environment staff trip to Uganda	45,000
Various foreign destinations - Ministry of Interior	41,487
Ministry of Housing staff trip to Uganda	38,094
Tickets for Ministry of Industry officers from Kenya	34,320
Minister for Housing travel to Sweden	32,760
Ministry of Commerce staff trip to Uganda	30,500
Ministry of Regional Cooperation staff to Nairobi	214,795
Undersecretary, Ministry of Commerce, trip to Australia	56,654
Ministry of Commerce trip to UK for Forum at Warwick University	53,000
Ministry of Finance officials trip to USA	88,000
Travel during investigation into the plane crash	630,016
Ministry of Information staff travel to Kenya	531,300
Advance for travel – Regional Cooperation	317,990
Ministry of Parliamentary Affairs staff to USA and Kenya	139,019
Minister for Education trip to Cairo	107,120
Ministry of Internal Affairs staff to South Africa	78,280
Ministry of Information trainees to India	72,210
Study tour to South Africa - Ministry of Education	64,295
Advance for foreign travel - Regional Cooperation	59,158
Doctors trip to Canada - Ministry of Health	56,200
Trip to Kenya - SSDDR Commission staff	50,000
Advance for foreign travel - Ministry of Water Resources	48,816
Staff travel to Uganda - Regional Cooperation staff	42,184
Minister for Cabinet affairs trip to India	40,000
Plane charter from Dubai to Juba - Cabinet Affairs	413,347
Employees Justice Chamber staff travel to South Africa	215,236
Ministry of Regional Cooperation delegation to Congo	150,604
Ministry of Transport officials trip to USA	754,510
Advance for foreign travel – Regional Cooperation	595,700
Advance for foreign travel – Presidential Affairs	104,445
Ambassadors travel	103,036
Delegation to Ethiopia for African Union Peace and Security	
Council forum on Sudan	102,608
Ministry of Health delegation to Canada	101,970

Ministry of Environment delegation to Korea and China	100,000
Director General of Procurement various travel- Ministry of Finance	85,000
Police officers travel to Kenya - Internal Affairs	80,260
Ministerial delegation to London and Holland - Transport and Roads	172,000
Advance for travel – Office of the President	73,000
Advance for travel foreign travel - Ministry of Water Resources	64,200
War Veterans Commission delegation to South Africa and Zimbabwe	50,910
Regional Cooperation delegation to Kampala for IGAD ministerial meeting	50,559
Reath Wako family travel to Washington	46,356
Delegation to Liberia - Office of the Vice President	45,000
Ministry of Finance staff travel to South Africa and Britain	45,000
Other	4,087,698

16,731,160

14. RENT AND EQUIPMENT HIRE

Rent:

GOSS staff accommodation and houses	37,971,579
Southern Sudan Relief and Rehabilitation Commission garage (Al Muhaba Co.)	5,550,000
Ceasefire Joint Monitoring Committee (CJMC)	384,000
Henko guest house for doctors - Ministry of Health	803,000
Liaison offices abroad	1,906,000
Chiefs Council offices in Khartoum	240,000
Advance for rent – Police Headquarters	500,000
Khartoum office, Ministry of Presidential Affairs	340,000
Ministries/agencies offices	1,135,678
<i>Sub – total rent</i>	48,830,257

Car hire – various ministries/agencies	2,136,134
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50,966,391

15. TRAINING WORKSHOPS AND CONFERENCES

Support to 714 college/university students in Kenya and Uganda	16,479,194
Local students allowances and support – Ministry of Education	32,534,547
Training of engineers and pilots	5,902,418
Capacity building of staff in GOSS and States – Ministry of Information	241,200
Ministry of Finance staff training in South Africa	228,438
Examination board workshop on improved exam quality	343,383
SPLA mechanical workshop in Lanya	215,830
Secondary school exams setting, supervision and certification	200,600
Political parties on election laws	200,000
Examination Council	176,495
Procurement, accounting and project management - Lakes and Central Equatoria	138,750
Mid-wife capacity buildings in Malakal	94,184
Accommodation during 2 nd police conference	90,872
Police training in Kenya	184,620
Joint Inter-University meeting	55,800

Juba Teaching Hospital staff in Turkey	46,640
Water resources training in Torit	44,458
Grades and standards for policy makers training	41,910
Protocal officers study in Uganda	40,232
Regional Cooperation staff training in Khartoum	35,688
Lino Ananias and Vivian Kujo Joseph training in India	33,016
Students at Ethiopia Defence Engineering College	235,420
Dr. Pacifico Gabriel training on general surgery at Cape Town	220,000
National Teachers Training Institutions workshop	166,900
Corruption Prevention Course University of Pretoria	142,238
National languages training workshop in Malakal	119,420
Judiciary staff training in South Africa	694,296
7 th Edition of East Africa Secondary School Sports Championships in Kigali	828,624
Advance for training – Office of the President	450,000
Capacity building workshop- Ministry of Commerce	305,100
Survey and workshop at the States - Ministry of Gender	207,427
Workshop for Ministry of Environment staff	170,500
Workshop on “The Extension and Training policy” – Ministry of Animal Resources	150,000
Workshop for Ministry of Gender staff	142,573
Returnee students support	59,712
Graduation of fire brigade forces and wildlife officers	103,200
Conference of traditional leaders in Kuajok, Warrap State	50,000
English language course in Makerere	165,152
Third Speakers forum meeting	400,000
Government Information Management training	350,000
Doctors on internship training in Kenya	64,000
Advance for training - War Veterans Commission	40,000
Makoy Samuel - Liverpool School of Tropical Medicine	37,000
Anti-personnel mine stockpile destruction event/workshop	105,064
Youth parliamentarians training	800,000
Training of states’ staff – Ministry of Environment	352,275
Teachers head count seminar	260,000
Advance for training – SSLA	499,596
Veterinary officers training at University of Nairobi	192,000
1 st Police leadership conference	150,000
Management courses for Ministry of Education staff at Kenya	
College of Accountancy	149,740
Anti Corruption staff at University of Pretoria, South Africa	133,956
Conference for New Sudan Chiefs in Khartoum	85,600
Peace Conference - Changemaker Youth Group	50,000
Third Sudan Consortium - Technical working committee	49,600
Youth regional peace conference	43,500
Annual review meeting - Guinea Worm Eradication Programme	39,000
Pagak Peace Conference	32,000
Workshop on structures and water work plans - Urban Water Corporation	131,780

Police officers training in Egypt	124,590
Workshop on harmonisation of gender policy – Ministry of Education	113,750
Training materials for the Police - Dar-el-Naem Co.	103,500
Junior staff, Ministry of Commerce	95,600
Orientation of Board of Governors members on secondary education	80,223
Planning management for the States' staff - Ministry of Cooperatives	77,340
Development of unified syllabus for technical and vocational training	68,382
Orientation on distance learning programme	66,320
Tents for police recruits during training	66,000
Curriculum development in Maridi	65,527
Training in Germany - Ministry of Information staff	56,000
Road Management, Ministry of Transport	55,000
Training needs assessment of States staff	51,419
Dinka - Messiriya peace mission	50,000
Reconciliation workshop - Toposa, Didinga and Uganda Wildlife Authority	50,000
New staff - Fire Brigade	48,700
Training on new payroll system implementation	48,000
Awareness creation on Census and monitoring process	47,175
Management training in Juba Institute of Management	46,250
Training in Cairo on chemical and nuclear prevention	45,500
Police recruits meals during training	40,356
University of Cape Town - Viola Aluel Riak fees	38,540
Soldiers at Huri Camp Training Centre	853,000
Contemporary animal health and production course	660,000
Training of trainers from the States- Ministry of Education	487,350
Reconstruction forum workshop in Rumbek - Ministry of Education sciences	391,721
Training of South Sudan TV staff in South Africa	331,186
School training fees by Ministry of Education	328,800
Ministry of Regional Cooperation staff	316,669
14 day-workshop - Ministry of Environment and Wildlife	287,210
Advance for training - SSLA	249,798
DSA for staff training in Nairobi - Ministry of Telecommunication	166,920
Workshop for States staff -Ministry of Housing	161,106
Workshop for teachers from the States - Ministry of Education	131,400
Graduation expenses during police trainees pass out	100,000
Public Services Chamber training in Switzerland and Kampala	99,851
South Sudan Electricity Cooperation staff	96,720
Conference for the Christian police officers in United Kingdom	81,000
ICT capacity building workshop the States	78,606
Food for Education Work workshop - Ministry of Education	70,000
Distance learning training workshop - Ministry of Education Sciences	66,320
Civil Service Commission staff training in Ghana	64,507
Teachers head count exercise - Ministry of Education	59,750
English course in Makerere for Water Resources and Electricity Corp. staff	176,086
States trainers training - Ministry of Agriculture	51,160

Medical personnel in Makerere University	46,180
Trainee fees at Kagelu Forestry Training Centre	44,000
Procurement workshop in Mombasa - Ministry of Agriculture	42,364
Museums management - Ministry of Culture staff	42,100
Annual review meeting on Guinea Warm Eradication	34,190
Health sector training in Nairobi	500,000
2 nd GOSS Annual Health Assembly	500,000
Project planning management training in Nairobi	381,360
States training on market institutions - Department of Private Sector Development	139,880
Conference on proposed budget for Directorate of Community Development	136,532
Cabinet Affairs staff - Kenya Institute of Administration	132,700
States staff training in South Africa	130,200
Post graduate training for medical doctors in Makerere University	108,340
Directors of SSCCSE and Population Council workshop in Rumbek	80,762
Clement Ochan Erneo - Master programme in USA	70,000
Strengthening of plant protection workshop	48,576
Training of enumerators in Jonglei State for water survey	44,458
Diploma course in Uganda - Ministry of Cooperatives officers	44,423
Teachers refresher training programs on Southern Sudan Education Policies	6,747,150
National inter-school competition in Dongola, Northern Sudan	3,497,130
Dr Garang Institute of Science and Technology teachers allowances	3,000,000
Police recruits deployed from SPLA	870,100
Peace Conferences in the States	558,000
Advance for training -Police	400,000
Accommodation during administrative workshop – DDR Commission	321,600
Workshop on policy, regulation and work plans, States Ministers – Telecomm.	261,050
Peace conference among pastoralists communities	254,980
Staff training on capacity building and accountability - SSCCSE	207,175
Public Grievances staff training in Switzerland and Kampala	194,413
States' staff training at Cooperative College, Uganda – Min of Cooperatives	131,175
Electricity Corporation staff training in Uganda	130,019
Fire fighting personal deployed from SPLA	128,000
States' Ministry of Cooperative staff	102,776
Nutrition advocacy convention	98,800
Annual review meeting of Guinea Eradication Program	98,500
Feeding of police trainees at the Buluk training school	84,900
Computer training for staff in Kenya – Transport & Roads	80,708
Ministry of Education conference	61,000
Bursary for internal Displaced Students in Khartoum	59,712
Bol Wek Agoth and Napoleon Adok training in Washington DC	52,840
Fire Safety staff training in Cairo	83,967
DSA for staff training at UM-Haraz, Khartoum – Electricity Corporation	50,400
Fire Safety training materials	50,000
Nile Basin Development Forum in Khartoum	49,872
Workshop on Coordination of Malaria programme – Min of Health	47,729

Promotion of peace education and CPA dissemination to the IDPs	47,080
Study tour to South Africa, Min of Finance	45,000
Anti-corruption Commission staff training	41,200
States' training needs assessment by Amadi Training Institute	40,109
Training on capacity and structure on grievances in the States	39,000
Research on risk factors for Trachoma in Eastern Equatoria State	37,359
Peace Conference, Twic East County	35,820
Graduation of Wildlife officers in Jongolei State	35,800
Strategic planning workshop - SSRDF	33,014
Other	3,786,616
	<u>96,540,339</u>

16. HOSPITALITY AND ENTERTAINMENT

Advance to cater for entertainment of visitors – Office of the President	10,090,304
Accommodation of Presidential guests	892,722
Accommodation for Mr. Tahir Bio (Chairman of New Sudan Islamic Council and Messiriya Group)	337,408
3 rd CPA celebrations in Wau	1,500,000
4 th CPA celebration in Malakal	20,000,000
Accommodation of various guests - Vice-President's Office	6,664,034
Accommodation of various guests - President's Office	1,383,704
Advance for hospitality and entertainment – Presidential Affairs	250,000
Memorial celebration of Late Dr. John Garang	414,591
President's trip to Cairo – entertainment and accommodation	130,000
Upkeep of President's, Vice President's, General Matip's and Madam Rebecca's residences	1,676,000
Upkeep of constitutional post holders of the General Assembly	1,578,400
Accommodation for African Union Ministerial Committee delegation	57,750
Accommodation for Ministry of Presidential Affairs' guests	232,542
Accommodation for Ministry of Transport's guests	305,905
Reception of Uganda's President	300,000
SPLA/SPLM day celebrations	300,000
World Environment Day celebrations	112,675
Accommodation for the United Arabs Emirates delegation	49,830
Accommodation for Khartoum DDR Coordinating council delegates	70,000
Advance for hospitality and entertainment - Legislative Assembly	450,000
Entertainment of Fire Brigade delegates	74,080
Accommodation of Juba Teaching Hospital doctors and Ministry of Health guests	113,960
Accommodation	194,680
Accommodation for Ministry of Health guests	92,400
South Sudan Girl Child's Education Day	88,030
Accommodation of chiefs and other guests from Upper Nile State	65,870
Accommodation for Minister of Finance guests	124,076
Accommodation of Ethiopia delegates	40,000
President of Sudan visit to Juba	710,180

Advance for hospitality – Ministry of Interior	600,000
School fees for Late Dr. John Garang’s children	130,200
Accommodation for Salary Supervision Committee in Aweil	102,440
Celebration of War Veterans day - Ministry of Cabinet Affairs	50,000
Accommodation	37,904
DSA for States’ Manpower Assessment Committee	283,500
President's reception at Lobonok Payam of Central Equatoria	200,000
Dr. Garang's children medical	30,000
Undersecretaries forum - Ministry of Parliamentary Affairs	70,280
Accommodation for customs interview panel	70,200
Accommodation for Ministry of Labour guests	49,740
Accommodation for Local Government Board guests	38,870
GoSS representatives in National Civil Service Commission Committee	476,000
Upkeep of deportees from Egypt - Ministry of Gender	292,000
Annual staff meeting - Ministry of Parliamentary Affairs	250,000
World Literacy Day celebration- Ministry of Education	226,829
Accommodation of Regional Cooperation guests	49,771
Accommodation of - Ministry of Education guests	47,496
Official opening of Ministry of Animal Resources and Fisheries premises	40,000
Advance for police clubs activities in the States - Internal Affairs	400,000
Advance for police for hospitality	300,000
International Human Rights Day celebrations in Bor	290,760
Accommodation for Ministry of Environment guests	270,000
Advance to Khartoum liaison for hospitality	260,000
Advance for hospitality – Regional Cooperation	252,769
Hosting of President of Egypt in Juba	200,000
Advance for hospitality and entertainment, Legislative Assembly	173,424
Guest accommodation in Wau during annual meeting - Water Resources	105,184
Advance to Cabinet Affairs for hospitality	105,000
Advance for hospitality to Human Rights Commission	90,120
Accommodation for SPLM Ministers in Khratoum	87,000
LRA peace talks trip to Congo - Office of the Vice President	80,000
CPA Ministerial Committee on evaluation of CPA Implementation	74,000
Accommodation of Human Resources Development Specialist - Ministry of Labour	49,860
Other	5,592,498
	<u>59,674,986</u>

17. INSURANCE

SSRRC vehicles	2,332,855
Other Ministries/Agencies vehicles	4,236,916
	<u>6,569,771</u>

18. SPECIALISED MATERIALS AND SUPPLIES

Durra – Ministry of Finance	419,696,330
Food for the SPLA	243,082,475
Feeding program/services to University students-Juba and Upper Nile	6,210,057
Food for the prisoners	22,824,321
Wildlife forces in Luri	730,000
<i>Uniforms</i>	
Military police	34,762,000
SPLA (Alcadin Ltd, Tech hard Ltd & Norwegian Devt. Co.)	99,977,982
Police	18,444,070
Prisons staff	6,008,534
Ministry of Housing staff	467,000
Wildlife forces (Sea Tape for Trading Co.)	11,700,000 171,359,586
<i>Security</i>	
Advance for organising of security forces for census operation	19,022,200
Unification	5,710,810
Integrations	2,135,000
Rezeget leaders mission on security and peace	240,000
Cease Fire Joint Monitoring Committee (CJMC) budget for 2008	4,834,600
Peace conference between Dinka and Rezeget (Aweil County)	250,000
National Intelligence Security Service (NISS)	10,000,000
Operating advance for the South Sudan Security Bureau	6,450,000
Allowances for peace delegation from States visiting President	558,000
Budget for the Disarmament Committee in Pibor	361,482
Advance for SPLA Security intervention mission	10,000,000
Security during SPLM conventions	445,000
Advance for President's security	18,581,000
Security during Presidents Bashir's visit	2,000,000
Advance for security- Office of the Vice President	500,000
Advance for security operation in Juba - Interior	800,000
Advance for security – Police Service	4,465,440
Advance to security and protection department -Presidential affairs	1,050,000 87,403,532
Advance for specialised supplies – Ministry of Presidential affairs	300,000
Advance for specialised supplies – Legislative Assembly	142,698
Advance for specialised supplies - Northern Bahr el Ghazal State	205,400
Disinfectants for the Ministry of Health	355,082
Immunization Programme from Gavi Alliance	2,038,250
Emergency veterinary drugs and vaccines	2,054,920
Medicines for cholera outbreak - IDA Foundation	1,447,437
Water equipment supplies to Malakal Urban Water Corporation Station	340,660
Adult Literacy Campaign materials for SPLA headquarters	1,030,614
Utensils to SPLA in Juba (Iwire Enterprises Ltd)	3,258,089
Textbooks for secondary schools and Amadi Institute	699,077
Prisons ID card readers and training on Internet database management	387,158

Drugs for Ministry of Health - Victoria Pharmaceuticals	4,478,306	
Advance for supply of specialised supplies-Police	1,025,669	
Emergency drugs- distribution	1,773,030	
Drugs for Juba Police Hospital	465,405	
Aluminium sulphates for the Southern Sudan Water Corporation	651,000	
Cholera vaccination - Police recruits	750,000	
Cooking utensils - University of upper Nile	76,750	
Powder fire extinguisher chemical	24,500	
Filtration Materials for Urban Water Corporation Juba, Wau Malakal stations (Ras Multiple Co. ltd)	928,908	
Tree seeds for Directorate of Forestry	120,000	
Laboratory apparatus for schools	545,573	
Drugs for Lakes state	302,000	
Farmers Day in Torit	57,184	
Drugs for Ministry of Animal Resources	1,230,000	
Tents		
Police	329,405	
Ministry of Finance	3,628,800	
SPLA	5,000,000	8,958,205
Other		922,522
		<u>985,874,738</u>

19. OFFICE AND GENERAL SUPPLIES

Operating service funds

Ministries and Agencies	65,827,255	
Petroleum Unit in Khartoum	183,600	66,010,855
<i>Stationery</i>		
Stationery and consumables for SPLA Malou School of Infantry	1,285,958	
Reception forms and delivery notes books	176,456	
Identity cards for prison forces	314,000	
Assorted stationery for SPLA headquarters	618,608	
Identity cards for Ministry of Wildlife soldiers	94,878	
Assorted stationery - Presidential Affairs	115,000	
Criminal charge forms and registers	209,645	
Financial forms for MoFEP	141,642	
Printing letter heads, Ministry of Environment	57,500	
Secondary schools stationery- Ministry of Education	64,937	
Assorted stationery and IT Equipment- Fire brigade	48,631	
Envelopes for Presidential Affairs	81,000	
ID printing magnetic cards and magnetic strips	40,000	
Assorted stationery - Ministry of Information	125,408	
Assorted stationery - Ministry of Housing	57,255	
Assorted stationery – Cabinet Affairs	55,000	
Assorted stationery – Prisons	168,910	

Assorted stationery –Ministry of Finance	209,000
Assorted stationery - SSLA	156,072
Ministry of Education, Jonglei State office supplies	75,000
Assorted stationery – Office of the President	67,467
Police registers and personnel files	65,914
Assorted stationery – Fire Safety department	40,000
Assorted stationery – Water Resources	79,025
Assorted stationery – Min. of Commerce	39,660
Assorted stationery - Disarmament and Demobilisation commission	36,260 4,423,226
Free Balance maintenance fees	36,240
Ceasefire Joint Monitoring Committee (CJMC)	21,020
Networking cables – MoFEP	47,600
Advance for office general supplies – Legislative Assembly	385,387
Other	1,674,197
	<u>72,598,525</u>

20. FUEL AND LUBRICANTS SDG

Juba Power Station	24,464,447
SPLA	9,770,480
Urban Water Corporation - Wau, Juba, Malakal	180,000
Malakal Vocational Training and Multi Service Training Centres	158,280
Tractors at Kapuri Agricultural Centre	447,000
Ceasefire Joint Monitoring Committee (CJMC)	210,200
Other ministries and agencies	16,831,349
	<u>52,061,756</u>

21. OTHER MAINTENANCE

Maintenance of roads in Kuajok town - Warrap State	1,000,000
Maintenance of roads in Aweil, Rumbek and Malakal towns	2,500,000
Maintenance of Juba residential areas roads	1,000,000
Maintenance of town roads in Jonglei State	852,170
Narus to Kuron roads, Kapoeta, Trinity Peace village	300,000
Advance for six months (Industry & Mining)	410,000
Repairs of Prisons Services' Head quarters	210,000
Repairs of staff house's gate and parking space, MoFEP	123,804
Maintenance of Juba-Nimule road	81,000
Maintenance – Ministry of Information (Just in Time Co)	60,440
Advances for equipment maintenance – Ministry of Water Resources	50,000
Repairs of Unity State Police Commissioner's office	70,000
Maintenance of senior staff building - Internal Affairs	110,752
Dining hall – Ministry of Education (Afro for Transport & Investment Co)	102,535
Staff mess - Auditor Chamber	74,813
Advances for maintenance - Cabinet Affairs	57,365

Regional manager's house - Electricity Cooperation	30,359
Maintenance of bridge on Juba-Nimule road	223,400
Maintenance of Yei bridge	40,000
Advance for other maintenance – Telecommunications	64,636
Maintenance of power lines in Juba Power Station (Joint Tech System Ltd)	51,700
Maintenance of SSLA generators	33,335
Maintenance of Police staff house (Southern trade Link International)	74,084
Maintenance of MPA liaison office in Khartoum (TM Ltd)	33,908
Internet connection – MoFEP	570,000
Other	<u>1,682,385</u>
	<u>9,806,686</u>

22. MEDICAL COSTS

Southern Sudan Legislative Assembly (SSLA)	710,000
Office of the President	553,400
Prisons Services Officers	96,000
GOSS staff	8,272,026
	<u>9,631,426</u>

23. EMERGENCY AND DISASTER RELIEF

Re-integration and resettlement of IDPs	4,756,661
Abyei crashes disaster	3,570,400
Plane crash disaster	709,359
Other	533,409
	<u>9,569,829</u>

24. GRANTS TO ENTERPRISES AND CO-OPERATIVES

SDG

Mamsco Construction Company *	6,000,000
Ivory Commercial Bank	6,000,000
Nile Commercial Bank	8,000,000
Agricultural schemes in Upper Nile State - Renk County	1,500,000
Subsidies to farmers	100,388
Sugar for War Veterans Associations/Cooperatives	365,500
Ostrich Petroleum and Timber Cooperative Society	20,000
Oasis Peace Valley Restaurant	175,000
Ms Amer Ajar Company	75,000
SPLM Youth League at Unity State- HIV/AIDS campaign	40,000
Akobo County Women Vocational Training Centre	50,000
Other	504,700

22,830,588

*On 7 December 2007, the Government approved a loan of **US\$ 3,000,000 (SDG 6,000,000)** to Mamsco Construction Company for construction of "Fire proof Green Composite construction

materials” factory. This loan is to be repaid within 36 months starting 1 July 2008. **[Loan agreement for this transaction is still outstanding.]**

25. DONATIONS	SDG	SDG
<i>President's donations</i>		
Lakes State	20,000,000	
Wau Diocese	1,000,000	
Advance for President's donations and hospitality	3,000,000	
University students abroad	2,870,600	
Bahr Ghazal University	200,000	
Former National Congress Party members	310,000	
Funeral of Lt. General Abu John Kabashi	70,000	
SPLM members in the North	71,400	
Various individuals - James, John, Angela and Isaiah	592,000	
Dr. Chol Dau Ding and H.E. John Luk	345,849	
Various donations during tour of the States	3,000,000	
Upper Nile university Workers Trade Union	157,400	
Major General Paul Malong Awan	51,400	31,668,649
<i>Vice President's donations</i>		
Compensation of traders in Unity State after battels in 1998	8,570,188	
Malakal war victims in 2004	801,276	
Wau Teaching Hospital	160,000	
Various individuals – 96 people	647,775	
Islamic associations	120,000	
Gorial West County	4,350,000	
New Sudan chiefs in Khartoum	92,600	14,741,839
<i>Ministry of Finance</i>		
Akobo County	3,100,000	
Donation to various institutions	1,488,878	
Kator Cartherdral	40,000	
Maban and Eastern Upper Nile	40,000	
States for decentralization policy	30,000	
Kurpiot Training Centre	60,000	4,758,878
Sudan Peoples Liberation Movement party (SPLM)	150,171,400	
UMMA Party		400,000
Lainya Mothers Union		250,000
University fees - Peter Muoranyar		60,000
Donation to students - Ministry of Health		45,000

First lady during visit to Warrap State	45,000
Various individuals –Vice President’s Office	135,000
Juba University Students Union	30,750
Various institutes –Ministry of Gender	363,300
Various individuals –Ministry of Gender	105,000
HIV/AIDS organisations- HIV/AIDS Commission	110,000
Funeral rites for late Justin Yaac Arop	165,000
Guer Ruey Shaj	77,000
Support to cultural groups, musicians and Artists - Ministry of Culture	96,000
Tanker truck and water tank donation to museum - Cabinet Affairs	56,300
Contribution to business development services of the Anglican Church	50,000
Brigadier G Dhel Mathiang	40,000
Doctor Chol Gony	100,000
Jonglei Women Development Association	65,000
Concern for Mothers association	50,000
“Concern for Mothers and Child in Sudan” - Ministry of Commerce	36,000
Donation to SPLM Juba County	102,480
Financial assistance to Blue Nile State – Regional Cooperation	6,000,000
Bank of Southern Sudan – Christmas incentives	2,500,000
Lives Ministry Orphan Centre	985,000
Late General Dominic Dim family	300,000
Dr Garang family	250,000
Minister for Higher Education	50,000
Support to Conflict Resolution Conference in Rumbek	50,000
Other (less than SDG 30,000)	2,730,686
	<u>216,588,282</u>

26. OPERATING TRANSFERS TO STATE GOVERNMENTS

		Conditional grants					Block grants	Grand Total
	State	Trade & Commerce	Agriculture & Forestry	Gender & Social Welfare	Culture, Youth & Sports	Total		
		SDG	SDG	SDG	SDG	SDG	SDG	SDG
1	Central Equatoria	20,004	44,650	160,004	16,820	241,478	42,011,406	42,252,884
2	Eastern Equatoria	20,004	44,650	160,004	18,504	243,162	43,066,664	43,309,826
3	Western Equatoria	20,004	44,650	160,004	17,004	241,662	43,066,664	43,308,326
4	Upper Nile	20,004	44,650	160,004	32,504	257,162	42,066,666	42,323,828
5	Jonglei	20,004	44,650	180,004	16,500	261,158	41,139,337	41,400,495
6	Unity	20,004	44,650	160,004	21,996	246,654	48,407,214	48,653,868
7	Western Bahr El-Ghazal	20,004	44,650	160,004	18,996	243,654	42,439,289	42,682,943
8	Northern Bahr El-Ghazal	20,004	44,650	160,104	21,996	246,754	41,724,720	41,971,474
9	Lakes	20,004	44,650	223,069	23,496	311,219	46,497,801	46,809,020
10	Warrap	20,004	44,650	160,004	22,500	247,158	46,759,842	47,007,000
	Transitional Areas							
11	Southern Blue Nile						2,000,000	2,000,000
12	Nuba Mountains						3,000,000	3,000,000
13	Abyei						10,532,000	10,532,000
	Total	200,040	446,500	1,683,205	210,316	2,540,061	452,711,603	455,251,664

27. OTHER OPERATING EXPENSES

	SDG	SDG
Foreign exchange losses	50,150,395	
Bank charges	28,883,004	79,033,399
Support to Services and Physical Infrastructure		
Committee of Assembly – Ministry of Health		200,000
Income generating fund for the SPLA		5,000,000
Ministry of Regional Cooperation – advance for operating Expenses and a South Africa trip		100,000
Transportation of SPLA	154,200	
Transportation of IDPs from Khartoum to Southern Sudan		12,000,000
Transportation of SPLA	5,685,010	
Transportation of school furniture to the States		492,218
Grains storage tents at the States		2,494,358
Transportation of equipment from Khartoum – Ministry of Information		142,800
Transportation of police forces from Ramchiel to Juba		856,000

Establishment of taxation offices in Wau, Malakal, Bentiu, Rent and Juba	1,380,000
Transport of police trainees to the States	332,900
Settlement of trainee tax officers in the States	502,160
Ceasefire Joint Monitoring Committee (CJMC)	42,040
Other	2,777,413

111,192,498

28. FURNITURE AND GENERAL EQUIPMENT SDG

School Furniture - Zainal trading Co. Ltd	6,977,093
Codan radios for Postal Services (Giant Technology Ltd)	3,810,000
House furniture for Undersecretary - Ministry of Finance (Thurjok Co Ltd)	497,500
Office furniture – Prisons Headquarters	617,135
Juba Teaching Hospital (Hala Furniture Ltd)	221,892
Security equipment (CCTV and CCD Cameras)	259,600
Computers – various ministries	222,924
Interior design of President’s office in SPLA headquarters - Macdowel Co Ltd	269,652
2006 furniture - Southern States Corporation for Development and Investment	4,897,470
Advance to purchase Furniture for new building – Cabinet affairs	1,550,000
Advance to purchase Furniture– Legislative Assembly	1,383,963
Furniture Finance Minister’s house - Nyidier For Trading & Investment Co Ltd	193,410
Air conditioning units, Ministry of Housing - Just in Time Co Ltd	97,500
Computers – Ministry of Information & Broadcasting	254,200
Furniture - Legislative Assembly (Machakos International for trading Co. ltd)	206,655
Furniture - Police (Dikarot for trading Co. ltd)	165,900
Furniture – Parliamentary Affairs (Bilpham technologies)	118,470
Air conditioners for Prisons (Tiger communication shortcut service)	116,600
Computers – Anti-Corruption Commission	114,843
Furniture for President’s house (Kiir Gai Co)	1,113,740
Assorted furniture for Ministries/Agencies	18,289,793

41,378,340

29. **VEHICLES AND OTHER TRANSPORT EQUIPMENT**

Ministry/Agency & supplier	Amount SDG
Anti-Corruption Commission	
White Dove Commercial Company Limited	447,200
LTA Auto Denmark	<u>710,017</u>
	<u>1,157,217</u>
Auditor General's Chamber	
Amergal for Transport and Development Ltd	182,550
Mayendit for Trade & Investment	41,000
Afristar International Ltd	<u>207,350</u>
	<u>430,900</u>
Centre for Census and Statistics	
Mandela Auto Spares Ltd	185,462
Finance and Economic Planning	
Tuek Tuek Trading and Investment	280,000
Mayendit for Trade and Investment	246,000
Amergal for Transport and Development Ltd	141,100
New Sudan Construction for Transport	36,500
Advances for vehicles	<u>480,458</u>
	<u>1,184,058</u>
Financial and Fiscal Allocation Monitoring Commission (FFAMC)	
Mayendit for Trade & Investment	82,000
Advances for vehicles	<u>200,000</u>
	<u>282,000</u>
Reconstruction and Development Fund (SSRDF)	
Tuek Tuek Trading and Investment	35,000
Mayendit for Trade and Investment	41,000
Amergal for Transport and Development Ltd	<u>95,500</u>
	<u>171,500</u>
Commerce, Trade and Supply	
Tuek Tuek Trading and Investment	71,200
New Sudan Construction for Transport	92,600
New Sudan Auto Ltd	<u>107,730</u>
	<u>271,530</u>
Industry and Mining	
Fetfet Co Ltd – Clearance charges	26,554
Tuek Tuek Trading and Investment	71,200
Mayendit for Trade and Investment	164,000
Amergal for Transport and Development Ltd	55,550
New Sudan Construction for Transport	<u>240,200</u>
	<u>557,504</u>
Information and Broadcasting	
Mayendit for Trade and Investment	246,000
White Dove Ltd	739,200
Seatape for trading and Investment	<u>170,000</u>
	<u>1,155,200</u>

Ministry/Agency & supplier	Amount SDG
Telecommunication & Postal services	28,000
RA International	246,000
Mayendit for Trade and Investment	166,650
Amergal for Transport and Development Ltd	<u>165,000</u>
New Sudan Construction for Transport	<u>605,650</u>
Education, Science and Technology	430,000
Tuek Tuek Trading and Investment	55,550
Amergal for Transport and Development Ltd	364,800
African Heat Co Ltd	<u>55,000</u>
New Sudan Construction for Transport	<u>905,350</u>
Health	
Advance for purchase of vehicle	133,900
HIV/Aids Commission	
Amergal for Transport and Development Ltd	111,100
White Dove Ltd	<u>220,000</u>
	<u>331,100</u>
Housing, Lands and Public Utilities	
Mayendit for Trade and Investment	164,000
Clearance charges	<u>35,556</u>
	<u>199,556</u>
Electricity Corporation	
Tuek Tuek Trading and Investment	76,400
RA International	59,130
Mayendit for Trade and Investment	410,000
Amergal for Transport and Development Ltd	<u>388,850</u>
	<u>934,380</u>
Urban Water Corporation	
Tuek Tuek Trading and Investment	114,600
RA International	372,563
Amergal for Transport and Development Ltd	111,100
African Heat Co Ltd	<u>285,000</u>
	<u>883,263</u>
Water Resources and Irrigation	
Amergal for Transport and Development Ltd	302,725
Tuek Tuek Trading and Investment	44,000
RA International	61,286
Mayendit for Trade and Investment	123,000
New Sudan Construction for Transport	82,800
Sunrise for Trading & Construction	170,000
Bros Co Ltd	<u>99,000</u>
	<u>882,811</u>
Agriculture and Forestry	
Tuek Tuek Trading and Investment	112,800
RA International	229,424
Mayendit for Trade and Investment	164,000
Konybai for Investment	120,000

Ministry/Agency & supplier	Amount SDG
Brand New for trading and Investment Co.	<u>44,000</u> <u>670,224</u>
Cooperatives and Rural Development	
Tuek Tuek Trading and Investment	60,800
RA International	52,000
Mayendit for Trade and Investment	<u>164,000</u> <u>276,800</u>
Environment, Wildlife Conservation and Tourism	
Tuek Tuek Trading and Investment	11,600
RA International	11,826
Mayendit for Trade and Investment	246,000
New Sudan Construction for Transport	36,500
Seatape for trade and Investment	<u>644,000</u> <u>949,926</u>
Land Commission	
RA International	61,286
New Sudan Construction for Transport	<u>36,500</u> <u>97,786</u>
President's Office	
Advance for purchase vehicles	10,260,000
Seatape for trade and Investment	696,000
New Sudan Ltd	809,600
White Dove Commercial Co Ltd	762,000
Amergal for Transport and Development Ltd	<u>52,975</u> <u>12,580,875</u>
Vice-President's Office	
Arrears on two vehicles purchased	60,000
Amergal for Transport and Development Ltd	<u>2,281,800</u> <u>2,341,800</u>
Presidential Affairs	
Amergal for Transport and Development Ltd	473,625
Seatape for trade and Investment	2,295,604
New Sudan Ltd	<u>484,000</u> <u>3,253,229</u>
Cabinet Affairs	
Amergal for Transport and Development Ltd	277,750
Advance for purchase vehicles	<u>3,000,000</u> <u>3,277,750</u>
Labour, Public Service	
Bros & Co. Ltd	104,000
Seaways Co Ltd	<u>370,000</u> <u>474,000</u>
Parliamentary Affairs	
New Sudan Construction for Transport	185,200
White Dove ltd	<u>474,000</u> <u>659,200</u>

Ministry/Agency & supplier	Amount SDG
Regional Cooperation	
New Sudan Auto Co Ltd	472,000
Advance for USA liaison office vehicles	656,000
Advance for purchase of vehicles	<u>520,750</u>
	<u>1,648,750</u>
Public Grievances Chamber	
African Heat Co Ltd	46,500
New Sudan Construction for Transport	36,500
Advance for purchase of vehicles	<u>76,860</u>
	<u>159,860</u>
Legislative Assembly	
Seaways (K) Ltd	554,100
Advance for purchase of vehicles	<u>45,900</u>
	<u>600,000</u>
Human Rights Commission	
RA International	64,713
Mayendit for Trade and Investment	41,000
Amergal for Transport and Development Ltd	79,900
White Dove ltd	<u>485,850</u>
	<u>671,463</u>
De-Mining Authority	
Amergal for Transport and Development Ltd	55,550
DDR Commission	
Tuek Tuek Trading and Investment	55,000
Mayendit for Trade and Investment	287,000
New Sudan Construction for Transport	<u>55,000</u>
	<u>397,000</u>
Civil Service Commission	
Just In Time Co Ltd (Custom clearances)	60,413
Whitedove Co. Ltd	<u>30,000</u>
	<u>90,413</u>
Internal Affairs	
Abu Shakah Training Co Ltd	1,228,000
Mayendit for Trade and Investment	41,000
Wacker Investment Co Ltd	208,800
Akuei Int. World Wide Co Ltd	936,000
Warperdit Trading & Investment Co. Ltd	144,800
Henley Suppliers Ltd	<u>1,281,000</u>
	<u>3,839,600</u>
Human Rights Commission	
White Dove Ltd	76,000
SPLA	
Alok Co. Ltd	23,695,912
New Sudan Auto Co Ltd	186,000
Narwa Trading Co Ltd	2,460,000
Amour for Trading & Investment Co	1,230,000

Ministry/Agency & supplier	Amount SDG
Lotueng Junub Ltd	1,140,000
Duty paid to Custom department of Khartoum	1,290,000
Lou for Trade and Investment Co. Ltd	2,470,000
Amo for Investment Co Ltd	<u>4,560,000</u>
	<u>37,031,912</u>
Gender, Social Welfare and Religious Affairs	
Tuek Tuek Trading and Investment	36,200
RA International	153,215
Mayendit for Trade and Investment	<u>205,000</u>
	<u>394,415</u>
Culture, Youth and Sport	
Tuek Tuek Trading and Investment	172,000
RA International	47,304
Mayendit for Trade and Investment	41,000
Amergal for Transport and Development Ltd	222,200
New Sudan Construction for Transport	<u>36,500</u>
	<u>519,004</u>
Peace Commission	
Tuek Tuek Trading and Investment	35,000
Mayendit for Trade and Investment	82,000
White Dove Ltd	<u>276,000</u>
	<u>393,000</u>
War Veterans Commission	
Amergal for Transport and Development Ltd	55,550
Wanyjok Trading Co Ltd	<u>354,000</u>
	<u>409,550</u>
Relief and Rehabilitation Commission	
Tuek Tuek Trading and Investment	5,800
Mayendit for Trade and Investment	<u>123,000</u>
	<u>128,800</u>
Motor bicycles	685,368
Total	<u>81,923,356</u>

30. SPECIALISED PLANT, EQUIPMENT AND MACHINERY	SDG
Hardware equipment for Internal Affairs Headquarters (Africa steel Ltd)	28,007,000
Weigh bridge and construction equipment (Sudanese Tractor Co Ltd)	11,298,478
Specialized equipment for SPLA	20,462,331
Graders, backhoe loader, Compactor, Bulldozer and Excavator (Alok Co Ltd and Home & Away)	24,589,296
Mechanical workshop at Lainya Military Barracks - Sembel Trading Co Ltd	696,918
Agricultural equipment for the states - War Perdit for Investment& Trading Co	755,750
Mechanical tools and overalls, SPLA - Eco Motors Ltd	369,600
Block making machine and Concrete mixers - Proc Enterprises	50,400
Drilling of boreholes for SPLA and Ministry of Cooperatives	3,176,000
Grinding mills rooms (Mayendit for Trading & Investment Co)	1,610,252
Agricultural equipment for SPLA (Farm Engineering Industries Ltd)	2,634,240
Tractors for Ministries of Agriculture and Interior	8,323,782
Agricultural power tillers for Prisons department (Shuk Group of Companies)	394,000
Agricultural equipments and implement for SPLA (Farm Engineering Co)	393,590
Magazine pouches for SPLA (Southern Range Nyanza)	360,000
Earth moving machines for Ministry of Water and Irrigation (Transportation from Khartoum)	170,500
Electrical and switch gear for Gumbo Transmission Station	168,750
Advance for specialized plant equipment – Ministry of Commerce	600,000
Equipment for Youth Training Centre	110,000
Construction equipment for SPLA Engineering Department	9,006,455
Satellite TV and Radio Broadcasting Solutions - Urban Brews Studio (Pty) Ltd	14,425,151
Hosting of South Sudan TV on DSTV (Urban Brews Ltd)	1,135,939
Sawmills and Forestry Equipment - Absolute Resource (AR) Ltd	1,628,390
Security system for Ministry of Health (Sium Express Ltd)	259,600
Haemodialysis equipment - Murjan Water Technology Co.	5,865,790
Pest control equipment - Domestic Pest Control Trading Co.	123,360
Electrometers (EI - Sewedy Co. Ltd)	166,000
Specialised equipment from Khartoum – Ministry of Information	90,000
Dental equipment for Juba Teaching Hospital (Amal Khidir Al Shafie)	75,333
SPLA helicopters	60,000,000
Fire fighting equipment and cars	7,290,000
Dura tents (Agricultural equipment)	4,346,678
Southern States Corporation for Development and Investment – 2006/2007 specialised equipment	5,913,000
Irrigation pumps (Allweiler Frd Pumks Egypt)	1,056,000
Southern Sudan TV Satellite – Ministry of Information	211,926
TV sets and DSTV equipment	38,000
Printer and camera – Ministry of Information	34,550
<i>Generators</i>	
State house	73,000
Wau prison	73,000

Ministry of Youth	40,000
Employee Justice Chamber - Yambio And Wau	40,000
Police Head Quarters	134,500
Land Commission	35,060
Advance for generators (Ministry of Water)	135,000
Office of the President	182,920
Regional Cooperation	326,400
Electricity Corporation's generators	1,068,807
Fire Safety (Dikarot for Trading Co Ltd)	345,000
Prisons Head Quarters (Warperdit Trading & Investment Co)	805,080
Prisons Head Quarters (Machakos international Co.ltd)	200,800
Prisons Head Quarters (Aleudid Trading Inv Co)	100,000
SPLA	1,163,554
Ministry of Information (Alsulaimany Numerous Activities Company)	345,000
Ministry of Health	278,800
Ministry of Environment and wildlife	500,000
Ministry of Agriculture	278,500
Ministry of Information	645,665
Eastern Equatoria and Northern Bahr El Ghazal States	5,760,000
Ministry of Cabinet Affairs	1,782,500
Vice President's Office (Southern Sudan Corporation for Devt.)	2,427,000
Northern Bahr El Ghazal States – transformers and cables (Southern Sudan Corporation for Devt.)	6,627,500
Ministry of Finance	1,265,100
SSLA (Southern Sudan Corporation for Devt)	1,314,000
Cables for MOFEP generator - Mehta Electrical	207,180
Parliamentary Affairs	106,482
Environment, Wildlife Conservation	87,375
Water Resources and Irrigation	40,000
Amadi Training Centre	94,850
Ministry of Gender	55,200
Local Government Board	33,400
Ministry of Industry	260,000
Southern Sudan Electricity Corporation (International Trading and Eng/Wartsila)	59,800,000
Ministry of Transport (Sudanese Tractors Co Ltd)	360,000
Ministry of Telecommunications (Torit Stores & Goldy Technology Co)	53,655
Ministry of Water Resources (Emmanuel J)	38,200
Police	37,000
Other	87,120,528
	1,426,342
	<u>304,383,929</u>

31. PROJECT PREPARATION, DESIGN AND SUPERVISION

Southern Sudan GSM Gateway Project (Tri comp Sp.)	34,000,000
Supervision fees (Gibb Africa)	24,720,777
Hydro Feasibility study - Fichtner GmbH & Co	1,047,694
Legal services for proposed Independent Power Producers (IPP) projects – Denton Wild Seapte	1,493,347
Feasibility study - Nzara Agro Industrial complex, Wau Brewery and Melut Fruit canning	116,865
Mine survey in hydro dam area - Norwegian Peoples Aid	165,770
Feasibility study on hydropower and oil (joint South Sudan and Ethiopia projects)	310,000
Advance for students data collection – Ministry of Education	104,000
Other	1,961,360
	<u>63,919,813</u>

32. CONSTRUCTION AND CIVIL WORKS

80kms of Aweil -Wau road (Eyat Construction Co)	121,680,000
Construction of roads and airstrips within Southern Sudan (WFP)	60,000,000
Aweil - Mariam road (Letter of Guarantee L/G 2006)	209,228,877
Aweil-Madhol-Abyei roads (Eyat construction Co)	113,953,793
Juba-Mundri- Morobo roads (China Gezhouba Group Ltd)	13,450,407
Juba Shipyard (Damen Shipyard Gorinchem)	13,214,730
Wau- Warrap road (African Kongelei for Roads and bridges)	7,134,199
Juba Urban Roads (CEC Ltd)	16,794,651
Juba Urban Roads (ABM Construction)	3,000,000
Boma- Raad road	7,509,020
Juba- Lobonok- Molli Road (Kit Enterprises & Constructors Ltd)	8,717,793
Hiyala-Ikotos-Madiopei road (Macdowel Ltd)	4,000,000
Bailey bridge (Rhino Stars Suppliers & Const Works Ltd)	266,533
Juba Airport (Blue Magnolia Ltd)	6,400,000
Southern States Corporation for Development and Investment – 2006/2007 claims	3,500,000
SPLA warehouse (Bros & Co)	2,448,000
Juba bridge (Sudken International Ltd)	1,945,222
Mvolo - Aluakluak road and Mapourdit airstrip (Payii Roads & Bridges)	4,304,081
State House complex in Rumbek (South Sudan Logistics)	10,792,468
SPLA warehouses in Owinykibul, Mogerri and Lainya (Falcon Construction Co)	6,480,000
Prefab buildings for SPLA (Nimule logistic construction Co. ltd)	1,592,118
Prisons boundary walls (Wanyjok Trading and investment Co. ltd)	810,000
SPLA general headquarters buildings (ICD Ltd)	403,050
Accommodation house for SPLA	4,639,920

Judiciary of Southern Sudan buildings (Sudan Wetlands Engineers)	298,776
Pit latrines for Ministry of Commerce (Kwari nyikayo enterprises)	49,417
Fence for Ministry of Culture	48,470
Dr Garang Memorial Military Academy (Yusung Ltd)	7,400,000
SSLA Offices (Golden Nest Sudan Ltd)	4,060,800
GOSS Liaison office in Nairobi (Lavington and Dennis Pritt Road offices)	4,278,210
Rub/Mobile halls for SPLA (KK Transporters Sudan Ltd)	1,024,000
Mapel Training College - Belgravia Services Ltd	11,980,000
Dining hall for Upper Nile University (Afro for Trading and Inv Co Ltd)	1,278,650
Wildlife Training School (Makpaco Trading Co Ltd)	1,145,313
Boundary wall Police Commissioner's residence - Adordit Trading Co Ltd	928,895
Office of Wildlife Department Lake State - Southern Sudan Logistics Ltd	550,000
Kuajok State prison headquarters and officers mess	
construction - State Line International Co Ltd	460,000
Renovation of MoFEP's Block B - Wanyjok Trading & Investment Co Ltd	349,820
Fire Safety Centre building - Technical Complex Ltd	164,502
Store house – Ministry of Commerce - Kwari Nyikanyo Enterprises	131,066
HIV/Aids Commission Jebel Kujur offices - HA Construction	100,000
Prefabricated offices – Ministry of Information (COVEC)	598,448
Prefabricated offices - Culture, Youth and Sport (COVEC)	725,000
Excavation of dumping site	860,000
Boundary wall for Central Equatoria Prison Director's house	
(Warperdit Trading & Investment Project)	661,500
War Disabled Commission offices in Bor and Juba (Spirit Africa Development)	387,896
Stores at Malakal hospital (Awlad Al Mak Investment Co)	581,107
Drilling of bore holes (hand pumps) for SPLA	254,100
Drilling of bore holes – Ministry of Cooperatives	376,022
Villas and warehouses for SPLA headquarters (Norwegian	
Development General Trading)	18,346,860
Enhancement of presidential house security (Prism Construction Co)	15,450,555
SPLA accommodation and mess buildings (International	
Contractors for Developers Co)	3,479,940
Mechanical workshop and underground water tank for Lainya Barracks	905,146
Buluk Police headquarters construction (Rhino Trading and Inv Co)	709,358
Purchase of land - Ministry of Legal Affairs	290,000
Boreholes at Mapel and Ramshel (Kija Engineering Co)	568,000
Amadi Rural Development Institute (Jambo Quick Service Ltd)	198,500
Deming Commission offices (Kano for Trading & Investment)	293,898

Weapons store, Ministry of Environment and Wildlife (James JK Ali)	117,465
Malakal Urban Water Project (Kaka Investment & Services Ltd)	3,065,940
Juba Police Referral Hospital (RA International)	807,688
Aramweer School of Education (Awarial Construction & Multi purpose trading)	215,988
Warrap State Police Training Centre (Wunlung Enterprises Co Ltd)	121,275
Fire brigade centre in Juba (Technical Complex for Construction)	100,000
Shade for tractors at Kabo Centre (Advance)	67,000
Store for Ministry of Industry (PMK Contracting Trading Investment Co)	58,144
HIV/AIDS commission Jebel Kujur offices (HA Construction Co Ltd)	56,000
Metal fence for youth centre (Yirol Commercial & Construction co)	51,566
Maj. Gen Dau-Maluk Akec Deng house (Wunlong Enterprises Co Ltd)	294,840
Boreholes in Pariak and Owinykibul Training Centres (Aqua Fund Co Ltd)	592,900
Boreholes – Ministry of Cooperatives (Sabima Engineering Co Ltd)	280,010
Fencing and security systems for Juba Airport (Westminster International Ltd)	3,764,426
Lakes States Police HQ Fence and toilets (Macham Commercial Enterprises)	1,001,152
Regional Cooperation Headquarters (Arop for Trading and Investment)	7,484,258
Prison headquarters and mess, Warrap State (Straight Line International Ltd)	527,120
SPLA Warehouses Pariak and Raad (30% advance)	468,000
Fence for the State House (Our Food Co Ltd)	369,800
Centre for Democracy	352,660
Grave for the late SPLA Affairs minister (Sembel Trading Co Ltd)	346,240
Shade and fence for Juba Teaching Hospital (Biong Artline Centre)	230,000
Juba Community Development office (Albert Bazawi Fandasi)	125,294
Chain link fence at Kapuri Agricultural Technology Centre (PJ Constructions Ltd)	185,153
Demining and Demobilisation Reintegration Commission head office (Man Construction Property Agency)	94,087
Parking bay – Ministry of Housing (NA Projects International Ltd)	38,500
Car shed at Ministry of Housing (Advance)	38,176
Pipe work for Juba Wau, Malakal and Renk water works (Kwari Nyikayo Ent.)	442,622
SPLA boreholes at Owinykibul School (Hydro Tech Services Int.)	154,020
Juba Power Station (Electro watts Ltd)	852,263
Army Training Centre, Kapoeta (Piccinio Juba Corp)	5,000,000
Ministry of Health warehouses (Arial Beek Investment for Trading)	3,791,025
Parliamentary Affairs headquarters (Metro Architects Ltd)	3,000,000
Recreation Centre at SPLA headquarters (Falcon Construction Co)	2,051,400
Advance for construction of flats at Nyakuron – Ministry of Gender	1,251,516
Fencing of Gudele police station (Macham Commercial Enterprises)	1,104,099
Ministry of Finance warehouses (Tek Dhel Trading Co Ltd)	1,019,140

Library at Upper Nile State (Warperdit Trading & Investment Co)	1,000,000
Minister of Finance's house (Ibrahim and Brother Co Ltd)	833,287
Ministry of Health prefabricated offices (NA Projects Int. Ltd)	798,000
Buluk police parade wall fence (Adordit Trading Co ltd)	658,828
Ministry of Water bore holes (Gabycon Civil Works Ltd)	520,000
Financial & Fiscal Allocation Commission offices (Baballa Ent Ltd)	383,700
Fire Safety compound fencing (advance)	311,875
Ministry of Commerce offices in Nimule, Bor and Rumbek (African Trust Ltd)	245,620
Census & Statistics Commission compound fencing (Baltimore & Co Ltd)	101,362
Latrines at Malakal Teaching Hospital (advance)	69,200
Others	2,688,673
	<u>748,329,423</u>

33.	REHABILITATION AND RENOVATION OF ASSETS	SDG
	GOSS houses (COVEC Lot 1 Group 1)	2,441,529
	GOSS houses (COVEC Lot 4 & 6)	33,472,371
	GOSS houses (Dott Services Lot 5)	7,251,780
	Rehabilitation of Lainya Jambo Road (Payii Roads and Bridges)	16,340,674
	Rehabilitation of Western Equatoria State roads	2,000,000
	Rehabilitation of Owinykibul New Kush Training Centre road (Bright Star Ltd)	8,000,000
	Coordinating Council for Southern Sudan offices in Khartoum	1,523,200
	Prisons buildings (Warperdiet for Trading and Investment Co. Ltd)	1,313,490
	Juba electrification (Mehta Electricals Ltd)	2,728,474
	Prisons Headquarters (Warperdit Co Ltd)	788,260
	President's residential house (Thurjok Co Ltd)	871,520
	Advance for rehabilitation expenses – Ministry of Commerce	709,800
	Fencing around Juba Power Plant (Thunderbolt Technical Services Ltd)	742,762
	Judiciary of Southern Sudan house (Advanced Design & Development Ltd)	319,623
	Nimule Park Lodge Phase II - RA International	1,241,943
	Renovation of residences - Southern States Corporation for Investment Ltd	681,610
	University of Juba girls hostels - Kano for Trading and Investment Co	495,788
	Torit Technical Institute - Everest Co Ltd	809,503
	Civil Defence Police administration block - Wau (Bernad Boda Gette)	148,385
	Malakal Teachers Training Institute - Kano for Trading & Inv Co	1,088,218
	Aramweer Teachers Training Institute - Awarial Construction Co Ltd	431,976
	Dr J Garang Memorial School - Ciir Co for Trading & Inv Ltd	684,839
	Tonj secondary school - Dhel Co Ltd	377,744
	Rumbek secondary school - Marac Co Ltd	358,800

Rejaf Educational Centre for the Blind	298,000
KB International Ltd - Renovations	230,566
Maridi Teacher Training Institute staff Houses - Owiny Kibul Trading Co Ltd	187,966
Amadi Institute	173,505
Wau and Malakal zoos - White Nile Engineering Co Ltd	171,500
Lui Girls secondary school - Southern States Corporation for Development	150,000
Ministry of Legal Affairs offices and residences	400,000
Maridi hospital	100,000
Wau Power Station	452,094
Neutral earthing resistors - Cressal Resistors Ltd, UK	111,728
Hall and administration blocks (Ministry of Cooperatives) - Jambo Quick Service Ltd	72,000
Loka secondary school - Prism Construction & Trading Co	104,988
Minister for Information's house - Just in Time Co Ltd	539,109
Renovation of Western Bahr Ghazal Police Messes, Club and headquarters (Wol Geng World Business for Transport & Construction)	913,494
Juba Day Secondary School - Gira Investments Ltd	82,559
Advance for renovations – Southern Sudan Legislative Assembly	50,000
Advance for renovation of Marialbai dairy farm	1,000,000
Min of Housing Malakal houses (Haneer Eng Co Ltd)	706,579
Amadi Training Centre buildings (Jambo Quick Service Ltd)	157,728
Ministry of Education conference hall (Prism Trading & Construction Co Ltd)	99,052
Gumbo Training Centre – Fire Safety	52,977
Advance for renovation- War Disabled	52,752
Fire Safety Wau office (Abushakah Trading Co Ltd)	33,000
Other	1,656,774
	<u>92,618,660</u>

34. CAPITAL TRANSFERS TO STATE GOVERNMENTS

	State	Ministry		Total
		Agriculture & Forestry	Cooperatives & Rural Devt	
		SDG	SDG	SDG
1	Central Equatoria	45,000	98,004	143,004
2	Eastern Equatoria	45,000	18,000	63,000
3	Western Equatoria	45,000	18,000	63,000
4	Upper Nile	45,000	18,000	63,000
5	Jonglei	45,000	98,004	143,004
6	Unity	45,000	18,000	63,000
7	Western Bahr El-Ghazal	45,000	24,667	69,667
8	Northern Bahr El-Ghazal	45,000	18,000	63,000
9	Lakes	45,000	91,337	136,337
10	Warrap	45,000	18,000	63,000
	Sub total per ministry	450,000	420,012	870,012

35. TRANSFERS TO MDTF/UNDP PROJECTS SDG SDG

Transfers to UNDP:

The Rapid Impact Emergency Project (RIEP) - Labour Based Public

Works Project (UNDP)	11,480,000	
The Police and Prisons Project (UNDP)	17,600,000	29,080,000

Transfers to MDTF pooled account:

The Capacity Building Institutional and Human Resources

Development Project (CABIHRD)	2,140,000	
The Private Sector Development Project (PSDP)	1,200,000	
The Livestock and Fisheries Project (LFDP)	6,160,000	
The Umbrella Health Programme (UHP)	24,000,000	
The Sudan Emergency Transport and		
Infrastructure Development Program (SETIDP)	38,000,000	
The Sudan Agriculture and Forestry Development Project (SAFDP)	3,669,863	
Education Rehabilitation Project (ERP)	10,000,000	
HIV/AIDS Project	2,000,000	
The Rural Water Supply and Sanitation Project (RWSSP)	20,000,000	107,169,863

136,249,863

36. OTHER CAPITAL TRANSFERS

Constituency Development Fund (CDF) - Southern Sudan
Legislative Assembly (SSLA)

141,475,922

37. FUND ACCOUNTS

	General fund SDG (Note 38)	Stanbic LC account SDG (Note 38/39)	
Balance at 1 January 2008	82,789,692	1,098,827	83,88
Increase in cash	1,052,418,853	-	1,052,41
Letters of credit opened in the period	(5,949,603)	5,949,603	
Letters of credit utilised in the period	<u>1,091,891</u>	<u>1,091,891</u>	
Fund balances at 31 December 2008 (Note 38)	<u>1,130,350,833</u>	<u>5,956,539</u>	<u>1,136,30</u>

38. CASH BALANCES

Bank accounts

	31 December 2008 SDG	31 December 2007 SDG
<i>Cash held under lien (Note 39)</i>		
Stanbic Bank Nairobi US\$ LC margin account	<u>5,956,539</u>	<u>1,098,828</u>

Available cash balances

Nairobi bank accounts

Stanbic Bank Nairobi US\$ account	38,516,990	3,532,765
Stanbic Bank Nairobi Euro account	2,562,755	244,081
Stanbic Bank Nairobi Kenya Shilling account	50,528	401,960
Stanbic Investment Management Services	8,004	8,004
Stanbic – Suspense reserves	<u>1,030,510,848</u>	-
Sub-total: Nairobi bank accounts	<u>1,071,649,125</u>	<u>4,186,810</u>

Juba bank accounts

Bank of Sudan Juba Branch SDG account 6921/1000/1	-	8,376
Bank of Sudan Juba Branch SDG account 6919/1000/2	-	91,731
Bank of Sudan Juba Branch SDG account 6919/1000/3	(38,840,631)	64,329,798
Bank of Sudan Juba Branch SDG account 6921/1000/7	-	2,529,408
Bank of Sudan Juba Branch SDG account 6921/1000/9	-	7,047,219
Bank of Sudan Juba Branch SDG account 6919/1000/13	-	37,773
Bank of Sudan Juba Branch SDG account 6919/1000/12	-	3,976,484
Bank of Sudan Juba Branch SDG account 6919/1000/21	91,384,068	-
Bank of Sudan Juba Branch SDG account 6919/1000/22	1,718,930	-
Bank of Sudan Juba Branch GBP account 6921/1000/07/03	2,508	582,093

Bank accounts

	31 December 2008 SDG	31 December 2007 SDG
<i>Cash held under lien (Note 39)</i>		
Bank of Sudan Juba Branch EURO account 6921/1000/07/26	4,413,110	-
Bank of Sudan Juba Branch GBP equivalent account 6921/1000/17	-	-
Bank of Sudan Juba Branch US\$ account 6921/1000/7	<u>23,723</u>	<u>-</u>
Sub-total: Juba bank accounts	<u>58,701,708</u>	<u>78,565,108</u>
Sub-total: available bank balances	<u>1,130,350,833</u>	<u>82,751,918</u>
Bank balances at end of year	<u>1,136,307,372</u>	<u>83,888,519</u>

Notes**BNP Paribas Bank**

An amount of **US\$ 165,915,978.91** was noted as having been transferred to two bank accounts held at BNP Paribas Bank (Geneva) during the first six months to 31 July 2006. Of this amount, **US\$ 157,484,255.76** was deposited back in August 2006 to the Bank of Sudan Khartoum US\$ Main A/C 6921/11821/1 leaving a balance of **US\$ 7,431,723.35** which has not been recognised in these accounts as the accounts in Geneva are not in the name of the Government of Southern Sudan, and other details regarding these accounts and transactions therein are still outstanding.

39. LETTERS OF CREDIT

Date	Ministry & Agency / beneficiary	At 31 December 2008 SDG	At 31 December 2007 SDG
	Housing, Lands and Public Utilities		
15-Sep-06	Simicorp FZE	-	214,183
20 - Feb- 07	Simicorp FZE	381,647	783,369
20 - Feb- 07	Al Hamra Industrial Park	(381,647)	(783,369)
12 - June - 08	Danish Camp Supplies	300,121	-
		300,121	214,183
	SPLA		
7- Nov- 06	Ms Tech Hard	-	570,532
27 - Aug- 08	Medipharm Pharmaceuticals	3,080,378	
		3,080,378	570,532
	Southern Sudan Electricity Corporation		
11 - Nov- 07	El-Sewedy Company	-	313,790
	Health		

Date	Ministry & Agency / beneficiary	At 31 December 2008 SDG	At 31 December 2007 SDG
28 - A ug - 08	Omaera Pharmaceuticals	1,466,0 12	- -
25 - O ct- 08	Electricity Corporation Seaways Kenya Ltd	227,04 0	- -
25 - O ct- 08	Agriculture Farm Engineering	882,98 8	- -
		5,956,539	1,098,505

40. STAFF PENSION FUND – BANK OF SOUTHERN SUDAN A/C 6919/1000/16 (SDG)

SDG 21,372,490 (US\$ 9,785,939) being pension fund amounts deducted from GOSS staff salaries are held in the above account.

41. FOREIGN EXCHANGE TRANSLATION EFFECT

The amount of SDG 2,695,977 relates to the foreign exchange difference arising from translation of 2007 financial statements reported in US\$ to their SDG equivalents following adoption of the Sudanese Pound as GOSS's presentation currency on 1 January 2008.

42. AUTHORIZATION DATE

The financial statements presented on pages 4 to 51 were authorised on 13-01-12
by [Signature]



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

Appendix- I

The Government of Southern Sudan

Budget to actual expenditure analysis per ministries and Government commissions For the year ended 31 December 2008

Sector	Ministry/Agency	2008 BUDGET			ACTUAL EXPENDITURE			UNSPEND/ (OVERSPEND)	
		O R I G I N A L	SU P P L I M E N T A R Y	R E V I S E D	S A L A R I E S	OPERATING	CAPITAL		TOTAL
		S D G	S D G	S D G	S D G	S D G	SD G	SD G	SD G
Accountability	Anti - Corruption Commission	7,000 0	-	7,000 0	96,088 1	60,890 1	1,292,108	4,866,097	2,133,903
Accountability	Auditor General Chamber	7,000 0	-	7,000 0	04,341 0	88,643 4	652,221	2,582,065	4,417,935
Accountability	SS C for Census Stats & Evaluation	14,000 0,000	-	14,000 0,000	40,810 7	62,771 0	329,514	12,365,331	1,634,669
Accountability	Finance & Economic Planning	20,000 0,000	29,733 30,823	31,733 30,823	3,570 325	9,887 593	47,012,689	63,047,607	(31,397,84)

The Government of Southern Sudan

Budget to actual expenditure analysis per ministries and Government commissions For the year ended 31 December 2008

		2008 BUDGET			ACTUAL EXPENDITURE			UNSPEND/ (OVERSPEND)	
Sector	Ministry/Agency	O R I G I N A L	SU P P L I M E N T A R Y	R E V I S E D	S A L A R I E S	OPERATIN G	CAPITAL	TOTAL	
		S D G	S D G	S D G	S D G	S D G	S D G	SD G	SD G
		2,000		2,000	49,462	66,722	665,700	1,823,884	176,116
Accountability	Southern Sudan FFAMC	0	-	0	2	2	0	4	6
		3,000	10,853	3,108,530	77,418	05,293	269,160	3,096,284	12,246
Accountability	S/Sudan Reconstruction & Dev. Fund	0	30	0	8	6	0	4	246
		53,000	29,743	35,043	11,258	3,724	50,221	65,504	(30,476)
		0,000	353	353	80	7	392	268	915
		10,000	2,000	12,000	2,715	5,051	3,265	11,074	925,456
Economic Functions	Min of Comm. Trade & Supply	0,000	0	0,000	4	1	599	44	6
		16,475		16,475	2,218	4,428	3,419	10,066	6,408
Economic Functions	Ministry of Industry & Mining	0,000	-	0,000	42	41	819	54	346

The Government of Southern Sudan

Budget to actual expenditure analysis per ministries and Government commissions For the year ended 31 December 2008

		2008 BUDGET			ACTUAL EXPENDITURE			UNSPEND/ (OVERSPEND)	
Sector	Ministry/Agency	O R I G I N A L	SU P P L I M E N T A R Y	R E V I S E D	S A L A R I E S	OPERATIN G	CAPITAL	TOTAL	
		S D G	S D G	S D G	S D G	S D G	S D G	SD G	SD G
					3	2			
					6,	7,			
		35,	4,3	39,	73	29	21,	35,	
Economic	Min of	00	24,	32	3,	2,	161	18	4,1
Functions	Information	0,0	32	4,3	78	67	,99	8,4	35,
	Radio & TV	00	9	29	8	8	2	58	871
		1,0		1,5	23	62		1,1	
	S.S	00,	55	51,	5,	0,	299	55,	395
Economic	Investment	00	1,3	35	05	52	,92	50	,84
Functions	Authority	0	55	5	7	6	5	8	7
		12,	34,	46,	1,	6,			
	Min Telecom	00	00	00	90	04	39,	46,	
Economic	& Postal	0,0	0,0	0,0	9,	3,	011	96	(96
Functions	Services	00	00	00	59	63	,34	4,5	4,5
		00	00	00	1	8	6	75	75)
					13	23		10	
		74,	40,	5,3	,8	,4	67,	4,4	10,
		47	87	50,	54	37	158	49,	900
		5,0	5,6	68	,0	,0	,68	73	,94
		00	84	4	13	45	1	9	5
	Min of	22	49,	26	17	88	26,	29	(20
	Education	0,0	86	9,8	5,	,6	104	0,2	,40
	Science &	00,	4,8	64,	48	78	,84	65,	0,2
Education	Tech.	00	69	86	2,	,0	0	10	39)

The Government of Southern Sudan

Budget to actual expenditure analysis per ministries and Government commissions For the year ended 31 December 2008

		2008 BUDGET			ACTUAL EXPENDITURE			UNSPEND/ (OVERSPEND)	
Sector	Ministry/Agency	ORI	SUPP	RE	S	OPERATING	CAPITAL	TOTAL	
		AL	MENT	VI	AL				
		SDG	SDG	SDG	SDG	SDG	SDG	SDG	SDG
		0		9	20	63		8	
		14		14	27	42		10	
Health	Ministry of Health	0,0		0,0	,0	,7	40,	9,9	30,
		00,		00,	90	13	158	62,	037
		00		00	,3	,8	,77	92	,07
		0	-	0	00	50	8	8	2
Health	HIV / AIDS Commission	5,0		5,0	1,	1,		4,1	
		00,	92,	92,	58	00	1,5	94,	897
		00	20	20	8,	9,	96,	40	,79
		0	0	0	98	18	236	8	2
		14		14	28	43		11	
		5,0		5,0	,6	,7	41,	4,1	30,
		00,	92,	92,	79	23	755	57,	934
		00	20	20	,2	,0	,01	33	,86
		0	0	0	89	33	4	6	4
Infrastructure	Min Housing, Lands Public Utilities	20		20	2,	5,		15	
		0,0		0,0	36	42	145	3,5	46,
		00,		00,	7,	4,	,75	41,	458
		00		00	39	44	0,0	93	,06
Infrastructure	S S Electricity Corporation	0		0	2	9	91	2	8
		50,	60,	11	4,	23	62,	90,	19,
Infrastructure	Corporation	00	00	0,0	00	,8	787	62	370

The Government of Southern Sudan

Budget to actual expenditure analysis per ministries and Government commissions For the year ended 31 December 2008

		2008 BUDGET			ACTUAL EXPENDITURE			UNSPEND/ (OVERSPEND)	
Sector	Ministry/Agency	O R I G I N A L	SU P P L I M E N T A R Y	R E V I S E D	S A L A R I E S	OPERATIN G	CAPITAL	TOTAL	
		S D G	S D G	S D G	S D G	S D G	S D G	SD G	SD G
		0,00	0,00	00,00	4,97	37,4	,364	9,822	,178
		24,00	44,60	68,75	2,94	12,6	622,64	63,82	47,790
Infrastructure	Min of Transport & Roads	00,00	75,75	75,75	5,25	91,3	,648,7	85,32	790,42
		0	5	5	6	57	15	8	7
		15,00		15,00	3,21	6,74	1,3	8,3	6,6
Infrastructure	S.S Urban Water Corporation	0,00	-	0,00	39,5	08,1	84,025	50,1	56,499
		13,00		13,00	3,84	5,64	4,1	13,65	(65
Infrastructure	Min of Water Res & Irrigation	0,00	-	0,00	64,8	53,2	62,049	0,29	0,29
		51,00	50,75	1,07	16,75	51,42	836,73	90,50	119,62
		8,00	6,75	24,07	,375	,342	836,73	4,450	119,62
		00,00	75,75	5,75	,6	,9	2,2	81	4,9
		0	5	55	61	06	44	2	43
Natural	Min of	30,	22,	52,	8,	6,	16,	31,	20,

The Government of Southern Sudan

Budget to actual expenditure analysis per ministries and Government commissions For the year ended 31 December 2008

		2008 BUDGET			ACTUAL EXPENDITURE			UNSPEND/ (OVERSPEND)	
Sector	Ministry/Agency	O R I G I N A L	SU P P L I M E N T A R Y	R E V I S E D	S A L A R I E S	OPERATIN G	CAPITAL	TOTAL	
		S D G	S D G	S D G	S D G	S D G	S D G	SD G	SD G
Resources & Rural	Agriculture & Forestry	00	00	00	73	11	897	74	254
		0,0	0,0	0,0	2,	4,	,62	5,1	,87
		00	00	00	79	70	1	21	9
Natural Resources & Rural	Min of Animal Res & Fisheries	24,	3,0	27,	10	7,		26,	
		00	60,	06	09	2,	7,6	36	699
		0,0	92	0,9	,0	10	39,	1,0	,85
Natural Resources & Rural	Min of Co-ops & Rural Dev	00	0	20	74	2	888	64	6
		00			2,	3,			
		35,		35,	27	91	21,	27,	
Natural Resources & Rural	Min Env. Wildlife Cons & Tour	00	43,	9,4	81	22		10	
		0,0	47	77,	,0	,3	5,3	8,7	40,
		00	7,6	67	,6	,8	93,	41	,26
Natural Resources & Rural	South Sudan Land Commission	0	74	4	49	29	936	4	0
		2,0		2,0	56	77		1,4	
		00,		00,	8,	2,	143	84,	515
Natural Resources & Rural		00		00	85	04	,28	18	,81
		00		00	2	1	8	1	9
		0	-	0	2	1	8	1	9
		19	68,	26	10	40	51,	19	69,

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Budget to actual expenditure analysis per ministries and Government commissions For the year ended 31 December 2008

		2008 BUDGET			ACTUAL EXPENDITURE			UNSPEND/ (OVERSPEND)	
Sector	Ministry/Agency	O R I G I N A L	SU P P L I M E N T A R Y	R E V I S E D	S A L A R I E S	OPERATIN G	CAPITAL	TOTAL	
		S D G	S D G	S D G	S D G	S D G	SD G	SD G	SD G
		7,000,000	53,859,944	5,538,594	3,552,251	,918,754	336,301	5,807,306	731,288
						12			
				12	15	3,		15	
		67,	60,	8,0	,8	60	17,	7,2	(29
		10	99	91,	21	1,	850	74,	,18
Public	Office of the	0,0	1,1	16	,9	66	,65	31	3,1
Administration	President	00	66	6	94	8	5	7	51)
					1,	35			
		10,	29,	39,	31	,8		44,	(4,
		00	84	84	1,	91	6,8	08	243
Public	Office of the	0,0	3,4	3,4	08	,0	85,	7,3	,82
Administration	1st Vice	00	99	99	5	65	172	22	3)
					1,	6,			
		9,9	3,9	13,	69	53		11,	
		00,	08,	80	1,	2,	3,7	96	1,8
Public	Presidential	00	95	8,9	48	96	39,	4,0	44,
Administration	Affairs	0	9	59	3	3	649	95	864
		18,	26,	44,	9,	34	7,7	52,	(7,
Public	Council of	20	50	70	75	,6	73,	13	431
Administration	Ministers	0,0	4,0	4,0	7,	05	032	5,0	,03

The Government of Southern Sudan

Budget to actual expenditure analysis per ministries and Government commissions For the year ended 31 December 2008

		2008 BUDGET			ACTUAL EXPENDITURE			UNSPEND/ (OVERSPEND)	
Sector	Ministry/Agency	O R I G I N A L	SU P P L I M E N T A R Y	R E V I S E D	S A L A R I E S	OPERATIN G	CAPITAL	TOTAL	
		S D G	S D G	S D G	S D G	S D G	S D G	SD G	SD G
		00	00	00	00	,0		39	9)
					3	04			
					2,	3,			
		9,2	1,0	10,	62	41		8,1	
Public	Min Lab Pub	00,	00,	20	0,	0,	2,0	15,	2,0
Administration	Serv & HR	00	00	0,0	11	22	85,	52	84,
	Development	0	0	00	9	6	183	8	473
						5,			
		11,		11,	55	00		11,	
Public	Min of	00		00	8,	0,	5,6	22	(22
Administration	Parliamentary	0,0		0,0	50	26	62,	1,4	1,4
	Affairs	00	-	00	4	3	646	13	13)
					13	9,			
		12,	15,	27,	,4	47		32,	(4,
Public	Min of	00	63	63	21	2,	9,5	48	844
Administration	Regional	0,0	8,1	8,1	,4	16	89,	3,1	,98
	Cooperation	00	25	25	05	6	542	13	8)
						1,			
		2,0		2,0	73	21		2,1	
Public	Civil Service	00,		00,	2,	2,	229	74,	(17
Administration	Commission	00		00	09	59	,71	39	4,3
		0	-	0	2	2	3	7	97)
Public	S Sudan Local	3,0		3,0	85	1,	193	2,6	381
Administration	Government	00,	-	00,	7,	56	,70	18,	,64

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Budget to actual expenditure analysis per ministries and Government commissions For the year ended 31 December 2008

		2008 BUDGET			ACTUAL EXPENDITURE			UNSPEND/ (OVERSPEND)	
Sector	Ministry/Agency	ORIGI N A L	SU PP LI M E N T A R Y	R E V I S E D	S A L A R I E S	OPERATIN G	CAPITAL	TOTAL	
		S D G	S D G	S D G	S D G	S D G	S D G	SD G	SD G
		00 0		00 0	86 8	6, 79	1	36 0	0
						1, 41			
	SS Employees	2,8		2,8	62	7, 41		2,2	
Public	Justice	41, 80		41, 80	0, 90	7, 53	184 ,41	22, 84	618 ,95
Administration	Chamber	0	-	0	4	1	1	6	5
						1, 37		2,3	
Public	Public	2,0		2,0	66	6, 99	305	46, 79	(34 6,7
Administration	Grievances	00, 00		00, 00	4, 99	6, 53	,27	46, 79	(34 6,7
	Chamber	0	-	0	1	3	0	4	94)
				18	28	9, 15		18	
Public	S Sudan	83, 93	96, 23	0,1 75,	,2 74	15, 3,	147 ,89	5,3 22,	(5, 146
Administration	Legislative	7,9	7,9	92	,3	73	4,7	80	,88
	Assembly	61	61	2	45	9	22	6	4)
						23			
		23	23	46	76	3, 24		51	
		1,1	4,1	5,3	,3	24	202	1,9	(46
		79, 76	23, 71	03, 47	31, ,7	0, 54	,39 3,6	66, 02	,66 2,5
		1	0	1	93	0	96	9	58)

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Budget to actual expenditure analysis per ministries and Government commissions For the year ended 31 December 2008

		2008 BUDGET		ACTUAL EXPENDITURE			UNSPEND/ (OVERSPEND)		
Sector	Ministry/Agency	ORI N A L	SU PP LI M E N T A R Y	R E V I S E D	S A L A R I E S	OPERATING	CAPITAL	TOTAL	
		SD D G	SD D G	SD D G	SD D G	SD D G	SD D G	SD D G	SD D G
					22	1,			
		57,		57,	,5	27		24,	32,
	Judiciary of	17		17	98	6,	950	82	349
	Southern	4,5		4,5	,1	10	,55	4,8	,70
Rule of Law	Sudan	12	-	12	45	6	3	04	8
					18	2,			
		25,		25,	,4	68		22,	
	Min Legal	27		27	45	6,	1,1	27	2,9
	Affairs &	2,7		2,7	,1	81	44,	6,4	96,
Rule of Law	Const Dev	65	-	65	35	3	507	55	310
					27	10			
		42		42	3,	6,		46	
		0,0		0,0	49	22	83,	2,7	(42
		00,		00,	8,	4,	054	77,	,77
Rule of Law	Ministry Of	00		00	55	44	,19	19	7,1
	Interior	0	-	0	6	7	0	3	93)
					1,	3,			
		5,0		5,2	10	02		5,0	
	SS Human	00,	23	31,	5,	0,	970	95,	135
	Rights	00	1,1	15	02	46	,06	55	,59
Rule of Law	Commission	0		1	3	3	9	5	6
		50	23	50	31	11	86,	51	(7,
		7,4	1,1	7,6	5,	3,	119	4,9	295
		47,	51	78,	64	20	,31	74,	,57

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Budget to actual expenditure analysis per ministries and Government commissions For the year ended 31 December 2008

		2008 BUDGET			ACTUAL EXPENDITURE			UNSPEND/ (OVERSPEND)	
Sector	Ministry/Agency	O R I G I N A L	SU PP L I M E N T A R Y	R E V I S E D	S A L A R I E S	OPERATIN G	CAPITAL	TOTAL	
		S D G	S D G	S D G	S D G	S D G	S D G	SD G	SD G
		27 7		42 8	6, 85 9	7, 82 8	9	00 7	9)
Security	S Sudan De-Mining Authority	3,0 00, 00 0	55 1,1 00	3,5 51, 10 0	1, 30 7, 98 9	1, 39 7, 87 1	486 ,23 0	3,1 92, 09 0	359 ,01 0
Security	S Sudan DDR Commission	6,0 00, 00 0	70 6,0 00	6,7 06, 00 0	86 6, 94 9	2, 90 5, 01 8	537 ,57 5	5,3 09, 54 2	1,3 96, 458
Security	SPLA Affairs	1,0 00, 00 0,0 00	80 3,0 00, 00 0	1,8 03, 00 0,0 00	1, 8, 24 7, 52 5	1, 63 5, 57 2	242 ,71 4,5 14	1,8 72, 59 7,6 11	(69 ,59 7,6 11)
		1,0 09, 00 0,0 0,0	80 4,2 57, 10	1,8 13, 25 7,1	1, 12 1, 42	51 5, 93 8,	243 ,73 8,3 19	1,8 81, 09 9,2	(67 ,84 2,1 44)

The Government of Southern Sudan

Budget to actual expenditure analysis per ministries and Government commissions For the year ended 31 December 2008

		2008 BUDGET			ACTUAL EXPENDITURE			UNSPEND/ (OVERSPEND)	
Sector	Ministry/Agency	O R I G I N A L	SU P P L I M E N T A R Y	R E V I S E D	S A L A R I E S	OPERATING	CAPITAL	TOTAL	
		S D G	S D G	S D G	S D G	S D G	S D G	SD G	SD G
		00	0	00	2, 46 3	46 2		44	
Social & Humanitarian Affairs	Min Gender Soc Welfare & Religion	8,00,00 0	35 7,4 15	8,357, 41 5	1, 11 3, 25 8	4, 00 4, 06 0	2,0 89, 342	7,206, 66 0	1,1 50, 755
Social & Humanitarian Affairs	Min of Youth Culture & Sport	8,00,00 0	51 8,2 87	8,518, 28 7	1, 96 1, 37 0	2, 67 6, 75 0	1,9 43, 767	6,581, 88 7	1,9 36, 400
Social & Humanitarian Affairs	Sudan Peace & Reconciliation Comm.	3,00,00 0	80 0,0 00	3,800, 00 0	1, 01 9, 10 6	2, 51 2, 23 3	459 ,80 0	3,991, 13 9	(19 1,1 39)
Social & Humanitarian Affairs	S.S War Displaced Widows & Orphans	3,00,00 0	38 7,8 96	3,387, 89 6	1, 19 6, 21 0	1, 22 4, 91 6	478 ,65 3	2,899, 77 9	488 ,11 7
Social &	S.S War	10	(1	3,0	84	1,	489	2,8	129

The Government of Southern Sudan

Budget to actual expenditure analysis per ministries and Government commissions For the year ended 31 December 2008

		2008 BUDGET			ACTUAL EXPENDITURE			UNSPEND/ (OVERSPEND)	
Sector	Ministry/Agency	O RI GI N A L	SU PP LI M E N T A R Y	R E V I S E D	S A L A R I E S	OPERATING	CAPITAL	TOTAL	
		S D G	S D G	S D G	S D G	S D G	S D G	SD G	SD G
Humanitarian Affairs	Veterans Commission	3,0	00,	00,	9,	53	,15	70,	,95
		00,	00	00	97	0,	0	04	7
		00 0	0,0 00)	0	6	91 7		3	
Social & Humanitarian Affairs	SS Relief & Rehab Commission	30,	47,	77,	5,	55		60,	16,
		00	00	00	36	,0		56	438
		0,0	0,0	0,0	8,	63	128	1,6	,37
		00	00	00	92	,9	,80	27	3
		15	(5	10	11	67			
		5,0	0,9	4,0	,5	,0		84,	19,
		00,	36,	63,	08	12	5,5	11	952
		00	40	59	,8	,7	89,	1,1	,46
		0	2)	8	45	77	512	34	4
						45			
		27	12	39		2,		45	
		0,0	7,6	7,6		71		2,7	(55
Transfers	Gen Transfers to States (Note 26)	00,	66,	66,		1,		11,	,04
		00	66	66		60		60	4,9
		0	7	7	-	3	-	3	36)
		10,		10,				10,	
Transfers	State Council of Ministers	00		00					000
		0,0	-	0,0	-	-	-	-	,00

The Government of Southern Sudan

Budget to actual expenditure analysis per ministries and Government commissions For the year ended 31 December 2008

		2008 BUDGET			ACTUAL EXPENDITURE			UNSPEND/ (OVERSPEND)	
Sector	Ministry/Agency	O R I G I N A L	SU P P L I M E N T A R Y	R E V I S E D	S A L A R I E S	OPERATIN G	CAPITAL	TOTAL	
		S D G	S D G	S D G	S D G	S D G	S D G	SD G	SD G
		00		00					0
	State	38,00		38,00					38,000
Transfers	Legislative Assembly	0,00		0,00					,00
		00	-	00					0
	Govt of Southern Sudan (Note 27)					79,03		79,03	(79,03)
Transfers		-		-		99,3		99,3	99,3
		31,800,000	12,766,667	44,566,667		53,174,500		53,174,500	(86,078,35)
		0	7	7		2		2	
		3,428,102,0	2,078,228,6	5,506,330,7		4,119,928,31	1,611,149,31	5,789,180,5	(28,2,849,844)
Sub total		38	81	19	0	6	7	63)

The Government of Southern Sudan

Budget to actual expenditure analysis per ministries and Government commissions For the year ended 31 December 2008

		2008 BUDGET			ACTUAL EXPENDITURE			UNSPEND/ (OVERSPEND)	
Sector	Ministry/Agency	O R I G I N A L	SU P P L I M E N T A R Y	R E V I S E D	S A L A R I E S	OPERATING	CAPITAL	TOTAL	SD G
		S D G	S D G	S D G	S D G	S D G	SD G	SD G	SD G
								75	
	Add: Suspense payments (Note 5)							1,793	
								5,789,932,356	
	Total expenditure for the year ended 31 December 2008								

CHAPTER- ONE

OIL REVENUE

CHAPTER – 1

1. Introduction

Under the CPA, the two governments, the GoNU and GoSS agreed on the formula and mechanisms for sharing the net oil revenue from oil resources, on the establishment of the Oil Revenue Reserves and on the Oil Revenue allocations to be made to the Oil Producing States. The agreement also stipulated the modalities for the joint management of the development of the petroleum sector during the interim period.

Oil revenue continued to constitute almost 98% of the revenue of GoSS and provided the life line. Hence its importance from the perspective of audit.

2. Audit Objectives

- i) To ensure that oil revenue receipts are properly supported by primary documentation and in accordance with the legislative framework and provisions of the Comprehensive Peace Agreement on the sharing of wealth in the Republic of Sudan.
- ii) To ensure that oil revenue, production and management processes for crude oil and the basic assumptions and information used in computing the various components of oil revenue for the year under audit are stated at the correct value and accurately recorded by the various departments in GONU and GOSS.
- iii) To ensure that all oil revenue receipts, charges and oil revenue due to the sharing parties during the period of audit are recorded.
- iv) To ensure that oil revenue receipts, production quantities and charges against oil revenue are supported by relevant schedules, definitive documentation and relate to the year under audit.
- v) To ensure that revenues received in various bank accounts exist and charges against the revenue were actually incurred and relate to the revenue received by GOSS during the year under audit.
- vi) To examine whether the accounting for oil revenue complies with the accounting policies adopted by GOSS.

To evaluate control mechanisms surrounding the management of production of crude oil, oil revenue and Oil Revenue Reserve Fund.

3. Scope of Audit

To achieve the objectives enumerated above, the areas of focus included:

- i) understanding of the oil flow production process, allocation and work flow;
- ii) establishment of the net adjusted production, cost recovery process and the GONU/GOSS entitlement;
- iii) determination of the oil production forecasts and adjustments;
- iv) determination of the parameters for computation of the wealth share, sale of the crude oil process and oil revenue transfers;
- v) ascertainment of the recoverable costs and charges; and
- vi) petroleum sector regulations, strategies, policies and management framework.

4. Structure of the Report

In undertaking this oil revenue audit for financial year 2008, we reviewed 5 key areas as follows:

- I) Crude oil exploration and production
- ii) Export sales and uptake of crude oil to local refineries
- iii) Access to Audit Information
- iv) Oil Revenue Stabilization Account
- v) Direct Expenditure paid by GONU on behalf of GOSS

5. Conclusion

In the absence of total transparency regarding details of oil production, quantities produced for each blend, quantities exported blend wise and quantities refined in the country, export prices as negotiated and as realized from the buyer, revenues shared between the various governments and the balances available in the various bank and reserve accounts and the details of direct expenses charged by GoNU etc it was not possible for audit to certify the accounts of oil revenue.

Several documents pertaining to oil production and accounting information were not made available. Where these were made available it was not possible to reconcile the conflicting data from different governments or from the same government but from different institutions.

The structures envisaged to oversee the production details and sharing of revenue were not fully established and those established remained emaciated. This resulted in loss of transparency and accountability.

In the absence of availability and production of basic records pertaining to a crucial revenue by a host of institutions, audit records a Disclaimer and recommends a thorough verification for necessary certifications by an international audit firm in the immediate future.

6. Findings

6.1 Crude oil exploration and production

The annual net adjusted production of crude oil during the year amounted to 83.013 million barrels for Nile blend operated in blocks 1, 2, 4 and 5, while production for Dar blend in blocks 3 & 7 was reported to be 71.02 million barrels. Of this production, the GoSS entitlement in blocks 1, 2, 4 and 5 amounted to 53.972 million barrels and blocks 3 & 7 amounted to 40.096 million barrels.

According to the Exploration Department, production of the Nile blend declined by 16% and the Dar blend increased by 11% as compared to 2007. Audit was not able to determine whether this was consistent with the expected production quantities as the forecast data and explanations to these trends were not made available to audit.

As per Exploration Department, the expected gross revenue from the export sales and uptake by local refineries in the year amounted to USD 5.5762 billion and USD 3.201 billion for Nile and Dar blends respectively. Of these revenue and after deductions towards the management fees, transport cost, remittances to Oil Revenue Stabilisation Account (ORSA) and the share to the Oil Producing States (OPS), USD 1.128 billion and USD 1.402 billion was allocated as net oil revenue to GoSS from the sales of Nile and Dar blends respectively. Audit however could not vouch for accuracy and completeness of the information on crude oil production and sales quantities. This is because of the observed inconsistencies in crude oil reports that are used to arrive at the share to partners as prepared by various government departments. From our observations and enquiries based on the limited information provided to us, we noted the following.

The production record of untreated crude oil from the Oil Gathering Manifold Systems (OGMS) which is the initial data to monitor production quantities at the wellhead was not provided to audit. The OGMS should primarily form the basis of theoretical allocation of oil gathered at the various Field Processing Facilities (FPFs) attached to various oil blocks. The FPF production forms a percentage of production of the Central Processing Facility (CPF)

based on the data of production from wells and blocks (as contained in OGMS) attached to the FPFs.

Monthly disparities in the net adjusted production figures for blocks 1, 2, and 4 as published by the Exploration Department in the Field Allocation Reports (FARs) and Crude Oil Entitlement Analysis were noted. The allocation reports were based on the meter readings at FPF. The volumes of crude as reported in FARs were adjusted at a determined correction factor to standard temperature and pressure (STP). FARs are used to theoretically allocate production of crude oil to blocks and/or wells. On the other hand Crude oil Entitlement Analysis was used to compute revenue allocations, determine costs as well as remittances to ORSA. According to FAR, 75,268,027 barrels were produced in blocks 1, 2, and 4, whereas 74,946,319 barrels were reported in the Crude Oil Entitlement Report. Thus, the quantities of crude oil in FARs were 321,708 barrels higher.

The documentation on measurement of metered volumes of crude oil at the Production Measurement Point (PMP) and various FPFs and CPF was not provided. This information is necessary to check the total oil production in various blocks. The records of the production and custody meters that document the inflow and outflow quantities of oil at the CPF were also not provided. With the lack of these records maintained at the PMP and CPF, Audit was not able to establish the accuracy of reallocation of quantities of crude oil to the various blocks.

Calibration tests for loading and pipeline meters at the various production, storage and delivery should be carried out by an independent party twice a year. We were provided with the calibration reports and certificates of the equipment. However, we noted from these reports that there were no personnel to represent the government during the calibration process.

The records of the dead stock of crude oil in the pipeline that were used to track the share of the stock as to profit oil and cost oil due to the government and the contractors were not provided to audit. These records are adjusted to accommodate new parties to the usage of the pipelines. Our audit effort to verify that this information was documented and consistently maintained was limited as these records were not available to us.

Audit requested to review Exploration Production Sharing Agreements (EPSAs) between government and the contractors. The contractors control the exploration and development of various oil blocks. Our main objective was to examine the terms of agreement as they form the basis of sharing of both cost and profit oil between the parties. However, we were

provided with part sections of these agreements that only show the sharing of the crude oil as these agreements were said to be confidential.

As noted in the previous audit reports, CPA required a monitoring system for daily production of oil resources to be established. Under the CPA, the monitoring was to be undertaken by the Joint Technical Committee (JTC). The committee was mandated to make recommendations to NPC for improvement. However, ToR issued for the committee limited the scope to oil revenue sharing and transfers. Owing to the limited scope no substantial recommendations were made to NPC on the improvement to oil production monitoring mechanisms.

Production and accounting records were to be jointly maintained by national government and oil companies. However, we noted the absence of representation of GoSS and Oil Producing States (OPS). We understand that the process of recruiting GoSS or OPS representatives to participate in the upstream management of crude oil was floated but no progress was made.

Implications

- Due to the absence of initial production information captured through the gathering manifold systems that forms the basis for DPRs, we were not able to establish the level of accuracy and completeness of DPRs. Accordingly, this has also affected the accuracy of the Field Allocation Reports that are used to determine the allocation of production at CPF to the various FPFs, oil blocks and wells. Consequently, this will affect GoSS' share of oil revenue.
- The presence of variations in the data recorded by Exploration Department questioned the accuracy of production data. These variations in the information should be resolved to provide the ultimate share of oil revenue to various stakeholders. The existing differences in data also affect the computations of costs and remittances to fund accounts. Due to the lack of data on losses during the upstream processes, we could not establish the adequacy of the process of determining these losses and quantifying them.
- The limited engagement of JTC has defeated the expectations under CPA. Besides, there is no substantial participation of GoSS in joint monitoring of the management of the crude oil with the risk of subjectivity in the measurement of financial and production information and thereby the share of oil revenue of the stake holders.
- In the absence of government personnel during the calibration process, there is the risk of fidelity standards of the equipments and the authenticity of the production information. Coming to question.

- Bearing in mind that we were not provided with the expected values of production and sales of crude oil, we were not able to determine the amount of variations from the estimations and whether the production during the year was consistent and reasonable.

Recommendations

- JTC should be equipped to carry out broad management of oil resources at all stages. The committee should with the assistance of Technical Experts review the existing petroleum management processes and make recommendations to NPC. The process should ensure that JTC members from GoSS and GoNU build consensus on such recommendations to enhance implementation process and facilitate a transparent GoNU/GoSS joint monitoring of the management of oil resources.
- Audit should have access to and carry out assessment of the primary documentation used in OGMS. In addition, information regarding the expected values on production and sales should be made available so that GoSS and OPS, heavily dependent on oil revenue, to estimate the funds available for their budgets.
- As mentioned in the previous audit reports, GoSS should discuss with GoNU the need to include Petroleum Technical Experts to provide joint monitoring of the crude oil management process. This will mitigate uncertainties and ensure that revenue determined through the joint management of oil resources is accepted by governments, Further GoSS should seek help from international community to build financial and technical capacity as stipulated in CPA.

6.2 Export sales and uptake of crude oil to local refineries

According to PU report, the export sales and local sales from the government entitlement of the net adjusted production during the year amounted to USD 5.632 billion and USD 2.0458 billion respectively. Based on our observations and review of other reports as prepared by Marketing Department (MD) of the Ministry of Petroleum (MoP), Bank of Sudan (BoS) and PU Department we noted the following.

The Oil Revenue Stabilization Account (ORSA) analysis report and the Petroleum Unit (PU) report were in agreement on the quantity of crude oil sold during the year. We however noted that the BoS export sales report did not agree with the PU reports and had 10.3 million barrels less as compared to the PU report. Differences were noted in the pricing. BoS report showed lower prices. In addition, the export sales as per BoS report amounted to USD 5.802 billion whereas USD 7.031 billion was shown by PU as gross export sales during the year. It

seems that the export report provided to audit by BoS was incomplete. According to the Marketing Department, the gross export sales was USD 6.5641 billion, thus having a difference of USD 466.9 million with the figures reported by PU. The variations in the values of export sales in the various reports portray absence of accuracy, comparability and completeness in records maintained by various Government Departments. This impacts the share of GoSS. The Export Sales Allocation Reports (ESAR) for the year was not complete. Given that ESAR is used to compute share of oil revenue, transportation tariffs and cost of management fee, Audit was not able to determine the accuracy of the process of allocating revenue to GoSS and establish how these fees and costs were determined.

Exploration Technical Control Department of MoP, informed the quantity lifted for export by the government as 81.059 million barrels whereas the PU report showed 80.104 million barrels. This generated an unexplained difference of 0.955 million barrels. The export sales reports from the Department of Marketing showed 79.343 million barrels were exported which was 0.761 million barrels lower than the PU report.

The custody transfer metering data for measurement of crude oil at PS, uptake to local refineries and Delivery Measurement Points (DMP) were not made available. We were unable to determine the controls and volumes of oil at these particular points, especially at PS that forms the basis for computing the net adjusted production to be allocated to the stake holders.

One evaluation report for two tender invitations reference number TC/01/2008 and 2008/01/53 was provided to audit by the Marketing Department. These do not form a reasonable sample. and were not able to establish whether National Tendering Committee (NTC) applied adequate tendering process to all of the sale bids during the year.

Based on the limited samples of sales contracts, bills of lading, invoices and credit advice notes provided by MD, we traced the transactions to the annual crude oil export report prepared by BoS and, export report and ORSA statement prepared by PU Department and found them to be agreeing. There were cases where BoS annual export and PU export reports excluded export sales that were directed to be paid to an alternative bank by BoS. In addition, the PU erroneously under/over posted export sales amounts to the export report thus having an impact on the accuracy of the export sales. Thus export sales amount excluded in the report was USD 9,537,630 while sales amount posted erroneously amounted to USD 11,206,970 as shown below. This has affected shares of revenue to GoSS, OPS as well as remittances to ORSA. We were provided with one sales contract thereby limiting scope of audit of export sales. Information on records of volume of tankers

docked at the Port of Sudan, and government bank accounts that were used to receive these export sales proceeds were not made available.

Amount erroneously included in the export sales report by PU Department

Date	Reference no.	Value / USD	Amount in alternative bank account/USD
02/12/2008	C/Dar/43/2008	16,935,324	2,822,552
10/04/2008	C/Dar/15/2008	47,346,053	1,234,539
02/12/2008	C/Dar/54/2008	11,301,958	2,260,392
02/12/2008	C/Dar/54/2008	16,100,737	3,220,147
TOTAL			9,537,630

Amount banked elsewhere and excluded in the export sales report

Date	Reference no.	Value of invoice USD	Amount erroneously posted to USD
25/03/2008	C/15/2008	52,803,457	4,459,250
19/03/2008	C/Dar/10/2008	70,537,426	6,747,720
TOTAL			11,206,970

Out of 19 invoices of export sales for Dar and Nile blends issued in March and December, six invoices as above had been erroneously posted to either over or under cast export sales

Instructions regarding the quantities of crude oil uptake by the local refineries and the records of metered volumes of uptake at Obeid and Khartoum refineries were not available. Audit was unable to verify reconciliations between actual quantities lifted by the local refineries and the instructions issued by marketing department for metered volumes at the refineries. As per the information gathered from Exploration Department the crude oil lifted by the local refineries was 22.608 million barrels equivalent of USD 1.53641 billion. Of these sales, USD 396.38 million was due to GoSS after deductions towards administration fees and the share of OPS. We did not have access to the local sale of crude oil allocation reports by PU during the year.

The process of determining parameters for computing various costs, shares to GoSS, OPS as well as transfers to ORSA were solely carried out by MoFNE and did not involve GoSS. Audit was unable to review the contracts between the government and the owners of the pipeline companies to establish the basis and accuracy of the pipeline and transportation costs charged. and most of the pipelines if not all, were owned by the oil contractors.

Implications

In the light of identified inconsistent information provided by various departments that differ significantly in quantity and value, there is doubt on the reliability of the information processed through these departments. There is risk that the information used in determining oil revenue due to GoSS may not be accurate. The inaccuracies in the information will not only affect the share of revenue to GoSS but also the determination of transportation tariffs, administration costs, share of oil revenue to OPS and transfers to ORSA. With the noted discrepancies there is risk of lack of approvals and checks and the process of how such data is passed on from one department to another and used as input in the computation of the oil revenue due to GoSS.

In view of illustrative omissions of the invoices noted above, the process of capturing data that should be used to compute share of oil revenue, costs and remittances to ORSA is not adequate. There is risk that other invoices may have been excluded especially since the sample provided to audit was limited.

Due to the lack of information on details of crude oil taken up by the local refineries and how reconciliations were done to arrive at billings during the year, we are not able to determine the level of completeness and accuracy of the sale of oil to local refineries.

In the absence of an adequate tendering process, there is risk that NTC may allocate crude oil to uncompetitive bidders with lower prices. This will then have a corresponding negative effect on the revenues generated from the oil resources.

There was likelihood of a risk that adjustments for over and under lifting of crude oil by the government may not be set right in time and previous transactions were not corrected and adjusted in time to ensure that risks of losses were minimized.

Due to the absence of GoSS representatives in determining the process parameters used to compute the share of the oil revenue and costs, there was risk that the process was subjective.

Recommendations

Because of the limitation placed on the audit work by the lack of adequate information, we were not able to establish the adequacy of the control environment surrounding the sale of crude oil. We recommend that GoNU should ensure that all production and accounting information for management of crude oil should be accurately prepared and safely kept for audit references. This information should be made available to all stake holders

MoFNE/ MoP should maintain an appropriate data capturing process to track export sales. For instance, a simple Invoice journal or sales ledger should be maintained to record details of all invoices. The journal should indicate reference numbers and value of the invoices issued, corresponding bills of lading, amounts retained by the government and remittances to ORSA. This will ensure that inconsistencies are mitigated and assist in tracking outstanding debtors.

6.3 Access to Audit Information

Difficulties experienced during audit were mainly due to lack of or slow flow of information from GoNU's various departments involved in the management of the petroleum resources. As much as the information requested was known to be readily available, the Auditors found it odd for the staff to take much time to end up failing to avail or availing only part of the information. In some instances, the auditors were redirected to other departments to restart the process of seeking information. This limited the time for audit as most of the time was spent on gathering data rather than commencing the audit analysis.

Implication

The slow flow of information delayed audit process. It also implied that such information was not well kept to ensure that data was made available to stakeholders. In addition, there was deliberate lack of cooperation from some government officers.

Recommendation

GoNU should ensure that all production and accounting information for management of crude oil was made available to audit and all pending issues are resolved by respective departments.

6.4 Oil Revenue Stabilization Account

BoS did not provide the Oil Revenue Stabilization Account (ORSA) bank account(s). Audit was therefore not able to verify whether the computation of ORSA remittances as shown in the ORSA schedules by PU Department, and/or annual export sales report by BoS were

deposited into the ORSA bank account(s). The total amount deposited to the ORSA account was USD 1.40145 billion as per PU report while the ORSA report showed USD 1.40161 billion. However due to erroneous inclusion and exclusion of some export sales cited elsewhere, it is not possible to vouch for the accuracy of the computation of remittances to ORSA. As per the PU report, the balance at the end of the year was USD 156.01 million. Audit was not able to confirm this as the bank statement for ORSA was not provided.

GoSS drawings during the year amounted to USD 436.37 million. We were not able to establish the criteria used to allocate drawings or trace some of the drawings in GoSS bank accounts.

Confirmations of oil revenue remitted to GoSS during the year under audit were not provided. Based on PU report, USD 2.5987 billion (equivalent of SDG 6.674 billion) was due to GoSS, and receipts amounting SDG 3.9893 billion could not be verified. Also there was lack of bank statement from MoFEP.

Implications

- Due to the inconsistencies in the information provided by various government departments that forms the basis for computing amounts due to ORSA account, there was risk that ORSA remittances disclosed in the PU report may not be accurate. As a result we were not able to establish the appropriateness of the basis for the computation of remittances to this account. Additionally, we were not able to verify the transactions and account balances in this account.
- Owing to the low balance of ORSA at the end of the year there was likelihood of a risk that the intended purpose for which the account was established was not achieved. This contravened the requirement of CPA that this account should be operated based on budget determined by the parties to the agreement and that it should only be utilised when the prices of crude fell below the benchmark prices.
- In the absence of confirmation of remittances of oil revenue to GoSS, it was not possible to resolve the un-reconciled amounts as disclosed in the financial statements leading to reservations on the fair financial presentation of the oil revenue to GoSS and remittances to ORSA during the year under audit.

Recommendations

Appropriate data capturing system should be used to track export sales. The JTC should formulate and implement a mechanism to monitor ORSA as mandated under the CPA. In addition, GoSS and GoNU should agree on the mechanism of managing ORSA where both parties have equal rights to access the account and determine when funds should be drawn and agree on coverage period of accumulated remittances which should be guided by a budgetary process.

- BoS/MoFNE should provide bank statements for ORSA to allow the auditors verify remittances into and will ensure that errors and omissions noted are mitigated.

6.5 Direct Expenditure by GoNU on behalf of GoSS

GoNU incurred USD 11.33 million on behalf of GoSS during the year. Based on PU report, USD 6 million of these payments were GoNU claims for tax exemptions given by GoSS to a road constructor in Northern Bahr-EI-Gazal. USD 3.07 million was for the purchase of sorghum. We reviewed some correspondence from MoFEP regarding the tax exemption liabilities by GoNU and purchase of sorghum. However, we are not able to verify how these tax amounts were arrived at.

We observed an invoice from a Car Hire Company for expenses of SDG 1.8 million. The invoice was for purchase of water tanks and other items. However we noted a letter of authorisation from MoFEP requesting GoNU to settle this particular invoice with the purpose of providing transport services for SPLA units. In view of these inconsistencies, we were not able to establish the relationship between the authorisation of this payment and the invoice supporting this expenditure.

Implications

In the absence of expenditure support documentation we were not able to verify the existence and value of the direct payments made by GONU on behalf of GoSS. Consequently we are not able to certify the direct payments on behalf of GoSS as genuine.

Recommendations

MOFNE should provide support documentation for all the expenses incurred on behalf of GoSS for this year and previous years.

CHAPTER - TWO
NON- OIL REVENUES

CHAPTER – 2

1.Introduction

Under the Comprehensive Peace Agreement (CPA) of 2005 and the Wealth Sharing Agreement of the CPA., the Government of Southern Sudan is entitled to the collections of revenue from inter-alia, excise duties on goods within Southern Sudan deemed to be of luxury nature, taxes on medium and small enterprises, service charges and personal income tax. However, as a result of the long running civil war, there were no structures in place to ensure that all GOSS revenue due and collected in 2008 was properly accounted for. The GOSS Directorate of Taxation was active. GONU co-ordinated collection of duties from the border posts while other taxes were collected under the auspices of the Fiscal and Financial Allocation and Monitoring Commission (FFAMC) which was formed during the year.

The GOSS Administrations lacked the legal and the institutional framework and the capacity to drive the much needed public service and the human resource development. The Finance and Accounting Procedures Ordinance, 1995 (FAPO) issued by the Republic of Sudan, and the Manual for Public Service Procedures which were to be the guidelines in administration were not yet implemented.

The GoSS lacked capacity in financial management. So GoSS engaged an interim Project Accounting Agent (PAA) to prepare the financial statements for the Financial Year 2008. Financial accounting was centralised in the Ministry of Finance. Financial records were not always used correctly and often not archived.

2. Audit Objectives

- i) To verify completeness in recording of non oil revenue
- ii) To verify that all non oil revenue was stated at the correct value, supported by documentation and accurately recorded by the collecting authorities
- iii) To verify that all non oil revenue collections were made in accordance with the legislative framework of the Government of Southern Sudan.
- iv) To verify whether all non oil revenues were collected and distributed applying the provisions of Non Oil Wealth Sharing Agreement
- v) To verify the existence and efficacy of internal controls to protect public funds and the constitutionality in practice to follow the rules, regulations laws and procedures and
- vi) To verify compliance with generally accepted accounting principles

3.Scope of Audit

The scope of audit was designed to achieve the objectives enumerated above with respect to the transactions for FY 2008. The span of audit included:

- i) Calculation of Revenue.
- ii) Collection of Revenue.
- iii) Operational and other expenditure and.
- iv) Accounting of the Revenue.
- v) Disclosures in accordance with GAAP

4.Conclusion

Collection of duties by GoNU in southern Sudan was not well accounted and shared with GoSS. In all, the taxes collected by GoSS were shown as SDG 107,073,312. Out of this SDG 84,089,568 was collected as Personal Income Tax from civil servants underscoring the fact that other collections were paltry because these were not documented and accounted well. The authority vested in FFAMC should be exercised so that the nascent government is not starved of funds for developmental activities.

5. Findings

5.1 Revenue

i) Revenue Sharing Agreement

Under the WSA the GoNU allocates 50% of the national non-oil revenue collected in Southern Sudan. All the revenues collected nationally for or by the GoNU were to be pooled in a National Revenue Fund (NRF) administered by the National Treasury which holds accounts and the sub-funds into which revenues due to the Government were collected and deposited; and

All the revenues and expenditures of the Government of National Unity and Government of South Sudan (GOSS) will be on-budget and made public.

The provisions of the Revenue Sharing Agreement came into force during the year with the formation of the FFAMC. Revenue collected during the year was deposited in a central account with the Bank of Southern Sudan, account number 6912/4045/01 and the

Committee met regularly to share the revenue equally between the GONU and the GOSS after a deduction of 8% to cover the administration costs.

The revenue collection units in Southern Sudan do not have adequate capacity

Implication

Revenue collection and proper accounting are of paramount importance in a fledgling democracy heavily dependent upon oil revenue.

Recommendation

The FFAMC should seek capacity building.

ii) Entitlement for non-oil revenue collection

The Interim Constitution of Southern Sudan in section 184 (1) (a-1) provides for the collection of non-oil revenue by the Government of Southern Sudan from:

- service charges;
- income from enterprises and projects of GOSS;
- grants in aid and foreign assistance;
- taxes and levies on small and medium scale enterprises;
- excise duty on goods within Southern Sudan classified as luxury items; and
- personal income tax

Auditors noted that total non-oil revenue collections amounted to SDG 107,073,312 of which SDG 84,089,568 was Personal Income Tax collected from civil servants. The balance of SDG 22,983,744 comprised of the various taxes and licences mentioned above. Auditors observed that the systems are still weak due to capacity constraints of officials. The Customs Department GoNU administered the Juba and Wau posts and the other centres in the south were administered through the GOSS. The GOSS administered centres do not apply the provisions of the national law. Audit observed all revenue collections especially customs and excise duties have not been fully accounted for due to the different collection regimes.

Implication

Potentially material sums of taxes and duties are not being reflected in the financial statements. The lack of systems and controls means the risk of significant sums of revenue being misappropriated.

Recommendation

MoFEP must ensure that adequate internal control systems are established to capture non-oil revenue.

MOFEP must ensure that all sources of non-oil revenue raised and realised are fully disclosed.

iii) Segregation of Duties

One of the key characteristics of a robust internal control system is the segregation of duties and responsibilities to ensure that no one individual has multiple responsibilities in the revenue cycle. Clearly defined segregation of duties is particularly important for revenue, which by its nature, has inherently high risk for misappropriation. In 2008 this key component of internal control was largely absent.

Implication

GOSS was exposed to the risk of public money being misappropriated

Recommendation

MoFEP must implement clearly defined roles and responsibilities to improve segregation of duties for all aspects of the revenue cycle.

MoFEP must assess the needs and requirements for robust internal controls in the revenue cycle and implement the changes coming from this assessment at both national and sub-national levels.

MoFEP must ensure that all personnel engaged in revenue collection and its management are fully conversant with non-oil revenue operating policies, procedures, and internal control systems.

iv) Documentation and Recording

All transactions and other significant events in the revenue cycle should be clearly documented, and this documentation should be readily available for examination and be properly managed and maintained in a timely and up to date manner.

However, as reported in the previous year, auditors noted that collections of non-oil revenues at all levels of government consistently had weak and often non-existent documentation and recording systems. As a result of this state of affairs, only the value of Personal Income Tax and license fees collected via taxes is reported in the 2008 financial statements whilst revenue from customs duties, immigration, company taxation and immigration charges have not been reported and the value of these is not known.

This would imply that no revenue from these sources was assessed and collected in 2008 which is clearly not the case. Therefore the financial statements for 2008 were materially misstated for revenue collection.

Implication

Non-oil revenues for 2008 have been materially misstated in the financial statements and as such an unknown but potentially significant value of public funds may have been misappropriated or misused by GOSS officials.

Recommendation

GOSS must develop and introduce systems and controls that accurately accounts for all sources of non-oil revenue throughout all levels of government.

v) Control of Revenue Receipt Books

No records were maintained of receipt books distributed to revenue collectors at all levels of government reviewed. There is a need to record all issues of receipt books to ensure that only genuine official receipt books are used and where new requests for books are made, the ones that were in use should be returned. The purpose of having a control on receipt books in circulation is to ensure that at any time checks can be made that receipt books are the official ones issued by the Central Stores and mitigate against the use of fake receipt books which could prejudice the government of revenue.

Implication

This lack of control over prime revenue documentation has exposed GOSS to the risk of loss by fraud and misappropriation of significant sums of public funds.

Recommendation

With immediate effect, a register to control and manage revenue receipt books should be established at all national and sub-national levels of GOSS. This register should include:

Dates and officials to whom receipt books and accountable documents were issued;

Stock of receipt books and other accountable documents in hand; and

Dates when completed receipt books and accountable documents were returned.

MOFEP should develop regulations that will ensure sound internal controls over the management and use of receipt books and other accountable documents.

GOSS directorates collecting and accounting for non-oil revenues must ensure that all income collected is fully accounted for and recorded and banked in a timely manner.

GOSS directorates collecting and accounting for non-oil revenues must ensure adequate supervision over the revenue collectors and that daily reconciliations take place between individual revenue receipts and cash

As reported in earlier years all transactions and other significant events in the revenue cycle should be clearly documented, and this documentation should be readily available for examination and be properly managed and maintained.

However, auditors report from the visits conducted to the customs collection points of Juba, Nimule, Kaya, Nadapal and Keji Keji that collections of non-oil revenues at all levels of government had been consistently weak and often suffered from nonexistent documentation.

Implication

Non-oil revenues for 2008 have been materially misstated in the financial statements and as such an unknown but, potentially significant value of public funds have been misappropriated by GOSS officials.

Recommendation

The MoFEP must develop and introduce systems and controls that accurately accounts for all sources of non-oil throughout all levels of government.

CHAPTER - THREE
MINISTRY OF CABINET AFFAIRS

CHAPTER – 3

1. Introduction

Four years had elapsed since the signing of the Comprehensive Peace Agreement (CPA) and the formation of the Government of Southern Sudan (GOSS) in October 2005. GOSS continued to lack capacity in financial management, and as a result the administration engaged an Interim Project Accounting Agent (IPAA) to prepare the financial statements for the period ended 31 December 2008. Financial accounting was centralised at the Ministry of Finance and support documents were maintained in the respective ministries.

The Ministry of Cabinet Affairs had a budget allocation of SDG 44,704,000 which constituted 0.8 % of the total GoSS budget for 2008. Despite being the seat of power for the executive government the control of the ministry over public expenditure was poor

2. Audit Objectives

- i) To ensure completeness in recording of transfers, payroll costs, capital expenditure and other operational costs during the year of audit.
- ii) To ensure that all expenditure in the year of audit is stated at the correct value, supported by appropriate documentation and accurately recorded by the ministry.
- iii) To ensure that all expenditure in the year of audit was made in accordance with the legislative framework of the Government of Southern Sudan.
- iv) To verify the existence of the paid employees and fixed assets procured during the year
- v) To verify the existence and efficacy of internal controls to protect public funds and the constitutionality in practice to follow the rules, regulations laws and procedures and
- vi) To verify compliance with generally accepted accounting principles

3. Scope of Audit

The financial audit was carried out to achieve the objectives of the audit enumerated below with respect to the receipts and expenditure of the Ministry of Cabinet Affairs (MOCA) for the year ended 31 December 2008. Our main areas of focus included:

- i) Payroll cost incurred by the Ministry during the year audit
- ii) Operational and other expenditure during the year under audit
- iii) Ascertainment of the existence and application of the internal and budgetary controls.
- iv) Capital expenditure recorded during the year under audit

4. Conclusion

Ministry of Cabinet Affairs had continued with poor budget making practices and over spent its allocation by SDG 7,431,039. This was in addition to spending the saving of SDG 3,055,087 without authority and spending SDG 1,883,677 without documents. The internal controls in the ministry were also weak with SDG 394,264 being the double payment to retirees, with SDG 1,258,750 being paid as irregular house rent and SDG 71,840 being paid as medical allowance without necessary proof. To cap it all, the single sourced vehicle procurement was valued at SDG 3,000,000. These are detailed in the following paragraphs.

5. Findings

5.1 Budgetary Control

Budgetary control in the ministry was not effective to ensure expenditure was limited to appropriations sanctioned by the Assembly. The following highlights this.

a) Budget Overrun

The excess-expenditure of SDG7,431,039 indicated total disregard of budget and inviolability of the appropriations made by the legislature. The ministry did not regularise the excess expenditure through a supplementary budget.

Implications

The ministry had violated the Appropriation Act of the legislature overturning the parliamentary control over public expenditure. This means the officials had greater say over the application of public funds in comparison to the representatives of the people. If this trend is not arrested the importance of the legislature will diminish, democracy will not flourish and the need for voting for appropriations will vanish. In due course this can lead to disappearance of financial discipline and emergence of irregular expenditure of public funds.

Recommendation

In order to safeguard prioritisation of application of scarce public funds and protecting financial discipline in government suitable estimations of expenditure should be in place. Once the budget is voted by parliament the ministry should prune its expenditure to the level of funds made available and accordingly prioritised. In case of emergencies MoCA should take recourse to Supplementary Budget and not over spend as in the instant case.

b) Budgetary savings expended without approval

SDG 3,055,087 saved in some budget codes were expended without seeking supplementary appropriation. This is contrary to Section 3(4) of the FAPO which states that “Funds approved in the general budget, supplementary appropriations and savings not expended by the end of the fiscal year are dropped”. These are listed below:

	Actual SDG	Budget SDG	Savings SDG
Wages and salaries	4,666,575	4,963,617	(297,042)
Overtime and services	170,750	290,000	(119,250)
Utilities	122,611	350,000	(227,389)
Telecommunication and postal services	35,000	85,800	(50,800)
Domestic travel	1,329,396	2,000,000	(670,604)
Foreign travel	571,823	1,500,000	(928,177)
Printing and advertisement	42,740	480,000	(437,260)
Training, workshops and conference	122,883	180,800	(57,917)
Insurance	197,839	300,000	(102,161)
Specializes materials	35,952	100,000	(64,048)
Other maintenances	57,365	100,000	(42,635)
Other operating expenses	10,680	68,484	(57,804)
Total	7,363,614	10,418,701	(3,055,087)

Implication

The savings realised on some budget codes and diverted for use on other budgetary codes amounts to unauthorised expenditure.

Recommendation

In such cases, the ministry should request for virement of the savings from the MoFEP.

5.2. Operating Expenditure

a) Unsupported Payments

Audit noted payments amounting to SDG 687,218 were based on pro forma invoices and payments amounting to SDG 1,196,359 were without any documents. Details are as under:

i) Payments Supported by Pro Forma invoices				
Date	EV. No.	Details	Amount (SDG)	Remarks
29 Dec 2008	6622	Travel to Uganda	219,968	Supported with Pro forma invoice
29 Dec 2008	6622	Fuel Cost	171,000	Supported with Pro forma invoice
29 Dec 2008	6622	Claims	296,250	Supported with Pro forma invoice
Total			687,218	

ii) Payments without Supporting Vouchers				
21 Dec 2008	5936	Rent Payment	120,000	No supporting documents
21 Dec 2008	5926	Transportation	281,172	No supporting documents
29 Dec 2008	6622	Financial Aid	300,000	Not recorded in FF19 & No supporting docs
29 Dec 2008	6622	Medical costs	71,840	No supporting documents
29 Dec 2008	6622	Furniture	423,347	No supporting documents
Total			1,196,359	

Implication

This is contrary to the procedure in FAPO and public funds of SDG 1,883,577 have been abused.

Recommendation

The Finance and Administration Director and Internal Audit should follow up to ensure that all these payments are fully and satisfactorily liquidated. Any un liquidated monies should be recovered from the employee concerned. Action initiated should be informed to Audit

b) Duplicate payments to Constitutional Post holder

As in the last year SDG 394,264 were lost in the current year on account of duplicate payments to a constitutional post holder. Audit noted the constitutional post holder received retirement entitlements thrice on three different dates, approved by the same official.

Implication

Absence of a proper system for payment to the retirees can lead to fraud and loss of funds.

Recommendation

MOCA should institute a time bound recovery process in such cases. Also it should place onus on the retiree against receiving duplicate payments by endangering future pension entitlements. Since Audit has only conducted sample testing there could be several collusions between serving and retired employees to pay twice over. It is recommended a joint review by MoCA and Department of Pensions be undertaken to rule out the defrauding of the government and for plugging the loop holes in the present system.

c) Unaccounted releases for medical referrals SDG 71,840

SDG 71,840 was released for medical referrals abroad without referral letters from local medical experts. The patients did not indicate the treatment they were seeking and no evidence was available to show that the patients indeed were treated. The claims paid for these medical referrals were incredibly excessive.

Implications

A code for medical allowances and treatments abroad is called for. In the absence of this ministries are crafting individual policies resulting in nepotism and favouritism. The officials are taking advantage of the lacuna and defrauding the government.

Recommendation

Medical assistance paid for referrals abroad should be tracked for proof of treatment and utilisation of the advance. There should be a common code for all government employees for this entitlement to obviate cases of nepotism and favouritism. All such cases falling in 2007-2010 should be reviewed by internal audit On Priority to ensure there is no defrauding.

5.3 Capital Expenditure

a) Irregular Procurement of Motor vehicles

Procurement of vehicles for SDG 3,000,000 was on single source The authority to release the funds was approved on 17 December by MoFEP since the financial year was ending soon. This is contrary to Section 13(4) FAPO which states;

“Funds approved in the general budget supplementary appropriations and savings not expended by the end of the fiscal year are dropped, units are warned: -not to expend on any approved funds in advance with the aim to exhausting whatever bank balances that may be expected. “

Audit is unable to certify the vehicles were received. The following were missing

- Supplier's Invoice
- Advance payment Guarantee
- Purchase Contract
- Details of the Vehicles i.e. Makes and Model
- Engine and Chassis Number

- Expected Date of supply
- Evidence that the vehicles were received
- Registration Details and Documents

Implication

There is likelihood that these vehicles were received and registered in private names resulting in loss of GoSS funds.

Recommendation

Finance and Administration should commence a comprehensive asset count and ensure that all the assets are tagged and registered. The asset register should be availed to audit.

5.4 Payroll Expenditure

a) Irregular allowances

SDG 1,258,750 was irregularly paid as house rent and accommodation allowances to select employees of the ministry. According to the Manual of Public Service Procedures, civil servants were entitled to a state house allowance payable as part of salary. We noted that besides house allowance, these employees were provided with rented houses and were also paid an accommodation allowance. These allowances are summarised below;

Date	E.V No.	Details	Rent Paid SDG
16 Dec 08	5936	One year Rent Advance	120,000
23 Jul 08	2958	One year Rent Advance(Director Admn& Finance)	66,000
23 Jul 08	2958	One year Rent Advance(Senior Staff Mess)	120,000
19 Mar 08	683	One year Rent Advance (Liaison Office)	111,600
	1876	Rent Accrual	100,000
	2542	Rent	63,520
7 Mar 08	539	Accommodation Allowance	266,400
7 Mar 08	539	Other Allowance	306,230
29 Dec 08	6622	Services to Constitutional post holders	105,000
		TOTAL	1,258,750

Implications

These payments are *de facto* misappropriation of GOSS funds.

Recommendation

Internal Audit should review and report in six months the excess allowances so paid and report recovery. Director (Admn & Fin) should be warned for exceeding his powers for sanctioning irregular payments

CHAPTER - FOUR

MINISTRY OF COMMERCE, TRADE & SUPPLY

CHAPTER – 4

1. Introduction

Four years had elapsed since the signing of the Comprehensive Peace Agreement (CPA) and the formation of the Government of Southern Sudan (GoSS) in October 2005. GOSS continued to lack capacity in financial management, and so engaged an Interim Project Accounting Agent (IPAA) to prepare the financial statements for FY 2008. Financial accounting was centralised at the Ministry of Finance and support documents were available in the respective ministries.

With the urgency for spreading and deepening trade and investment opportunities to underpin developmental plans in the new nation the legislative assembly had voted SDG 12 million which was 0.22% of the total budget of the government.

2. Scope of Audit

The financial audit was carried out to achieve the objectives enumerated below with respect to the receipts and expenditure of MOEST for the year ended. The main areas of focus included:

- i) Payroll cost
- ii) Operational and other expenditure
- iii) Ascertainment of the existence of the internal and budgetary controls
- iv) Capital expenditure
- v) Stewardship of the assets and
- vi) Disclosures in accordance with GAAP

3. Audit Objectives

- i) To ensure completeness in recording of transfers, payroll costs, capital expenditure and other operational costs and transactions
- ii) To ensure that all expenditure in the year of audit was stated at the correct value, supported by appropriate documentation and accurately recorded.
- iii) To ensure that all expenditure in the year of audit were made in accordance with the legislative framework and budgetary limits of the Government of Southern Sudan.
- iv) To verify the existence of the paid employees, supporting documentation and the fixed assets procured

- v) To verify the existence and efficacy of internal controls to protect public funds and the constitutionality in practice to follow the rules, regulations laws and procedures and
- vi) To verify compliance with generally accepted accounting principles

4. Conclusion

Ministry of Commerce and Industry also contributed to loss of public funds. Revenue of SDG 37,800 was unaccounted. SDG 25,600 paid as advance to staff was not recovered. SDG 184,483 was paid without supporting documents. Capital expenditure of SDG 3,265,599, was unsupported with asset register. SDG 26,170 had also been paid as medical allowance.

5. Findings

5.1 Transfers from Ministry of Finance

According to Free Balance, the ledger in the MoFEP, transfers to Ministry of Commerce were SDG 11,074,544. Audit could not confirm that all GoSS transfers to the Ministry were received and accounted for due to lack of financial statements.

Implication

Lack of detailed financial statements and proper records and credit advice have lead to uncertainty of amounts received and spent. There is high risk of misappropriation.

Recommendation

Basic financial records prescribed in the FAPO should be maintained and supervisory officers should be held accountable for failure to maintain the records as it facilitates corruption. Internal audit should certify the correctness of accounts to NAC and ensure maintenance of the records

5.2 Revenue

Review of revenue collections revealed a difference of SDG 37,800 between collection and accountal. Collection handed over to the Financial Controller was SDG 93,800 (Appendix 1) but the amount recorded in Financial Forms 39 and 67 and Treasury Book was SDG 56,000.

Implications

Such misappropriation of public funds could be many and in the absence of complete records audit cannot certify the amount.

Recommendations

Internal audit should review and certify revenue collections made in FY 2008 to 2010.

Recoveries should be made for the misappropriated amounts.

5.3 Payrolls

The payroll cost of the ministry was SDG 2.57 million. Original pay rolls were not available,

Audit was presented with photocopies of some pay rolls.

Implications

In the absence of original pay rolls, it is difficult to confirm that salary payments were as per approved nominal rolls and budget, to the correct personnel.

Recommendations

Original pay rolls should be kept in the Ministry for audit purposes as prescribed in FAPO.

5.4 Operational expenditure.

a) Medical allowance without referral letters.

Medical support payments have been made without sick reports and referral letters from the Medical Commission for SDG 26,170 (Appendix 2)

Implications

Payment of medical benefits to individuals for treatment in and out Southern Sudan without sick report and referral from medical commission can lead to abuse of public funds and favouritism.

Recommendations

All medical benefits should only be when the employee has produced a sick report and a referral letter has been received from medical commission authorities.

b) Advances to staff

Recovery of advances and proper accountal for SDG 25,600 were lacking (Appendix 5)

Implications

Advances may not be recovered and public funds may be misappropriated

Recommendations

Advances should be deducted from pay rolls and recorded in loan book every month. Internal Audit should review the advances made and recovered in FY 2006-2008.

c) Approval on Invoices

Invoices were paid (SDG 184,483) without preparation of Pay Orders (Appendix 3 and 4).

Implications

Good accounting procedure is violated and there is probability that purchases could be made for items not immediately needed by staff who are not authorised.

Recommendations

All payments should follow the accounting process and with approval of the designated officials

5.5 Capital expenditure

Ministry's capital expenditure was SDG 3,265,599. Yet it did not have a Register of Fixed Assets. The Ministry has never carried out an inventory of the tangible assets to ascertain the existence, true market value and working condition.

Implications

Absence of stewardship for Fixed Assets could lead to misuse or loss of public assets.

Recommendations

A Fixed Assets register should record details such as date of purchase, supplier, asset description, type, model, asset serial number etc. Annual Inventory should be taken.

5.6 Cash book

There was a difference of SDG 4,278 in the treasury book due to arithmetical error.

Implications

This indicated lack of supervision and checking of financial records and books and lack of segregation of duties. Such a situation leads to misuse of public funds.

Recommendations

Cash handling process needs to be upgraded and internal audit to be vigilant.

5.7 Bank Reconciliations

Periodic bank reconciliation was not performed to detect errors and irregularities. The reconciliation statement should be prepared, reviewed and approved every month.

Implications

Errors and irregularities may remain undetected and financial statements may remain faulty.

Recommendations

Monthly bank reconciliations (have to be performed and signed).

Appendix -1: Differences in Revenue Remittances.

Revenue received in FF39.

S/NO	DATE	RECEIPT NO39	AMOUNT
1	03/06/2008	593 948	9,600
2	03/06/2008	593 949	1,900
3	04/06/2008	593 950	1,700
4	04/06/2008	829 901	8,400
5	06/06/2008	829 905	28,000
6	09/06/2008	829 906	4,700
7	10/06/2008	829 908	6,200
8	10/06/2008	829 909	1,100
9	12/06/2008	829 914	23,000
10	12/06/2008	829 915	2,900
11	13/06/2008	829 919	4,800
12	13/06/2008	829 920	1,500
	Total		93,800

Revenue remitted

S/NO	DATE	RECIPT NO.39	AMOUNT
1	09/06/2008	829 907	28,000
2	11/06/2008	829 911	3,000
3	12/06/2008	829 916	10,000
4	19/06/2008	829 928	15,000
	TOTAL		56,000

Appendix – 2: Medical Allowance without sick report and referral letters.

Sr. No.	Date	P.O./Check	Amount SDG
1	02/0	128089	1,000
2	24/0	192456	800
3	28/0	192465	1,000
4	21/1	ch.no.7	10,000
5	16/0	CH.NO	6,000
6	25/0	211163	1,500
7	01/0	211195	1,070
8	02/0	128150	4,800
	Total		26,170

Appendix – 3: Payments without supporting documents.

Sr. No.	Date	P.O./Cheque	Amount SDG
1	01/07/ 2008	128084	20,000
2	01/07/ 2008	128087	500
3	08/07/ 2008	128100	1,070
4	08/07/ 2008	192403	5,500
5	11/07/ 2008	192420	1,200
6	11/07/ 2008	192421	1,200
7	06/03/ 2008	114567	2,300
8	06/03/ 2008	114568	1,200
9	14/04/ 2008	128316	15,000
10	05/11/ 2008	101833	25,000
11	23/06/ 2008	128047	3,300
12	24/10/ 2008	101815	87,500
	Total		163,770

Appendix - 4: Approval done on invoice

Sr. No.	Date	P.O./Cheque	Name of Payee	Amount SDG
1	05/02 /2008	211425	Available	3,100
2	05/03 /2008	114563	Available	1,615
3	19/02 /2008	211476	Available	1,008
4	07/03 /2008	114583	Available	5,140
5	14/03 /2008	100736	Available	1,650
6	19/06 /2008	128025	Available	8,200
	TOTAL			20,713

Appendix – 5: Advances to staff.

Sr. No.	Date	P.O./Cheque	Amount SDG
1	27/06/2008	128082	7,000
2	01/04/2008	128430	4,500
3	01/04/2008	128433	2,600
4	18/06/2008	128023	1,500
5	28/07/2008	192463	10,000
	TOTAL		25,600

CHAPTER - FIVE
MINISTRY OF
EDUCATION, SCIENCE AND TECHNOLOGY

CHAPTER – 5

1. Introduction

Four years had elapsed since the signing of the Comprehensive Peace Agreement (CPA) and the formation of the Government of Southern Sudan (GoSS) in October 2005. GOSS continued to lack capacity in financial management, and so engaged an Interim Project Accounting Agent (IPAA) to prepare the financial statements for FY 2008. Financial accounting was centralised at the Ministry of Finance and support documents were available in the respective ministries.

With the urgency for spreading and deepening educational opportunities to underpin developmental plans in the new nation the legislative assembly had voted SDG 269.87 million which was 4.91 % of the total budget of the government.

2. Audit Objectives

- i) To ensure completeness in recording of transfers, payroll costs, capital expenditure and other operational costs and transactions
- ii) To ensure that all expenditure in the year of audit was stated at the correct value, supported by appropriate documentation and accurately recorded.
- iii) To ensure that all expenditure in the year of audit were made in accordance with the legislative framework and budgetary limits of the Government of Southern Sudan.
- iv) To verify the existence of the paid employees, supporting documentation and the fixed assets procured
- v) To verify the existence and efficacy of internal controls to protect public funds and the constitutionality in practice to follow the rules, regulations laws and procedures and
- vi) To verify compliance with generally accepted accounting principles

3. Scope of Audit

The financial audit was carried out to achieve the objectives enumerated below with respect to the receipts and expenditure of MOEST for the year ended. The main areas of focus included:

- i) Payroll cost
- ii) Operational and other expenditure

- iii) Ascertainment of the existence of the internal and budgetary controls
- iv) Capital expenditure
- v) Stewardship of the assets and
- vi) Disclosures in accordance with GAAP

4. Conclusion

In the nationally crucial and socially material ministry of education the budget was totally vitiated with the expenditure being over the allocation by SDG 20,400,239. The salaries were underspent by SDG 3.86 million. The internal controls were weak to prevent the release of SDG 16,894,188 as Student Bursary and SDG 11,686,919 as Operating Expenditure without supporting vouchers. Expenditure of SDG 6,924 705 had no budget codes in the documents. Procurement processes were weak and there was no asset register

5. Findings

5.1 Budget Execution

a) Budget violated

The actual expenditure amounted to SDG 290,265,108 while the approved budget was SDG 269,864,869. This generated an over expenditure of SDG 20,400,239. Budget was violated. The operating expenditure was in excess by SDG 23.306 million and pay roll was less by SDG 3.86 million.

Implication

In the absence of records in MoEST to track and match transfers from MOFEP budget integrity cannot be certified. Even this over expenditure is the best guess possible.

Recommendation

MoEST should limit expenditure to the supplementary grants. so that prioritizations of expenditure approved by the Assembly are not violated and no other ministry is fund starved.

Budgets voted by the Assembly are inviolable and the executive ministries cannot over ride the powers of the legislature.

MOEST should send monthly returns of actual expenditure to MOFEP to enable the Free Balance ledger to capture the actual expenditure as opposed to the current system where ledger captures transfers made to the MOEST

5.2 Operating Expenditure

a) Unsupported operating expenses

Sample test audit of cheque payments and payment orders revealed MoEST did not have SDG 11,686,919 support documentation. Of this SDG 6,639,869 related to cash payments and SDG 5,047,070 related to cheque payment. 94% of the samples selected lacked support documents. (*Appendices 2 and 3*).

Implications

The unsupported expenses in the sample were as high as 13% of the total budget for the operating expenditure. There was total disregard for financial rules and the scope for corruption very high. The risk of management override of internal controls is obvious. With SDG 26,9 million worth of vouchers missing, audit is compelled to issue Qualified Report and cannot certify the correctness of accounts of the ministry and GoSS.

Recommendation

A thorough and quick special audit is recommended to rule out misapplication of funds. Officials responsible for this state of affairs should be enquired into by all authorities.

MoFEP and the accounting agent in MoFEP should tighten controls on this ministry while approving monthly transfers.

Internal audit should immediately commence a large scale system review.

b) Scholarships and financial assistance to students

Review of payment orders and cheque payments relating to operating cost, specifically costs relating to bursaries, student feeding, transport and other forms of financial assistance, revealed absence of supporting documents. It was not possible to verify the beneficiaries of the financial assistance for SDG 16,894,188. This constituted 61% of the total samples selected for audit.

There were no support documents such as list of beneficiaries with names, nationality and admission numbers, names of learning institutions, students' locations, and courses studied. Owing to this, there was likelihood that public funds were paid to those who were not students or South Sudanese. Ministry officials travelled to various foreign locations carrying cash to pay the beneficiaries instead of paying to the learning institutions or paying by cheques.

Implication

These practices adopted are violative of financial rules. Adequate details of the beneficiaries, their addresses, family and institutional details are missing, warping the audit trail. Personal delivery of cash abroad in preference to bank transfers is fraught with high risk in this high volume transaction

Recommendations

A register of beneficiaries with institutional details. Bank details, Passport details. and family details will establish an audit trail. Receipts for money received should be obtained for all disbursements to students and for institutions of learning. It should be through bank transfers with suitable periodical acquittances. The institutions should provide indemnity bonds to confirm that they are accepting fees etc only in respect of continuing scholars.

South Sudanese embassies/consulates/liaison offices abroad should be netted in to periodically identify beneficiaries. Authorities should investigate disbursements made in the last three years to combat any fraud. Internal audit should streamline the systems and ensure that continued disbursements to ineligible students and ghost students are stopped forthwith.

c) Cash transfers and advances to individuals

Large amount of cash was held in the ministry to make payments. Even established suppliers and Ministry Departments in the states with bank accounts were paid in cash. To meet the costs of training, workshops and feeding of students in the States, money was transferred to the officials instead of crediting the bank accounts of these institutions.

For instance, three officials (details available) were paid SDG 2,435,000, for various activities and no liquidation reports have been received to date.

Implication

There is likelihood of risk that cash transferred to individuals may be misapplied.

Recommendation

As recommended last year, cash transfers to individual officials in the institutions in the States should cease forthwith. In the event it is inescapable the individuals in receipt of the cash will be accountable as in the case of personal advances till advances are liquidated.

5.3 Payroll Expenditure

a) Unsigned salaries

Pay sheets for the three institutions under MoEST, namely Arapi, Maridi and Aramweer Training Institutes and Maridi Curriculum Development Center were found missing for five months. The pay sheets for employees in the national schools under the ministry were not provided to audit. The total salaries paid to the employees in these schools and the training institutions amount to 50% of the total wage bill of the ministry. Pay sheets which were made available did not have signatures of the employees as acknowledgement of having received the salary.

Implication

Absence of acknowledgement for receipt of salary is inconsistent with Sec 278(5) of FAPO. In addition, there is a risk that salaries could have been paid to ghost employees or converted to personal use by the custodians of the unpaid cash amounts.

Recommendation

Preparation of pay sheets and collation with nominal rolls, as required by the financial rules, should be made compulsory for salary transfers both by the Finance and Education ministries. Internal audit should review salary payments in 2008 to rule out frauds.

b) Unpaid salaries unaccounted

The MoEST did not maintain Finance Accounts Form No. (23), otherwise known as deposit book to record unpaid salaries as required by FAPO. In the absence of the unpaid salaries register auditors could not quantify the amounts of unclaimed salaries nor the frequency with which salaries remained uncollected during the year.

.Implication

There was risk that unpaid salaries had been paid to non entitled persons or misappropriated.

Recommendation

Internal audit to ensure Finance Accounts Form No. 23, is maintained to record unpaid salaries

c) Payrolls and Nominal Rolls

The Excel Payroll and the Nominal Rolls used by MoEST are inadequate to record all information. This is inconsistent with the FAPO that requires (Form Nos. 7 and 13) that pay sheets should bear printed serial numbers.

Audit observed that there was inadequate information on human resource management such as recruitments, dismissals and amendments to pay details of employees and how these were maintained and how the payroll records were adjusted to ensure that all amendments were appropriately authorized. As a result the payroll was at risk of errors and omissions

Implication

The risk of errors and omissions in payrolls going undetected remained.

In the absence of dynamic nominal roll maintenance there was scope for mischief and misappropriation. of public funds through faulty pay rolls including payment to ghost workers.

Recommendation

MOEST should establish an appropriate payroll /nominal roll system. MoFEP should insist on this before the pay bills are honored. Internal Audit in MoEST should immediately address this.

5.4 Misapplication of Cash Requests

Audit was not able to match the specific cash requests by MoEST as submitted to MoFEP to the final expenditure records maintained in MoEST. In most cases salary transfers were misapplied.

Implication

Owing to the inadequacy of financial records, audit was unable to collate transfers from MoFEP to expenditure in MoEST. There is a risk that budget was violated and public funds misapplied.

Recommendation

Internal controls in line with the regulatory requirements and financial management guidelines should urgently be established.

The MoEST should submit monthly returns to MOFEP on the use of funds transferred to them to enable MOFEP to allocate correctly the expenditure in the Free Balance ledger

5.5 Ministry Accounts

a) Absence of account codes

Payment orders and Financial Accounting Form No.17 used to initiate payments did not have chargeable codes for SDG 6,924,705. These codes are used to enter the ledgers.As a result, there is likelihood that the expenses disclosed in the GOSS financial statements may not have been appropriately classified and the accounting agent has expressed reservations in the Disclosure Section in the financial statements.

Implication

Absence of codes on the Financial Accounting Forms that are used to post transactions into the general ledger, means risk of misclassifications and falsifications of GOSS financial statements.

Further MoFEP was not able to reconcile the transfers made to MoEST1line item wise.

Recommendation

The Director of Finance should ensure that all Financial Accounting Forms are coded, based on the budget line items as well as sub line items. Internal Audit should initiate test checks.

5.6 Capital expenditure

SDG 26 Million was allocated for capital expenditure. Of this, SDG 16 Million was for the purchase of motor vehicles, furniture and equipment, and rehabilitation and renovation of learning institutions. SDG 10 Million was allocated to MDTF projects. Due to the lack of financial records and procurement evaluation reports, audit was not able to verify the procurement process as well as the existence of the assets procured.

The ministry did not maintain an asset register as stipulated by the financial regulations manual.

Implication

There was risk that cash requests for capital expenditure may have been misutilised.

There is also the risk that there were no adequate asset management procedures.

Recommendation

Budget allocations must be honored and reallocations and supplementary budgets should be sought when required. MoEST should prepare an asset register to record all assets to show the type of asset, make, model, serial number, cost and the custodian among other particulars.

5.7. Internal controls

- **Governance:** Test checks revealed that strengths in the control environment elements do not jointly provide an appropriate foundation for the other components of internal control. Illustratively, while internal control such as approval and authorization exists, other components have been undermined e.g. individuals handling large sums of cash. Finance wing of the ministry failed to remedy known deficiencies in internal controls and practices on a timely basis even after the National Assembly had raised concerns.
- **Capacity building and training needs:** The key personnel in the Directorate of Finance and Administration do not possess appropriate and adequate skills to suitably execute their jobs. MOEST seems not to have considered the competence levels for particular roles and how those levels translate into basic financial management skills. These skills are essential to influence effectiveness of the design, administration and control.s

Implication

There is significant risk for misuse or misappropriation of public funds and assets. Ministry Is unable to install efficient financial and operational systems.

Recommendations

An Audit Committee should be constituted to resolve all audit findings. More audit staff should be recruited and trained to have quality financial information.

Appendix- 1 : Unsupported Cash Payments

Date	Payment Order No.	Name of payee	Nature of Expenditure	Amount SDG
22/05/2007	79309	Available	Hire of hall for meeting	10,000
05/08/2007	773001	Available	Joint trip to greater Bahr El-Ghazal	29,820
05/08/2007	773009	Available	Draft Policy	2,880
18/05/2007	773017	Available	Saturday allowance	2,750
18/05/2007	773056	Available	Students upkeep	10,000
19/05/2007	773062	Available	Donation-Min. of Education WES	15,000
10/01/2007	775005	Available	Cost of fuel	12,420
02/09/2007	775018	Available	Feeding students & air tickets	10,000
13/02/2007	775024	Available	Students feeding -Sheikh Lutif/returnee students	97,500
13/02/2007	775026	Available	Sub. Allowance to returnee students	40,000
14/02/2007	775028	Available	Air tickets and accommodation	79,950
14/02/2007	775029	Available	Fast track Program in Yei/Wau	55,855
14/02/2007	775030	Available	Various payments	37,275
14/02/2007	775032	Available	Examination Board visit	33,250
14/02/2007	775033	Available	procurement of ICT papers	2,247
16/02/2007	775038	Available	Fund for children hood	31,105
16/02/2007	775039	Available	support for Literacy in Juba	95,368
16/02/2007	775040	Available	Training	276,491
20/02/2007	775042	Available	Fast track programme-Wau /Yei/ Malakal	114,665
20/02/2007	775043	Available	Accommodation	13,174
20/02/2007	775043	Available	Cost of fuel	21,140
20/02/2007	775044	Available	Refund	35,838
20/02/2007	775045	Available	Training (TOT) workshop	43,323
20/02/2007	775045	Available	Training (TOT) workshop	4,345
20/02/2007	775046	Available	Training (MD) workshop	53,025
20/02/2007	775046	Available	Draft Policy	10,500
03/01/2007	775050	Available	Food/Non food items	127,308
03/01/2007	775050	Available	ToT's workshop	43,323
03/01/2007	775050	Available	Expenditure not known	33,476
03/09/2007	775054	Available	SPLA planning workshop	13,360
03/09/2007	775060	Available	Adult Literacy Development Fund	223,917
03/09/2007	775061	Available	Training of trainers	164,995
03/09/2007	775062	Available	Minister's office	4,900
03/07/2007	775077	Available	Expenditure not known	146,283

19/03/2007	775078	Available	Cost of fuel	20,540
20/03/2007	775078	Available	stationery	14,500
23/03/2007	775087	Available	Various payments	124,220
24/03/2007	775092	Available	Air tickets	214,616
15/04/2007	775181	Available	Feeding students in Khartoum	120,000
15/04/2007	775181	Available	Feeding students in Khartoum	50,000
18/04/2007	775181	Available	stationery, transport, incentives	5,000
18/04/2007	775202	Available	Expenditure not known	219,211
18/04/2007	775235	Available	Cost of fuel	2,710
23/04/2007	775238	Available	Books delivery	16,000
23/04/2007	775241	Available	Fast track phase-bill	11,664
30/04/2007	775333	Available	Renovation of Undersecretary house	12,567
31/01/2007	775514	Available	Cost of fuel	10,420
21/12/2007	781700	Available	Students feeding	15,000
19/05/2007	793065	Available	Service for the Undersecretary	35
19/05/2007	793066	Available	Accommodation for returnee students	240,000
19/05/2007	793067	Available	Cost of fuel	21,650
22/05/2007	793072	Available	Students feeding& Electricity bills	35,730
22/05/2007	793095	Available	Hire of Juba university hall	10,000
22/05/2007	793100	Available	DSTV cost for mess	2,360
18/06/2007	793173	Available	Accommodation of staff	4,000
20/06/2007	793190	Available	Cost of fuel	3,260
26/06/2007	793209	Available	Students accommodation in Juba university	91,800
26/06/2007	793210	Available	Graduation Ceremony Expenses	6,880
27/06/2007	793218	Available	Students accommodation in Sheikh Lufti-Khartoum	97,500
26/06/2007	793224	Available	Cost of fuel	21,230
27/06/2007	793230	Available	Support funds for universities	893,080
03/07/2007	793273	Available	Rent Bill for student	2,480
04/07/2007	793280	Available	DSA	10,720
05/07/2007	793293	Available	Girl Education Day Fund	20,175
05/07/2007	793296	Available	Allowances for support-staff	42,000
18/07/2007	793351	Available	Feeding students in Khartoum	120,000
19/07/2007	793355	Available	Amount Released for	16,000

			workshop	
19/07/2007	793438	Available	Examination expenses	40,000
17/08/2007	793485	Available	Air- Ticket bill	2,309
17/08/2007	793488	Available	Air- Ticket bill for Air ticket co. Ltd	230,918
21/08/2007	793604	Available	3% students for June	12,000
04/09/2007	793647	Available	Cost of installation of VSAT	7,500
05/09/2007	793653	Available	Payment for world literacy	56,286
05/09/2007	793653	Available	Cairo Office	140,481
07/09/2007	793654	Available	Incentive	4,200
10/09/2007	793679	Available	Amount for military exemption	19,000
12/09/2007	793701	Available	Office service fund for U/S	7,000
14/06/2007	793701	Available	Students bursary-Egyptian scholarship	26,000
28/07/2007	793749	Available	Cost of Trip to S-Africa	244,254
19/10/2007	793799	Available	Fuel for the ministry	20,300
19/10/2007	793799	Available	students payments	11,000
22/10/2007	793805	Available	Students bursary-Egyptian scholarship	70,000
02/11/2007	793842	Available	Feeding student in Egypt	58,500
11/02/2007	793842	Available	Feeding students in Egypt	58,000
11/02/2007	793843	Available	Feeding students in Juba	58,000
11/02/2007	793844	Available	Expenditure not known	39,714
11/02/2007	793845	Available	Students bursary-Khartoum	166,800
11/02/2007	793847	Available	Students bursary	144,000
16/11/2007	793867	Available	For various payment	45,427
19/11/2007	793888	Available	Amount for national language	89,900
19/11/2007	793891	Available	For training ECD managers	56,700
20/11/2007	793900	Available	For communication accessories	29,100
21/11/2007	793906	Available	Air- Tickets	51,250
01/12/2007	793984	Available	Accommodation	19,700
21/12/2007	796902	Available	Tuition fees for 3 universities	165,600
21/12/2007	796906	Available	Students feeding	11,000
21/12/2007	796907	Available	Students feeding	22,000
21/12/2007	796924	Available	Cost of empty sacks	10,000
22/12/2007	796934	Available	Part of outstanding claim	40,000
22/12/2007	796939	Available	Outstanding claims	180,000
22/12/2007	796949	Available	Staff incentive & T.A	40,360
31/12/2007	796969	Available	Cost of mattresses,pillows, blankets	71,720
20/12/2007	7816482	Available	TVET Curriculum policy framework	20,000
			TOTAL	6,639,849

Appendix 2 - Unsupported Cheque Payments

Date	Cheque No	Name of Payee	Nature of Payment	Amount SDG
07/03/2007	79	Available	Support to 600 returnee Students	120,000
13/08/2007	454	Available	Outstanding Bills	300,000
14/08/2007	460	Available	Outstanding Bills	245,148
14/08/2007	455	Available	Outstanding Bills	500,000
14/08/2007	457	Available	Outstanding Bills	179,414
14/08/2007	456	Available	Outstanding Bills	155,950
14/08/2007	564	Available	Outstanding Bills	108,000
14/08/2008	474	Available	Outstanding Bills	104,740
14/08/2008	476	Available	Outstanding Bills	70,260
14/08/2007	466	Available	Outstanding Bills	44,384
14/08/2008	468	Available	Outstanding Bills	36,450
14/08/2007	469	Available	Outstanding Bills	40,500
14/08/2007	473	Available	Outstanding Bills	25,200
14/08/2007	475	Available	Outstanding Bills	27,650
14/08/2007	470	Available	Outstanding Bills	15,308
14/08/2007	471	Available	Outstanding Bills	11,170
14/08/2007	465	Available	Outstanding Bills	9,634
14/08/2007	461	Available	Outstanding Bills	13,800
14/08/2007	480	Available	Students Bursaries	100,000
12/09/2007	488	Available	Outstanding Bills	75,174
12/09/2007	489	Available	Outstanding Bills	191,523
6/09/2007	486	Available	Setting Rumbek Univ	50,000
14/11/2007	509	Available	Hotel bills	16,416
14/11/2007	511	Available	Road transport	73,800
14/11/2007	512	Available	Hotel Bills	47,247
14/11/2007	514	Available	Accommodation bills	17,000
14/11/2007	517	Available	Cost of laptops	40,500

Date	Cheque No	Name of Payee	Nature of Payment	Amount SDG
14/11/2007	518	Available	Cost of VSATS	36,450
16/11/2007	523	Available	Girl child Education day	51,360
	75	Available	Outstanding claims	731,695
	495	Available	Assistance for scholarship	30,900
	485	Available	Student Bursaries	100,000
	101	Available	Three universities Fund	906,280
	464	Available	Outstanding Bills	108,000
	66	Available	Supply of 15 VSAT \$ Installation	178,605
	72	Available	Procurement of ICT Equipment	166,163
	497	Available	For purchase of Books	33,300
	67	Available	30 laptops & network in the ministry	85,050
			TOTAL	5,047,070

CHAPTER - SIX
MINISTRY OF FINANCE
AND ECONOMIC PLANNING

CHAPTER – 6

1. Introduction

Four years had elapsed since the signing of the Comprehensive Peace Agreement (CPA) and the formation of the Government of Southern Sudan (GOSS) in October 2005. Nevertheless GOSS lacked capacity in financial management, and so engaged an Interim Project Accounting Agent (IPAA) to prepare the financial statements for FY 2008. Financial accounting was centralised in the Ministry of Finance and supporting documents were archived in the ministries.

The ministry was the nodal ministry for administering the Budget and regulating the spending by other ministries so that budget voted by the parliament is honoured. The ministry failed in this crucial function and financial discipline was not inculcated in the ministries.

2. Audit Objectives

Our overall objectives are summarized as follows:

- i) To ensure completeness in recording of transfers, payroll costs, development and capital expenditure, operating costs and all other payments in the year of audit;.
- ii) To ensure that all disbursements and expenditure in the year under audit were stated at the correct values, supported by appropriate documentation and accurately recorded.;
- iii) To ensure that all expenditure in the year of audit were made in accordance with the legislative framework of the Government of Southern Sudan;;
- iv) To ensure that there was existence of fixed assets procured and employees paid during the year of audit;
- v) To verify the existence and efficacy of internal controls to protect public funds and the constitutionality in practice to follow the rules, regulations laws and procedures and.
- vi) To verify compliance with generally accepted accounting principles.

3. Scope of Audit

The financial audit was on the following areas:

- i) Payroll costs incurred by the Ministry during the year under audit
- ii) Capital and Development Expenditure of the Government for the year under audit.
- iii) Operating and other expenditure during the year under audit.
- iv) Ascertainment of the existence and application of the internal controls.

- v) Stewardship of the assets and
- vi) Disclosures in accordance with GAAP

4. Conclusion

As against the budget of SDG 317 million the ministry spent SDG 630 million and there by totally failing to protect budget integrity. This was because of many failures on the procurement front. Procurement of food grains was budgeted for SDG 2.6 billion but the various authorities had contracted for SDG 7 billion and SDG 348 million was released. Sub standard food grains were received in sub standard godowns and were paid for. 400 land cruisers were ordered by SPLA and a written order was issued to pay another beneficiary. Fortunately this was not done and the payment made was not approved by the Under Secretary. In the case of construction of Juba-Rajaf Road, Aweil- Wau Road, Juba Boat Yard, Juba- Labona-Moli Bridge etc all the procurement norms were totally disregarded and SDG 150 million was involved.

The ministry also had poor archival system for financial documents. The ministry did not follow basic financial rules like preparing bank reconciliation, nominal rolls or maintaining asset registers.

5. Findings

5.1. Payroll costs

a) Salaries paid to officials not on the nominal roll

Sixty three officials paid salary every month were not on the nominal roll. (Appendix 1).

Implication

Audit was disabled to verify the total salary cost or ascertain whether salary was paid to legitimate employees and at the right rates

Recommendation

The Ministry should honour the FAPO and prepare nominal rolls to enable review and audit Internal Audit should ensure this.

b) Staff Dossier

Significant number of officials did not have personnel files. Of the sample of 20 requested, eleven employees did not have files. (Appendix 2). In the case of files obtained essential

information like employment contracts and certificates of education, nationality, age etc which are essential to collate title, grade and salary was not there.

Employee files in Government Accounting Training Centre were not archived properly.

Implication

This would result in payments to nonexistent employees and misappropriation of funds.

Recommendation

The Director of Establishment should ensure compliance to the Public Service Procedures and have in placed dynamic Nominal Rolls as provided in Rule 271 of FAPO.

Salary paid to ghost workers or misappropriated otherwise should be recovered within six months and intimated to audit.

c) Unaccounted Unpaid Salaries

Unpaid salaries amounting to SDG 27,891 were not recorded in the Deposit Book (FF 23).

The cash not paid to staff in the three departments sampled was not returned. (Appendix 3).

Implication

Unpaid salaries could be misappropriated. Cash not collected by staff is often an indicator of ghost workers or workers who have left employment.

Recommendation

Cash not paid to staff be entered into the appropriate financial forms and be returned.

Uncollected salaries to be investigated to ensure that the employees are still in service.

5.2. Operating Expenditure

The Government planned for strategic grain reserves (21,187,500 bags of maize/dura) worth SDG 2,602,480,000. During the year payment made amounted to SDG 348,199,084.

Most of the payments made were supported by letters from the state authorities but there was no proof of delivery of grain. (Appendix 4).

A Technical Committee appointed by the Minister for Finance reported that:

- a. The budget was SDG 2.60 billion and contracts were awarded for SDG 7billion.
- b. GOSS procurement procedures were not followed in issuing the contracts,

- c. Contracts were awarded to companies that are not registered in Southern Sudan and many of the companies contracted with, did not have the capacity to source grain. They immediately sub contracted the work.
- d. Some claims for payment were based on the contract amount rather than the value of grain delivered.
- e. In some states there were inadequate stores records. Reports from storekeepers were ignored by the state authorities when authorising payments to supplier.
- f. Some of the grains supplied were not properly dried or packaged and so deteriorated very fast in the store.
- g. The storage space in some states was inadequate, thus the grain was not properly stored, and led to grain rotting.
- h. Payments were made for damages and transportation over and above what was stipulated in the contract.
- i. The proceeds of grain sold to the public were not remitted to the central government to replenish the reserve fund as was required.

Implication

Undelivered grains and substandard grains were paid for. Food security in Southern Sudan remains threatened. Also funds due to Goss on sale of grain had not been remitted

Recommendation

Investigate and recover the money paid for undelivered and substandard grain.

Review all pending claims to prevent payment of fraudulent claims.

Investigate and proceed against officials who flouted procedures on procurements.

Improve the storage facilities for the grain as a long term strategy. Finalize the accounts for monies due to Goss on sale of grain

5.3. Development & Capital expenditure

a) Procurement Procedures abandoned

- According to the Director General for Procurement, the existing practice is, a supplier or contractor is selected by the Ministry or Commission requiring the goods or services. Thereafter a contract is drawn up by that contractor and the Ministry or Commission. The approved contract is forwarded to the MoFEP, where it is endorsed. The approved and endorsed contract is submitted to the Director General

for Procurement who writes a letter to the Ministry of Legal Affairs instructing them to register the contract. Thus the Director General for Procurement is not involved in the procurement process as envisaged in the IPPDR. He acts as a post office. Review showed tender documents / contracts were missing in Procurement Department and correspondence was available.

Review of payments showed that several contracts had been entered into and payments made without due diligence: Some of the illustrative cases are detailed below.

- i) **Feasibility study of the Juba-Rajab road:** The contract between the Ministry of Transport and Roads and China Gezhouba Group Company Ltd (CGGC) was dated 01/08/2008. Euro 4,141,008 (SDG 13,450,407) was paid as 30% down payment. The contract was not tendered or approved by either the Director for Procurement or reviewed by The Ministry of Legal Affairs.
- ii) **Construction of three warehouses in Juba, Malakal and Wau:** The contract between the Ministry of Health and Arial Beek Investment for Trading, was dated 7/11/2008. SDG 3,791,025 was paid being 30% down payment. The tendering process was ignored and the Ministry of Health requested for a single source because of the urgency. The Director of Procurement had objected to in writing on September 15. The advice was ignored and the contract was paid for on 21st October
- iii) **Supply of 400 Land Cruisers for SPLA:** A contract between SPLA and Alok Co. Ltd. was entered (18 January 2008) for the supply of vehicles for \$ 16,400,000. The contract was not tendered or approved by the Director for Procurement or reviewed by the Ministry of Legal Affairs. On 21st January the company was paid US\$ 8,200,000 as 50% down payment while the contract had specified only 30%.
- iv) **Payment for vehicles delivered by 'various dealers':** According to a letter from the Director of Presidential Affairs dated 10th October, vehicles were delivered and received without any contract for supply. The letter requesting payment did not give the name of the supplier companies or the person to be paid. A check was written on 7th November 2008 to Bona Bol Bol for SDP 4,000,000 to settle the claims.
- v) **Payment for Aweil Wau road:** A letter dated 11 January 2008 from the Minister of Transport and Roads stated that Eyat Construction Company had constructed 80 kilometres of the road without advance payment. This was 50% percent of the road. The letter requested payment of \$ 31,200,000 without a copy of the contract or certificate of work done. The payment was processed as an 'order from the Minister'.

vi) **Construction of Juba Boatyard:** A contract was entered into between the Ministry of Transport and Roads and Damen Shipyard Gorinchem Company in December 2006 for \$6,659,800. Payment was due in three tranches of 30%, 60 % and 10 %. 90 percent was payable before commencement of work. The same correspondence showed \$ 2,000,000 had been paid to Damen in 2007.They were paid a further \$ 6,659,800 by a transfer letter dated 1 August 2008.In all they were paid \$8,659,000 which was more than the contract amount.

Implication

Substantial public funds were being lost through irregular contract agreements and payments.

There was a significant chance that the Government was obliged to pay for contracted goods and services over and above the budget and financial ability.

Single source contracts will not ensure lowest cost or best service. Such procurement increases corruption and reduces competition. Such expediency denies value for money.

Recommendation

All procurement must be conducted in full compliance with the requirements of "IPPDR".

Complete set of records of procurement should be available with DG (Procurement).

Single source procurement should be restricted to genuine emergency situations.

C) Contracts not authenticated

The Ministry of Legal Affairs and Constitutional Development (MoLACD) was charged with the responsibility for checking and approving all binding contracts entered into by GOSS by Article 138, 5(a) of the Interim Constitution (ICSS). In our discussion with the Undersecretary in December 2010, he had stated that almost all contracts were approved by GOSS ministries and were brought post facto for payment, often after the contract had been executed. In most cases the GOSS contracts were drafted and finalised by private advocates of the supplier, with no involvement of the MoLACD. In addition, contract register for 2008 had not been opened and the contract files remained to be arranged.

In one case, Repairs of Bridges of the Juba – Labonak-Moli Road, the correspondence showed that the Ministry of Legal Affairs were requested by a letter dated 1st July 2008 to initiate the drafting of a contract with Kit Construction Company for SDP 2,234,000 while a request for payment of 30th January 2008 indicated the job had already started.

Implication

There was high risk of corruption and loss of public money if contractors were chosen on single source basis and paid advances without authenticated contracts duly reviewed by Ministry of Legal Affairs.

Recommendations

No payments were to be made for development expenditure unless IPPDR procedures had been followed and contract had been authenticated by the Ministry of Legal Affairs.

The Minister for Finance and Economic Planning should write to all Commissions and Ministries to instruct them that contracts for projects or development expenditure were to be tendered, selected and entered into by the Procurement Unit of the Ministry of Finance and not any other government institution.

A special audit of all contracts entered into in the last three years for vehicles, road construction etc is recommended.

Internal audit should be vigorous in reviewing the procurement files.

5.4. Bank Balance Reconciliations

The recording of payments and receipts and reporting of bank balances are in variance with GAAP.: Payments made by check and transfers are not recorded sequentially in the financial system. The accounting staff awaits the Bank Statements to record the transactions in the ledger. Checks issued but are with the supplier are not recorded in the cash books.

With this practice the errors of the bank were repeated in the ledger. Bank of Sudan Account 6919/1000/3 was reported to have overdraft of SDG 38,840,631. This was bank error.

Implication

If all checks issued are not recorded sequentially, frauds can be facilitated. Recording of transactions in numerical sequence is an important control and audit trail. Omitting to record the cheques issued to suppliers presents a false financial position.

Consigning large amounts to Suspense Account even when details are available is dereliction of duty on the part of Accounting Agent and this falsifies financial statement

Recommendation

MoFEP should prepare cash books and ledgers to reflect all payments and receipts.

The financial statements should be prepared based on the Free Balance ledger.

Cheques issued and transfer letters that are not presented to the bank be investigated. Suspense balances should be analysed and liquidated immediately.

5.5. Fixed Assets Register

No record of assets was being kept for capital items acquired. There is no codification in place that compels officers to submit information on their assets to the MoFEP.

Implication

The Government will lose vehicles, computers, equipment and other assets if there is no record of assets procured. The absence of controls and records make it possible for a vehicle to be registered in private names or assets to be appropriated by individuals.

The lack of asset records makes it impossible to establish if assets procured were in fact delivered and are being used by the Government.

Recommendation

We recommend that a Codification be in place to necessitate maintenance of an assets register in each Government Institution. MoFEP should direct all Government Institutions to designate an official for the maintenance of asset records and also periodic verification of the existence and condition of the assets. The role of the officers in the Ministry of Finance should be reduced to oversight, coordination and supervision rather than collecting data.

The Finance Ministry should issue guidelines on the format of the register, including the asset type and description, date when acquired, acquisition cost, location, asset number, serial number, chassis number and custodian.

5.6. Record Keeping and Archiving

a) Procurement files

The files of the Procurement Unit did not have copies of contracts or documents for tenders advertisements or awards.

Implication

Failure to follow the tendering procedure and keeping records of the advertisement and selection process will lead to corruption in awarding contracts or contracts that are not efficient or economical. Also the Government could lose money by claimants using falsified copies of contracts to request payment.

Recommendation

Director for Procurement should keep a register of all contracts entered into by the Government.

Maintain files with a copy of all contracts entered into by the Government.

Maintain records of all advertisement for tenders, correspondence, minutes, tender evaluations and other relevant documents

b) Lack of registration or filing of contracts

At the Ministry of Legal Affairs approved contracts are placed in haphazard bundles on the floor, rather than being filed or arranged in order. Also the Ministry does not have a register of all contracts. It was thus not possible to trace specific contracts.

Implication

The Government could lose money by claimants using falsified copies of contracts.

Contractors may fail to comply with the provisions of the contract after receiving a deposit if the contract can not be traced.

Recommendation

All contracts should be indexed, arranged and filed by the Ministry of Legal Affairs after being authenticated and recorded in the register of contracts.

c). Archiving Payment Vouchers

Section 261(1) FAPO stipulates that at the end of the financial year the financial books, forms and vouchers were to be collected and kept in a safe accessible place for the purposes of audit and inspection. But there was no archive where files and records for prior years could be stored. They were stacked on the floor in the filing room. And there was no register of files in the filing room. Many files had been removed and not returned, Some of the missing files relate to cases under investigation. Also expenditure vouchers in the files were often not filed in date or numerical order, thus some vouchers were not traceable even when they were in the files. Of the 120 payrolls requested only 83 were presented, 37 could not be traced. (Appendix 5)

Implication

Non production of significant vouchers to audit can attract limitation and disclaimer
Contractors can fraudulently claim double payment if payment voucher cannot be traced.

Recommendation

MoFEP should arrange for an archive for proper storage of files and documents. Archival code should regulate maintenance of files with years of preservation and regulations for ingress and egress of files from the documentation room.

Appointment of Archival officer in each ministry with job responsibilities is overdue.

5.7. Budget integrity

Actual expenditure of MoFEP was SDG 630 million and the original budget was SDG 317 million. There were expenditure lines which were not in the budget (Appendix 6).

A copy of the supplementary budget was not availed despite our letter to the Director General of Administration and Finance dated October 26, 2010. Director General for Planning informed there was no supplementary budget prepared though the financial statements issued by the Ministry indicated a supplementary budget for SDG 297,330,823.

Implication

Primary responsibility of MoFEP is to protect the integrity of the budget. Unbudgeted payments mean over riding legislative powers.

Recommendation

- MoFEP should resort to supplementary budget if payments cannot be postponed. Similarly virements should be proposed where budget lines are breached and transfers are made within the budget limit.

APPENDIX 1 : EMPLOYEES NOT IN THE NOMINAL ROLL

S/N	NAMES	GRADE	DEPARTMENT
1	Available	2	Admin and Finance
2	Available	4	Admin and Finance
3	Available	7	Admin and Finance
4	Available	8	Admin and Finance
5	Available	9	Admin and Finance
6	Available	9	Admin and Finance
7	Available	12	Admin and Finance
8	Available	11	Admin and Finance
9	Available	11	Admin and Finance
10	Available	13	Admin and Finance
11	Available	13	Admin and Finance
12	Available	13	Admin and Finance
13	Available	13	Admin and Finance
14	Available	15	Admin and Finance
15	Available	14	Taxation
16	Available	16	Taxation
17	Available	16	Taxation
18	Available	16	Taxation
19	Available	5	Interrnal Audit
20	Available	14	Interrnal Audit
21	Available	17	Interrnal Audit
22	Available	4	Account
23	Available	4	Account
24	Available	4	Account
25	Available	5	Account
26	Available	7	Account
27	Available	7	Account
28	Available	7	Account
29	Available	7	Account
30	Available	8	Account
31	Available	8	Account
32	Available	10	Account
33	Available	10	Account

34	Available	10	Account
35	Available	12	Account
36	Available	12	Account
37	Available	12	Account
38	Available	12	Account
39	Available	14	Account
40	Available	8	Budget
41	Available	8	Budget
42	Available	9	Budget
43	Available	9	Budget
44	Available	9	Budget
45	Available	9	Budget
46	Available	9	Budget
47	Available	9	Budget
48	Available	10	Budget
49	Available	12	Budget
50	Available	13	Budget
51	Available	16	Budget
52	Available	15	GATC
53	Available	17	GATC
54	Available	7	Planning
55	Available	9	Planning
56	Available	9	Planning
57	Available	9	Planning
58	Available	10	Planning
59	Available	112	Planning
60	Available	11	Planning
61	Available	13	Planning
62	Available	13	Planning
63	Available	15	Planning

APPENDIX 2 : EMPLOYEES WITH NO PERSONNEL FILES

S/N	Names	Department	Grade
1	Available	GATC	17
2	Available	Internal Audit	1
3	Available	Internal Audit	15
4	Available	Taxation	9
5	Available	Taxation	16
6	Available	Taxation	17
7	Available	Planning	12
8	Available	Planning	4
9	Available	Accounting	9
10	Available	Admin and Finance	11
11	Available	Admin and Finance	10

APPENDIX-3:**SUMMARY OF UNPAID SALARIES FOR SAMPLED DEPARTMENTS**

Department	Taxation	Admin & Fin	Planning	Total
MONTH	SDG	SDG	SDG	SDG
January	576.00	213.00	0	789.00
February	1,311.00	213.00	0	1,524.00
March	1,320.50	213.00	0	1,533.50
April	0	213.00	7,153.80	7,366.80
May	0	5,013.7 0	687.70	5,701.40
June	4,746.00	836.40	2,419.90	8,002.30
July	2,449.00	524.70		2,973.70
Total	10,402.5 0	7,226.8 0	10,261.4 0	27,890.7 0

APPENDIX - 4 :
PAYMENTS FOR GRAIN WITH NO PROOF OF DELIVERY

S/N	CHEQUE NO.	DATE	BENEFICIARIES	SORGHUMS KGS/BAGS	AMOUNTS SGD
1	4129	10/10/2008	Available	100,000	11,000,000
2	4622	22/12/2008	Available	30,000	3,300,000
3	3726	03/08/2008	Available	62,980	6,927,800
4	4188	24/10/2008	Available	30,000	3,300,000
5	4466	24/11/2008	Available	50,000	5,000,000
6	4605	31/10/2008	Available	30,000	4,200,000
7	4140	25/09/2008	Available	30,000	3,300,000
	Total			332,980	37,027,800

APPENDIX 5 : NUMBER OF PAYROLLS NOT RECEIVED.

S/N	Department/Unit	Payroll Presented		Payrolls Not Received	
		Details	Total	Details	Total
1	Administration & Finance	Jan-Dec	12	Nil	0
2	Taxation	Jan-July	7	Aug-Dec	5
3	Internal Audit	Aug – Dec	5	Jan-Aug	7
4	Accounts	Jan – Dec	12	Nil	0
5	Budget	Aug – Dec	5	Jan- July	7
6	GATC	Jan – Dec	12	Nil	0
7	Procurement	Jan – Dec	12	Nil	0
8	Petroleum	Nil	0	Jan-Dec	12
9	Planning	Jan-Dec	12	Nil	0
10	Khartoum Staff	July-Dec	6	Jan-June	6
	Total		83		37

APPENDIX 6 : SIGNIFICANT BUDGET OVER RUNS

A/C No.	ACCOUNT	BUDGET SDG	ACTUAL SDG
222200	Overtime & Services	934,687	2,658,868
222220	Foreign Travel	287,000	1,641,202
222232	Training, Workshops & Conferences	130,000	1,006,319
222236	Hospitality & Entertainment	74,000	766,911
222244	Specialised Materials & Supplies	10,000	405,776,006
222260	Other Maintenance	100,000	888,843
222264	Medical Costs	200,000	1,488,043
222268	Emergency & Disaster Relief	-	1,141,000
222272	Grants to Enterprises & Co-operatives	4,000,000	14,000,000
222276	Donations	-	133,701,303
222284	Other Operating Expenses	400,000	2,283,327
282805	Furniture & General Equipment	34,368	5,330,340
282815	Specialised Plant, Equipment & Machinery	-	25,261,758
282825	Construction & Civil Works	-	9,118,691
282830	Rehabilitation & Renovation of Assets	-	6,480,000

CHAPTER - SEVEN
MINISTRY OF HEALTH

CHAPTER - 7

1. Introduction

The signing of the Comprehensive Peace Agreement (CPA) in January 2005 marked the beginning of a transition period until the formation of the Government of Southern Sudan (GoSS) in October 2005. Four years have passed by but GoSS continued to lack capacity in financial management. An Interim Project Accounting Agent (IPAA) was engaged to prepare the financial statements for the year ending 2008. Financial accounting was centralised at the Ministry of Finance and support documents were available in the respective ministries,

The Ministry of Health which has a budget of SDG 145.09 million constituting 2.8 % of the total GoSS budget continued to under spend (22.5% of its budget) belying the hopes of the legislature to raise the health profile of the new nation and address serious health hazards like HIV and child malnutrition.

2. Audit Objectives

- i) To ensure completeness in recording of transfers, payroll costs, capital expenditure and other operational costs during the year of audit.
- ii) To ensure that all expenditures in the year of audit are stated at the correct value, supported by appropriate documentation and accurately recorded by the ministry.
- iii) To ensure that all expenditures in the year of audit were made in accordance with the legislative framework of the Government of Southern Sudan.
- iv) To ensure that there was existence of the paid employees and fixed assets procured during the year.
- v) To verify the existence and efficacy of internal controls to protect public funds and the constitutionality in practice to follow the rules, regulations laws and procedures and.
- vi) To verify compliance with generally accepted accounting principles

3. Scope of Audit

The financial audit was carried out to achieve the objectives of the audit enumerated below with respect to the receipts and expenditure of Ministry of Health for the year ended 31 December 2008. Our main areas of focus included:

- i) Payroll cost incurred by the staff during the year under audit.

- ii) Capital expenditure incurred during the year under audit.
- iii) Operational and other expenditure incurred during the year under audit.
- iv) Ascertainment of internal and budgetary controls
- v) Stewardship of Public Assets and
- vi) Disclosures in accordance with GAAP.

4. Conclusion

The unspent budget was a whopping SDG 30,934,864. Together with the year end cash balance of SDG 2,044,081 the unspent allocation was 22.5% of the budget. Apart from poor budget making abilities, the ministry could not produce pay rolls for SDG 4,630,055.

Further the ministry had less than par internal controls resulting in payment without supporting documents for SDG 6,323,841, vouchers not available for SDG 2,538,142 and photocopied vouchers for SDG 810,774.

5. Findings

5.1 Budgetary Performance

a) Huge unspent budget

Twenty two percent of funds allocated to the ministry had not been utilised. This showed low capacity for financial forecasting or for implementation of preset objectives. This over allocation denied funds to some other ministry.

The ministry had over spent on Salaries SDG 0.5 million and under spent on Operational Expenditure SDG 5 million and under spent on Capital Expenditure SDG 25.5 million.

Implications

Underutilisation of budgeted funds by 22% in a country with serious health challenges like malaria and HIV means necessary health services will be denied to the population and several hundreds of hapless citizens will have to cope with illnesses and disabilities for extended periods of time.

Recommendations

Capacity in the ministry for budget making, project formulation, execution of health projects, recruitment and procurement are to be scaled up.

5.2. Payroll expenditure

Pay sheets for SDG 4,630,055 were not presented to audit. (**Appendix 1**).

The nominal roll information was not updated every year to check the details of employees, their pay, grades of pay etc. The ministry is not maintaining Accounts Form no 23 known as deposit book for recording unpaid salaries. The ministry also has not maintained Accounts Form No 24 to keep record of loans and advances to the employees.

Implications

In the absence of pay sheets, there was detection risk of unauthorized payments, calculation errors, non accounting of unpaid salaries, non recovery of loans etc

If the nominal roll is not updated it will be difficult to compare it with the pay sheets and detect errors in manpower strength, ranks and grades of pay.

In absence of deposit book unpaid salaries cannot be tracked and accounted for and misappropriations are possible.

In absence of suspense book the ministry cannot manage loans and advances and public funds may be lost

Recommendation

Procedures and books of accounting prescribed in the FAPO should be followed so that there is zero failure to maintain Payrolls, Nominal Rolls, Suspense Accounts and Deposit Books. Internal Audit should ensure this.

Nominal rolls should be updated from time to time and Ministry of Labor and Public Service and Finance Ministry should insist on this

Deposit book should be kept to record and track unpaid salaries.

Suspense book are maintained for recovering advance of pay and loans.

5.3 Operational Expenditure

a) Defacing paid vouchers

Payment order and related document had not been stamped "Paid" after payment was made. Section 112 of FAPO requires such defacing to avoid double payment

Implication

The existing practice facilitates misappropriation of public resources.

Recommendation

Paid vouchers should be defaced to prevent double payments.

b) Payment to unauthorized payees

SDG 526,063 was paid to other than payees without legal authorization. These payments have been made contrary to FAPO 111(2) (**Appendix 2**)

Implication

Contravening the rule can lead to legal wrangles and loss of public money

Recommendation

Senior Management must ensure compliance with applicable financial regulations. Internal Audit should highlight infringement soonest.

c) Payments without Supporting Documents

i) Cash and check payments

Without sufficient supporting documentation these amounted to SDG 3, 545,607 and SDG 2, 778,234 respectively. (**Appendix 3 & Appendix 4**).

Implication

In the absence of appropriate and sufficient documentation for the payment, there is risk of both fraud and corruption. Audit cannot certify that medicine, equipment etc were received for which this money was spent

Recommendation

Payments should be approved through the established lines of authority within the ministry and sufficient and appropriate documents should be in place both for payment and for subsequent audits.

ii) Local and Foreign Travels

There were items for local and foreign travel bills for SDG 656, 700 without cash receipt from the service provider companies. (**Appendix 5**).

Implication

In the absence of cash receipts or airline tickets expenditure cannot be certified and there is possibility that funds were misused

Recommendation

Since the money involved is large and would be more if 100% check is effected an immediate special audit is called for.

Accounts department should directly pay the airline companies for tickets issued for authorized travels.

In the instant cases proof of travel should be established by the payees or money should be recovered within six months from the Salary payable.

Ministry should honor only those travel bills fully supported with tickets

Internal Audit in the ministry should be vigilant to prevent recurrence

d) Vouchers not presented

There were several missing payment orders and supporting vouchers for a total value of SDG 2,538,142. (**Appendix 6**). This indicated that payment orders and supporting documents were not kept under safe custody and in accessible places. Financial and Accounting Procedures Ordinance article 326(1) to (5) lays down rules for safe custody of documents

Implication

There was Limitation of Scope on Audit to the extent vouchers were not presented

Unavailability of supporting documents means likelihood of unauthorized payment, errors, fraudulent action or misuse of funds.

Recommendation

Senior management in the Ministry for Health needs to set right the practices in the ministry. If these bills are not presented to Audit in three months, Assembly should take notice. In future safe custody and accessibility of supporting documents should be ensured till audit is completed.

e) Absence of Proof of Payment

Payment orders valued at SDG 218,478 have no proof of payment. Audit is unable to certify these have been paid to the beneficiaries. **(Appendix 7)**.

Implication

In the absence of proof of payment to the beneficiary and deposit book for refunding the amount to the Treasury, fraud cannot be ruled out.

Recommendation

Internal audit may investigate and report to NAC in six months. Unpaid amounts should be deposited back to the treasury within a time line. This should be monitored by the Director Finance and Accounts

f) Unrecovered and bad Loans

Loans to three employees of the ministry, seems hopeless to recover. The aggregate amount is SDG 235,000 and reported as expenditure. **(Appendix 8)**.

Implication

The practice is unauthorized and should be stopped immediately

Recommendation

Finance should put in place consistent and transparent procedures for loans and advances which are recoverable within reasonable time. In the instant case money should be recovered from the officer who authorized these.

g) Improper supporting documents.

Expenditure for SDG 810,774 had photocopied supporting documents (**Appendix 9**).

Implication

This can lead to double payments and fraudulent practices.

Recommendation

Internal Audit should ensure that double payments had not occurred and in case of double payments,if any, legal action should be taken for fraud. The practice of payments with photo copied supporting document should stop forthwith.

5.4 Year end Cash balance

a) Cash Balance

The Year end cash balance was SDG 2,044,081 which should have been credited to the ministry bank account. There are no guidelines regarding the maximum cash holding limit at the ministry to meet the daily needs.

Implication

Holding large amount of cash at cashier's room is un wanton risk and against FAPO rules. Such practice also meant other ministries were artificially cash starved.

Recommendation

Control of the cash float is an immediate action and ministry must make necessary moves into banking mode for payments.

b) Cash Control

SDG 35,000 was withdrawn from the ministry bank account and it was not deposited to the treasury. This amount was withdrawn by check number 534 and receipt order number 599393 on 3/12/08 prepared without cashier initial.

Implication

Such deficiency in internal control over cash will have significant risk of fraud.

Recommendation

Ministry should follow up the refund of SDG 35,000 and review cash withdrawals of the year to close any loopholes and initiate action for any malpractice.

Appendix- 1 : Missing Pay sheets

No	Payorder No	Date	Name of payees	Amount SDG	Remark
1.	791426	25/4/2008	Available	568,483	March(Malakal)
2.	791463	23/5/2008	Available	622,532	April
3.	791471	27/5/2008	Available	310,847	April(Wau)
4.	153401	1/9/2008	Available	639,390	August
5.	CK 408	8/7/2008	Available	626,817	June
6.	CK425	13/11/2008	Available	638,390	October
7.	CK537	4/12/2008	Available	638,780	November
8.	791427	25/4/2008	Available	584,816	March
				4,630,055	

Appendix - 2: Cash paid for unauthorised beneficiaries

Sr./ No.	Payment order	Date of Payment	Unauthorized Persons	Amount SDG	Remarks
1	791797	08/01/2008	Available	38,160	Telecom
2	791562	29/02/2008	Available	84,000	house rent
3	791594	08/04/2008	Available	82,000	various claims
4	791414	18/04/2008	Available	6,300	Incentives
5	791440	12/05/2008	Available	87,000	various claims
6	106959	13/08/2008	Available	33,045	Salaries
7	106979	25/08/2008	Available	80,600	Transport and accommodation
8	153445	03/10/2008	Available	21,624	Salaries
9	106818	03/10/2008	Available	28,534	Salaries
10	106743	14/11/2008	Available	64,800	Scholarship
			TOTAL	526,063	

Appendix - 3: Unsupported cash payments

Sr. No.	Pay order	Date	Name of payees	Amount SDG	Details
1	791780	2/1/2008	Available	131,800	Incentives
2	791782	3/1/2008	Available	57,000	cost of sign board
4	791783	4/1/2008	Available	63,950	Incentives
5	791798	8/1/2008	Available	18,400	Hire of vehicle
6	791799	8/1/2008	Available	9,100	Motivational allowance
7	791586	1/4/2008	Available	290,639	various claims
8	791536	1/4/2008	Available	27,000	Equipments
9	791584	1/4/2008	Available	32,500	materials supply
11	106905	19/5/08	Available	10,200	Car maintenance
14	106905	19/6/08	Available	18,380	Accommodation
15	106905	19/6/08	Available	5,300	Accommodation
16	106911	23/6/08	Available	52,000	Incentives
17	106981	25/6/08	Available	132,000	Incentives
18	106941	28/7/08	Available	46,000	materials supply
19	106941	28/7/08	Available	100,000	Bldg Renovation
20	106969	9/8/2008	Available	845,000	Incentives
21	106982	25/08/08	Available	72,000	Incentives
22	106787	25/8/08	Available	80,600	school fees
24	153421	15/9/08	Available	5,760	Tele com materials
25	153452	3/10/08	Available	24,000	Air conditioner
26	103479	15/10/08	Available	28,400	Maintenance of car
27	103479	15/10/08	Available	4,500	wireless cards
28	153479	15/10/08	Available	15,728	Cost of machine

29	103479	15/10/08	Available	26,728	Transport fare
30	153482	16/10/08	Available	64,000	DSA
31	106702	23/10/08	Available	100,000	Goss GA2
32	106706	24/10/08	Available	241,319	Refund of Grand
34	106727	6/11/08	Available	8,850	AC maintenance
35	106731	12/11/08	Available	40,000	Grants
36	106731	12/11/08	Available	16,626	scholarship fee
37	106730	12/11/08	Available	801,600	Incentives
38	106743	14/11/08	Available	64,800	school fees
39	106752	21/11/08	Available	56,232	printing / adverts
40	106834	23/12/08	Available	51,600	Cost of materials
	TOT AL			3,545,607	

Annexure - 4: Unsupported direct cheques payments

Sr. No.	Cheque No.	Date	Name of payee	Amount SDG	Remarks
1	355	26/03/08	Available	147,000	Generator
2	363	03/04/08	Available	221,892	Equipment
3	376	12/05/08	Available	166,534	Fuel
4	384	28/05/08	Available	59,482	Fuel
6	422	06/08/08	Available	62,564	Fuel
7	451	17/09/08	Available	56,715	Fuel
9	516	13/11/08	Available	83,062	House Rent
10	523	18/11/08	Available	124,000	Incentives
			Total	2,778,234	

Annexure – 5: Unsupported Air tickets payments

Sr./ No.	Payment order No	Date	Name of payee	Amount SDG
1	791797	08/01/2008	Available	2,750
2	791798	08/01/2008	Available	2,800
3	791523	24/01/2008	Available	81,800
4	791426	25/04/2008	Available	4,140
5	791482	30/05/2008	Available	13,500
6	153482	30/05/2008	Available	64,000
7	106962	15/08/2008	Available	1,540
8	106962	15/08/2008	Available	4,000
9	106962	15/08/2008	Available	4,320
10	153421	15/09/2008	Available	293,292
11	153421	15/09/2008	Available	9,800
12	153457	03/10/2008	Available	27,110
13	153479	15/10/2008	Available	41,728
14	153479	15/10/2008	Available	11,040
16	106735	13/11/2008	Available	94,880
			TOTAL	656,700

Appendix - 6: Missing payment orders

Sr No.	Payment order	Date of payments	Name of Payees	Amount SDG
1	791505	14/1/2008	Available	131,045
2	791582	20/3/2008	Available	507,550
3	791597	9/4/2008	Available	190,672
4	791431	30/4/2008	Available	112,000
5	791464	28/5/2008	Available	157,187
6	106929	8/7/2008	Available	160,857
7	791497	17/6/2008	Available	636,668
8	106817	19/12/2008	Available	642,163
			TOTAL	2,538,142

Appendix - 7: Unpaid cash not credited to the treasury

Sr. No.	Payment Order	Date	Name of payees	Amount SDG	REMARKS
1	791790	07/01/2008	Available	46,000	unpaid incentive
2	791591	03/04/2008	Available	23,876	Salaries unpaid
4	791414	18/04/2008	Available	56,700	R.O.U.P
5	791428	25/04/2008	Available	49,664	Salaries unpaid
7	106917	03/07/2008	Available	16,000	unpaid incentive
9	106959	13/08/2008	Available	3,904	Salaries unpaid
10	153445	02/10/2008	Available	11,608	Salaries unpaid
11	106818	03/12/2008	Available	10,726	Salaries unpaid
			TOTAL	218,478	

Appendix - 8: Outstanding Loans (Suspense)

Sr./ No.	Payment order	Date of payments	Name of Payees	Amount SDG
1	791509	14/01/2008	Available	80,000
2	106711	31/10/2008	Available	150,000
3	106713	31/10/2008	Available	5,000
		TOTAL		235,000

Appendix - 9: Payments using photocopied documents

No.	Payorder	Date	Name of Payee	Amount SDG	Remarks
1	791786	04/01/2008	Available	78,475	Allowance to students(HSTI)
2	791428	25/01/2008	Available	520,437	March salaries
3	791559	28/02/2008	Available	64,000	DSA
4	106743	14/11/2008	Available	64,800	Student fee
5	Check 516	13/01/2008	Available	83,062	Various claims
			TOTAL	810,774	

CHAPTER - EIGHT
MINISTRY OF INTERNAL AFFAIRS

CHAPTER - 8

1. Introduction

In accordance with section 195, sub section (4) and (5) of the Interim Constitution of South Sudan which provides mandate to South Sudan Audit Chamber (SSAC) to audit all the accounts of GoSS and to report to the President of GoSS and the Southern Sudan Legislative Assembly (SSLA), we performed the financial audit of the accounts of the Ministry cited above, which consists of four directorates-- General Headquarters, Police, Prisons and Fire Brigade. The directorates of Prisons and Fire Brigade have not been covered by our audit for the year 2008.

The allocated budget of the ministry was SDG 420 million and the expenditure was SDG 462.77 million thereby exceeding the budget by 10 percent.

2. Audit Objectives

- i) To ensure completeness in recording of payroll costs, capital expenditure and other operational costs during the year of audit.
- ii) To ensure that all expenditure in the year of audit is stated at the correct value, supported by appropriate documentation and accurately recorded by the ministry.
- iii) To ensure that all expenditure in the year of audit were made in accordance with the legislative framework of the Government of Southern Sudan.
- iv) To ensure that there was existence of the paid employees and fixed assets.
- v) To verify the existence and efficacy of internal controls to protect public funds and the constitutionality in practice to follow the rules, regulations laws and procedures and.
- vi) To verify compliance with generally accepted accounting principles

3. Scope of Audit

The financial audit was carried out to achieve the objectives of the audit enumerated below with respect to the receipts and expenditure by Ministry of Internal Affairs for the year ended 31 December 2008. Our main areas of focus included:

- i) Payroll cost incurred by the Ministry during the year of audit
- ii) Operational and other expenditure during the year under audit

- iii) Ascertainment of the existence and application of the internal control
- iv) Ascertainment of internal and budgetary controls
- v) Stewardship of Public Assets and
- vi) Disclosures in accordance with GAAP.

4. Conclusion

No skills or supervision or segregation of duties in the accounting wings of the four directorates of the ministry was witnessed by audit. Only 20% of the pay rolls and 30% of the vouchers for operating expenditure was presented to audit. The ministry exceeded the budget by 165% in Operating expenses and 66% on Capital

In the limited sample produced to audit it was noticed that SDG 1,807,253 was cash payments without supporting documents. SDG 1,808,039 represented pay orders not approved. SDG 511,914 was for medical assistance without referrals. and SDG 232,854 was paid as house rent without lease agreements. Procurement without due processes was for SDG 1,219,420. Payment without pay order was for SDG 802,362 and paid vouchers not defaced was for SDG 434,106. There were also the strange cases of Pay orders being for SDG 1,601,701 and vouchers being for SDG 1,034,908. In sum, Finance and internal audit wings were very weak to protect public funds.

5. Findings

5.1 Internal Control Systems

a) Organisational Chart

The “Organizational Chart ” for the Ministry was not presented to audit. We reviewed the organizational structure designed for the Finance section in the Headquarters in which authorities and responsibilities were specified. We however noted that in spite of having an elaborate organizational structure, the same had not been implemented. As such the following were noted.

- i) **Segregation of Duties:** Audit noted a complete absence of the segregation of duties within the accounting function For example, the function of the book-keeper and cashier were combined.

- ii) Authorization and Approval:** Some discrepancies in authorizations and approvals were noted. All payments or transactions should require authorization or approval by an appropriate and responsible official.
- iii) Personnel :** Personnel within the accounting section in the headquarters have no adequate skills to carry out and implement proper financial and accounting regulations and procedures
- iv) Supervision:** There was general lack of supervision in both the Accounting and Internal Audit Sections in the Ministry.
- v) Internal Audit:** A review of the Internal Audit section also revealed obvious short comings which in our view impact negatively on the mandate of the Internal Auditor. Illustratively,
 - i)** No Internal Audit reports had been issued since the section became operational. By implication therefore, no internal audits had been carried out in the Ministry.
 - ii)** The Internal Auditor reported to the Director of Accounts whose functions the internal Auditor was expected to appraise on an on-going basis.
 - iii)** The Internal Audit section had only one employee which was grossly inadequate in view of the size and budget allocation of this Ministry.
 - iv)** Due to the lack of segregation and clarification of duties and responsibilities, the Internal Auditor was carrying out accounting function of verifying vouchers before these were taken to the Cashier for payments.
 - v)** There was no Internal Audit Manual to guide and define the role the Internal Audit

Implications

As a result of the weaknesses noted above, no internal audit work had been done. Consequently, no one was appraising the effectiveness and or lack of internal controls in the Ministry. Due to the lack of authorisation and approvals, Public funds may be misapplied and/or misappropriated.

Recommendations

A proper Organizational Chart should be designed and a sound internal control system be implemented. Adequate regulations and procedures should be put in place and emphasis be placed on complying with the Accounting and Financial Procedures Ordinance (FAPO).

More skilled personnel should be deployed, and those others who are currently keeping the books be trained and the number should be increased. To address the deficiencies and

weaknesses in the accounts enumerated above, proper supervision of day- to- day transactions and recording thereof should take place.

b) Books of Account

No monthly accounts were being prepared and presented to the Ministry of Finance with copies to the Auditor General which is in contravention with the provisions of section 193(1) of the Financial and Accounting Procedures Ordinance (FAPO).

Also no final accounts were being prepared at the end of the year and presented to the Ministry of Finance and the Southern Sudan Audit Chamber (SSAC) which is contrary to section 194 of the FAPO.

Section 1 of the schedule attached to the Financial and Accounting Procedures Ordinance (FAPO) 1995, clearly outlines the Accounting Books and Financial Forms to be maintained. Some of these books and Forms are; Revenue and Expenditure, Suspense and Deposits, Treasury, among many others.

Further, Chapter Eleven of the FAPO, outlines very clearly how the units should keep the Books of account and /or Account Transactions registers. More specifically, Clause 340(1) states as follows *“An accounts unit shall maintain a register labeled The Accounting Transactions Control Book contained in Finance Form No.7 attached to this Ordinance. Such a control book shall have the other functions of surveillance of the accounting operations and prompting the preparations of audit reconciliation of the monthly and final statements”*.

Thus no Bank reconciliations were carried out as the required. Bank and Cash books to facilitate this have not been maintained. We were also unable to confirm

- Whether the funds transferred from the MoFEP to the Ministry of Internal Affairs for Salaries/Wages/Operating expenses were indeed applied for that purpose.
- Whether the funds so transferred were used as per the budget of the Ministry and as per the various known voted heads of accounts and or directorates.
- Whether the amounts posted to the ledger of the Ministry of Finance and as captured by the free balance records at MoFEP, were indeed the actual expenditure of the salaries and wages paid out by the Ministry of Internal Affairs.
- Whether the Funds transferred to the various outstations by the MoIA were indeed applied towards the need for which the requests were made.

- And whether indeed the amounts posted to the Financial Statements of GOSS for the year ended 31st December 2008 in respect of the MoIA were the actual costs or a reflection of what was in the free balance records at MoFEP.

This inability to confirm the above was caused by the following.

- We received not more than 20% of the payroll records and not more than 30% of the Operating expenditure. This was despite our various meetings and correspondences as highlighted hereunder.
 - Director of Audit on 11th May 2010 addressed to the Director General for Administration and Finance MoIA.
 - Deputy Auditor General on 12th July 2010 addressed to the Undersecretary MoIA.
 - Auditor General on 20th July 2010 addressed to H.E. Gier Chuang, Minister of Internal Affairs.
- Failure to maintain Books of Account as mentioned elsewhere in this report.
- Lack of documentation as mentioned elsewhere in this report.
- The inability to report on a regular basis to MoFEP on all financial transactions.
- The out-station formations do not report to the Ministry on how the funds transferred to them have been applied.
- The failure to make use of the Internal Audit section

Implication

Failure to maintain/ keep the Accounts Books and Registers as outlined in the various chapters and sections of FAPO may imply that the Ministry was violating the guidelines with the obvious risk of exposing public funds to misuse or fraud.

This resulted in limitation of scope on the Auditors' work making it difficult for the auditor to confirm whether or not public monies have been channelled to unintended purposes.

There was also a possibility that the amounts in the financial statements were grossly misstated as they reflected the transfers from MoFEP and not the actual costs incurred.

There was a risk that funds transferred to the Ministry may had been misapplied.

Recommendations

The Ministry should present monthly statements of Accounts to the MoFEP with copies to NAC, stating therein the total inflows, expenditures and the balances in the various Ministry's line banks accounts, Cash in hand, balances of suspense, deposits and any other accounts balances.

- The Ministry should present, within sixty days from the end of the year, a statement of its annual final (closed) accounts for the fiscal year that has ended.

- The Ministry of Internal Affairs should endeavor to maintain Books of Account as stipulated by the Financial and Accounting Procedures Ordinance (FAPO).
- All funds transferred to the Ministry should be accounted for by way of monthly returns to ensure that the correct amounts are posted to the financial statements.
- Out-station offices should account for all the funds transferred to them on a monthly basis and in a format that will enable the transfer of this information to MoFEP.

5.2. Unpaid Salaries

Review of the pay sheets presented showed that there were no signatures against several names. The un-signed names were recurring in three consecutive months.

We failed to get receivable orders (FF Accts No.39) to ascertain remittances of those unpaid salaries into the chest.

Total of unpaid salaries for the pay sheets of 'specialized Force unit' amounted to SDG 42,259 for the months of February, March and April and SDG 72,222 for officers of the headquarters for the months of November and December 2008.

Implication

Salaries not collected could be misappropriated.

Cash not collected by staff is often an indicator of ghost workers

Recommendations

All unpaid salaries should be remitted vide R.O. 39 into the chest 'Deposit Account ' as per the requirements of the Financial and Accounting Procedures (1995).

The unpaid salaries at year end should be investigated and explained.

5.3. Unauthorized payment of Salaries

A single person received multiple salaries on behalf of other employees without express authority. The following table highlights some such cases.

Sr./ No.	Unit/Division	Month	Number of salaries	Total SDG
1	Nimule Border	August	5 times	1,798
2	Nimule Border	July	5 times	1,714
3	Armed Group (Cdr.Gore)	July	21 times	7,294
	Total			10,806

Implication

Receiving salaries in consecutive months, without an authorization, was in discrepancy with the financial rules and might result in misappropriation of public funds.

Recommendations

The accounting function within the directorate should comply with the financial rules and regulations.

Such salaries should not be paid to a single person without procurement and in consecutive months.

The management should investigate and reassure that there is no fraud.

5.4. Budget Compliance

Ministry's actual expenditure compared to the approved Budget is summarized below.

Sr. No.	Heads	HQ	Police	Prisons	F.Brigade	Total	%
		Code/ 3901	Code / 3902	Code/ 3903	Code/ 3904		
		SDG Millions	SDG Millions	SDG Millions	SDG Millions	SDG Million	
1	Salaries	1.5	155.3	99.3	17.2	273.3	59%
2	Operating	20.9	34.5	45.3	5.4	106.1	23%
3	Capital	30.1	18.7	22.4	11.8	83	18%
Total		52.5	208.5	167.1	34.4	462.4	

Total actual Expenditures compared to Annual Budget for the year 2008:

S/N	Heads	Budget	Actual	Over/Under Exp.	Percentage
		SDG	SDG	SDG(million)	%
1	Salaries	330	273	57	17%
2	Operating	40	106	(66)	165%
3	Capital	50	83	(33)	66%
Total		420	462	(42)	10%

The tables above highlight that:

- The total expenditure amounted to SDG 462 million distributed to the four directorates as follows:

General Headquarters.....	11%
Police Services.....	45%
Prisons Service.....	36%
Fire Brigades Service.....	7%

- Total actual salaries constituted 59% of the total expenditure, whereas operating and capital expenditures constituted 23% and 18% respectively.
- The expenditure exceeded the budget by SDG 42 Million representing 10 % of the budget. No explanation was forthcoming for the over expenditure.

Implication

Due to the lack of proper budget planning and implementation processes at the ministry, the budget process that should have been used to provide guidance for both financial and operational functions was not achieving its purpose. There was likelihood of absence of a harmonized process between the planned and the actual activities on human resource management. The existence of large unspent budgets when resources were constrained indicate other priority expenditures (such as operating or capital expenditure) that could have benefited from these funds were not realized.

Recommendation

Ministry should ensure that there was adequate and harmonized process between budget and implementation of the planned activities. This will guarantee that the budget process provides performance tool to enable the ministry achieve its operational and financial objectives.

It is also recommended that virement should be sought from MOFEP as a mechanism to focus expenditure from areas where there are excess budget resources to underfunded areas.

5.5. House for SDG.80,000 with no Documentation

a) SDG.80,000 was drawn for constructing a house but no documents were availed to the audit This payment was made vide cheque no.703 dated 23 September 2008 and voucher no.159735.We also noted the following:

- The voucher for the SDG.80,000 was not properly authorized as there is no signature of the approving officer in the Ministry.
- It is not clear whether the house belongs to GoSS or to the recipient of the money.
- The location of the house was not known.

.b) Advances without Supporting Documentation

Cash payments (SDG 1,807,253) were made to some individual officials vide various payment orders (F.F. No.40), without appropriate supporting vouchers.

Such payments were in contravention with the provisions of section 326 of FAPO.

Implication

Failure to liquidate SDG.80,000 implies that the system of accounting and dispensing of funds in the Ministry was not working effectively.

Without appropriate supporting documentations for payments, there was an increased risk that those amounts were not incurred for the benefit of the public.

Recommendation

Internal audit should ensure compliance with the provisions of section 326 of FAPO and review these payments to reassure there was no fraud.

All individuals paid vide those payment orders should present appropriate supporting attachments immediately or refund the amount.

5.6. Payment Orders not approved by the Authorized Officers

The table below shows some of the more significant payments that were made without the payment order being approved by the authorized officers.

Sr. No.	Description	P.O. No.	Date	Amount SDG
1	Cost of treatment	115988	15/08/08	14,000
2.	Maintenance	115963	04/07/08	36,903
3	House Rent	115977	25/07/08	108,854
4	Treatment	115783	08/05/08	93,056
5	Operation Services	115970	16/07/08	70,000
6	Hospitality	115959	04/09/08	3,000
7	Cost of house rent	159725	05/08/08	12,000

8	Various orders	159734	18/09/08	72,450
9	Maintenance	115905	19/06/08	8,560
10	Operation	115795	04/06/08	315,000
11	Services	115791	26/05/08	390,341
12	Operation	115901	13/06/08	150,000
13	Security	115794	02/06/08	448,500
14	Miscellaneous	115733	13/02/08	85,375
	Total			1,808,039

Implication

Payments of this type heighten the risk of public funds being misappropriated.

Recommendation.

Internal audit should ensure that all payment orders are approved by the authorized officer.

b) Payments of SDG.328,969 made without proper authorization

The table below shows some of the payments were without proper authorization.

Sr. No.	Date	Voucher	Payee	Particulars	Amount SDG	Stamp	Veri-fied	Signa-ture	Auth-orised
1	10/11/08	159770	Available	Services	60,000	√	x	√	x
2	-	159768	Available	Various orders	37,347	√	x	√	x
3	27/10/08	158766	Available	Cost of water	9,510	√	x	√	x
4	18/11/08	159754	Available	Medical Costs	85,000	X	x	√	√
5	12/09/08	159764	Available		110,752	√	x	√	x
6	09/09/08	115993	Available	Feeding	11,500	x	x	√	√
7	09/09/08	115992	Available		1,200	x	x	√	x
8	11/09/08	115995	Available	Services	6,660	x	x	√	x
9	19/09/08	158705	Available	Various orders	7,000	x	x	√	X
Total					328,969				

Implication

In the absence of an acknowledgement of the recipients of the funds and/or approval by the authorized officers, it was not possible for audit to verify whether or not the expenditures were incurred for bona fide purposes. The risk that public funds could be misappropriated and that goods and services paid for were not received was high.

Recommendation

In order to comply with the requirements FAPO Chapter 318 Section (2), the Head of the Accounts unit should appoint an employee or more for each accounts office to approve such forms. Such employees shall also sign the cheques.

All payments should be duly approved and acknowledged by the recipients.

5.7. Medical Referral

Medical referrals to Khartoum and abroad, amounted to SDG 511,914 without supporting documentations .

Implication

Lack of evidence from Medical Commission is a limitation of audit scope.

Absence of standardised rules and procedure result in nepotism and favouritism

Recommendations:

For any payment to be made for medical referrals, medical referral certificate attested by the medical authorities or consultant, which includes the cost estimate of treatment expenses, should be provided.

Counter-foil of tickets should be attached. for travel abroad

For referrals abroad- in extreme cases – approval may be by the Council of Ministers, in compliance with section 3.5.4 of GoSS Public Service Manual.

Those who were paid without providing supporting documents, should immediately present all relevant documents, or they should be asked to refund the amounts

5.8. House Rent

'House Rents', totalling SDG 232,854 were paid. Audit observations are

- a. Payment orders / cheques were issued in the name of employees and not the landlord;

- b. No legal authenticated contracts of rent provided.
- c. Some officers were paid “house rent” and ‘housing allowances’.

Implications

Paying house rent without contract with the landlord might lead to misappropriation of funds.

Payment of ‘House Rent’ plus ‘Housing Allowance’ is double payment.

Recommendation:

Cheques or payment orders issued for house rent should be in the name of the landlord.

No payment should be made without legal and authenticated contract with the landlord.

Officers receiving ‘house allowance’ in their salaries cannot get ‘house rent’ and the rent allowances paid to them should be recovered.

5.9. Non- adherence to Procurement Regulations

.Audit cannot confirm that procurement regulations were adhered to, since the Ministry failed to avail any contract, tender documents, title deeds and other supporting documentation relevant to some of the payments made. Some examples are:

Cheque	Date	Payee	Amount SDG	Remarks
632	18/06/2008	Available	759,000	Uniforms for 3,000 trainees.
653	21/07/2008	Available	390,420	Fuel.
666	05/08/2008	Available	70,000	Hiring water tank for 5 months.

Implications:

Procurement without adhering to regulations can lead to misuse of funds and litigations

Recommendations:

Procurement regulations should be adhered to.

5.10. Irregular Use of Payment Order for Replenishment of the Chest

SDG.50,000 was drawn vide cheque No.687 dated 2 September 2008 and voucher No.159724 (Form 40) instead of Form # 39, for replenishment of the Chest.

- Similar amount was paid out to seven parties vide seven Payment orders.
- It was not clear whether the seven other transactions was for the replacement of the chest or payments to those other parties.

Implication

The failure to use the correct Financial Forms, exposed GoSS to the risk of misappropriation.

Recommendation

In future, all transactions should be processed using the correct Financial Forms.

5.11. Vouchers and Payment Orders differed.

The table below shows a few payments where the Pay Order and voucher amounts differed.

No	PO/Che No	Particulars	Date	Pay Order Amt	Voucher Amt	Difference
1	115901	Operating	06/13/2008	150,000	87,989	62,011
2	115791	Miscellaneous	05/26/2008	390,341	170,473	219,868
3	115794	Security fund	06/02/2008	448,500	405,561	42,939
4	115768	Miscellaneous	05/07/2008	23,000	16,770	6,230
5	115755	Incentives	04/30/2008	29,575	12,850	16,725
6	115719	Miscellaneous	03/03/2008	105,285	29,305	75,980
7	115750	Miscellaneous	02/02/2008	40,000	38,000	2,000
8	115720	Miscellaneous	04/03/2008	100,000	95,170	4,830
9	115795	Operating	06/04/2008	315,000	178,790	136,210
Total				1,601,701	1,034,908	566,793

Implication

These cases indicate weakness in internal controls and increased risk to the public funds for misappropriation.

Recommendation

Internal Audit should ensure that all payments are made as per the Payment Order duly supported by bona fide vouchers. Any excess payment made in the above cases should be enquired into for fraud and recovery.

5.12 Payments without Payment Order

The table below shows some of the payments made without a Payment Order:

Sr. No.	Description	Amount (SDG)
1	Operation Costs	422,634
2	Deposit	222,958
3	Salary	18,798
4	Incentives	29,050
5	Insurance	3174
6	Assistance	10,500
7	Operations	12,850
8	Medical Cost	650
9	Dom Travel	9,670
10	Dom travel	1,100
11	Fuel	30,198
12	Dom Travel	455
13	Dom Travel	40,325
	Total	802,362

Implication

In the absence of a Payment Order, it was not possible for the auditors to verify how the money was paid as the vouchers availed to the auditors appear to have been taken direct to the Cashier's office. According to the requirements of the Financial and Accounting Procedures Ordinance (FAPO) Chapter 201 Section 111 "Payments of Government organs are carried out through Payments Orders (Finance Accounts Form No.40 drawn on Government Treasuries) or through cheques drawn on the bank of Sudan or the Bank where the audited body maintains an account. Consequently,

- Funds could have been used for purposes other than those budgeted for.
- Government funds could easily have been misappropriated.
- It was not clear whether or not the money was for approved activities of GoSS.

Recommendation

Internal Audit should ensure that all payments were processed with a Pay Order and a cheque was drawn on government treasuries or a bank where the Ministry maintained an account.

The above payments made without PO should be reviewed.

5.13 Paid documents not defaced

The table below shows payments: where the supporting documents had not been defaced and stamped "Paid".

Sr. No.	Payee	P.O. No.	Description	Date	Amount
1	Available	115783	Treatment	08/05/2008	93,056
2	Available	115768	Services	07/05/2008	23,000
3	Available	115755	Services	30/04/2008	29,575
4	Available	115753	Hospitality	28/04/2008	1,000
5	Available	115752	Miscellaneous	25/04/2008	37,475
6	Available	115751	Services	24/04/2008	10,000
7	Available	115732	Refund	04/02/2008	200,000
8	Available	115750	Miscellaneous	20/02/2008	40,000
	Total				434,106

Implications

Without "Paid", defacing there was a risk that payments could be made more than once.

Recommendation

As per the FAPO Chapter 112 the cashier shall stamp the payment orders and all other supporting vouchers the moment the payment was effected.

5.14 Payments of SDG. 1,005,233 made without supporting documents

The table shows some of the significant payments made without supporting document.

Description	Amount (SDG)
Operation Costs	260,280
Deposit	222,958
Replenishment	110,752
Withdrawal NCB	70,000
Total	663,990

Sr.	Payee	P.O. No.	Particulars	Date	Amount in
1	Available	115901	Beck Atem/Assistance	13/06/2008	1,0000
2	Available	115901	Saich Chawal/Accommodation	13/06/2008	2,000
3	Available	115791	Duat Akuier/salaries	04/06/2008	16,000
4	Available	115751		24/04/2008	10,000
5	Available	115733	Complex Orders	03/02/2008	85,375
6	Available	115794	Andrew Matayo/printing	02/06/2008	2,000
7	Available	115795	List No.1/amount paid	04/06/2008	118,000
8	Available	115791	Request/director of finance	04/06/2008	10,000
9	Available	115794	Director General admin	26/05/2008	30,000
10	Available	115791	From Dedufia/salary	04/06/2008	66,868
			Total		341,243

Implication

This lack of internal controls in document processing increased the risk that public funds were misappropriated or misapplied.

Recommendation

As per the requirements of the Financial and Accounting Procedures Ordinance (FAPO) Chapter 386 Section (1) "No expenditures shall be charged against the budget except those approved, provided that payment shall be by cheque or payment order supported with bona fide voucher", So, Internal Audit should in future ensure that all payments are adequately supported. And the Ministry of Internal Affairs should ensure that all payments were made through a Pay order or a cheque.

CHAPTER - NINE
THE JUDICIARY

CHAPTER – 9

1. Introduction

The Judiciary of Southern Sudan was taken up for audit scrutiny with the hope that the degree of compliance to rules and procedures and laws and regulations would be maximal due to the anticipated constitutionality of its work culture. Otherwise the share of the budget of Judiciary was one per cent of the budget of Government of Southern Sudan. The hope for respect to financial rules and regulations and integrity of the Annual budget was belied and the systems in the Judiciary were as weak and the practices, no better than the other ministries.

2. Audit Objectives

- i) To verify completeness in recording of payroll costs, capital expenditure and other operational costs and transactions.
- ii) To verify that all expenditures and transactions were stated at the correct value, supported by appropriate documentation and accurately recorded.
- iii) To verify that all expenditures and transactions were made in accordance with the legislative framework and budgetary limits of the Government of Southern Sudan.
- iv) To verify the existence of the paid employees, and public assets.
- v) To verify the existence and efficacy of internal controls to protect public funds and the constitutionality in practice to follow rules, laws, regulations and procedures.
- vi) To verify compliance with generally accepted accounting principles.

3. Scope of Audit

The scope of audit was designed to achieve the objectives enumerated above with respect to the transactions for FY 2008. The span of audit included:

- i) Payroll costs.
- ii) Capital expenditure.
- iii) Operational and other expenditure.
- iv) Ascertainment of the existence and application of the internal and budgetary controls.
- v) Stewardship of Public Assets.
- vi) Disclosures in accordance with Generally Accepted Principles (GAAP).

4. Conclusion.

Only 15% of the pay rolls was made available to audit and audit was hamstrung. SDG 40,685 being the unpaid salary remained unaccounted. Salary advances of SDG 81,871 was not collected. Travel advance of SDG 215,000 was not accounted for by 14 Judges. Supporting documents for SDG 125,965 was missing and expenditure of SDG 211,762 had no suppliers' invoices but only photo copies. Revenue collected by the judiciary was poorly accounted without control over revenue collection receipts. 40% of the revenue retained was also not disclosed in the Accounts.

5. Findings

5.1 Salaries

a) Nominal Rolls

The Financial Accounting Procedures Ordinance (FAPO) paragraph 275 specifies that wage rolls are used to record and monitor, the salaries of classified employees and shall be filled in with particulars available in the nominal roll prepared by the personnel division based on the approved budget. In the absence of nominal rolls; audit could not verify whether the payrolls were prepared based on the nominal rolls.

Implications

In the absence of nominal roll employees may be paid more or ghost employees may be paid.

Recommendations

Internal audit should collate data in the nominal and pay rolls and ensure money is not misapplied.or misappropriated.

b) Payroll maintenance

Out of the sample payroll of SDG 15,153,957, audit was provided with payrolls only for SDG 2,283,138, which represents only 15% of the annual pay roll.

Implications

In the absence of 85% of the pay rolls, audit cannot confirm that salaries were paid as per pay rolls and that there was no misapplication of public funds.

Recommendations

All pay sheets be brought from the states and kept under proper custody at the head quarter of the Judiciary and made available for audit.

C) Unpaid Salaries

Judiciary did not maintain Finance Form No. 23, otherwise known as deposit book (unpaid salaries register) that should be used to record unpaid salaries as required by FAPO. Audit review showed salaries amounting to SDG 40,685 were not collected by the respective employees. These unpaid salaries amounted to 1% of the total salaries audited. Although, it appears not material, there could be control risks attached with it. And this finding is in respect of 15% of the pay roll made available.

Implications

There is likelihood of the risk that unpaid salaries may be collected by other persons and lead to misappropriation of funds.

Recommendations

Judiciary should maintain the Finance Accounts Form No. 23 and internal audit should review the unpaid salaries for the last three years to rule out any misappropriation.

d)Salary advances

Salary advances were given to staff without recovery of previous advances. For example a Judge took salary advance of SDG 14, 025 on 21 April 2008 against his April salary and SDG 14,025 on 25 September 2008 against his October salary. But in the subsequent months of April and October, only SDG 2,000 was deducted. Furthermore an advance of SDG 11,000 was also paid to him on 08 October 2008 with P.O. 103199 but was not accounted for. In all salary advances amounting to SDG 81,871 were not accounted for (Appendix 1).

Implications

In the absence of finance form No. 24, suspense accounts register, which indicates the advance given, deductions made and remaining balances, public money can be misapplied.

Recommendations

Finance Department of the judiciary should maintain finance account form no. 24. Two or more advances cannot be given to the same official.

5.2 Operating Expenditure

i) Foreign Travel Advance

Vide P.O.103113 dated May 09, 2008, foreign travel allowance of SDG 215,000 was paid to 14 Justices of Supreme Court and Court of Appeal. No evidence of travel abroad was presented.

Implications

In the absence of evidence, money was used for the intended purpose cannot be established.

Recommendations

In cases of travel advance, especially for foreign travel. the account should be rendered immediately or money should be recovered from the next salary. Internal audit should check this

i) Lack of Support Documents

Expenditure of SDG 125,965 did not have appropriate supporting documents. (Appendix 2).

Implications

In the absence of supporting documents, audit cannot certify that money was not misapplied.

Recommendations

All expenses incurred by the Judiciary should be accounted for and supported with necessary documentation. These include invoices, pay lists, receipts and pro-forma invoices among others with appropriate financial forms attached. In addition, MoFEP should ensure that cash requests made by the Judiciary are utilized for the purpose for which they were requested for.

ii) Photo copied and Pro forma Invoices

Out of the sample selected, payments amounting to SDG 211,762 were made without suppliers invoice. Only proforma invoices were attached and in three cases payments amounting to SDG 20,823 were made on photo copied pro forma invoices.(Appendix 3).

Implications

Without supplier's invoices and original supporting documents for payments audit cannot certify that payments made were genuine.

Recommendations

No payments should be effected against proforma invoices or without original supporting documents. Internal audit should ensure that all payments are genuine.

5.3.Revenue

i) Retention of Revenue

Out of the total revenue collected by the Judiciary, 60% was transferred to MOFEP and 40% was retained in a special account. But:

- MoFEP authorization allowing Judiciary to retain 40% revenue was not available
- There was no evidence for the utilization of the retained revenue.
- No bank statements for the special account for the retained revenue
- the retained revenue was not included in the budget of the Judiciary and the amount was not communicated to MOFEP.

Implication

The absence of proper guideline and control on usage of revenue by MOFEP and Judiciary may lead to public funds being utilized to make off budget expenses which are not authorized by MOFEP, leading to inefficient utilization of public funds.

Recommendation

We recommend that the collection and utilization of revenue be made with clear guidelines from the MOFEP and any revenue collected and retained by the Judiciary be communicated to MOFEP and included in the budget.

ii) Accounting for Revenue collected

Failure to produce 8,400 Financial Form No. 11, which were issued to collectors for collection of revenue (2850 forms were stated to be utilized) and Financial Form 67 which was used to summarize the collections received by the main cashier Audit was handicapped from certifying that all revenue collections were accounted for.

All other ministries and commission use FF 15 to collect revenue except the Judiciary which used FF 11.

Implication

The weak internal control system in issuing of Financial Form No. 11 to the collectors by the store keeper may lead to misappropriation of revenues collected by collectors. Audit also could not verify whether the money collected was handed over to the main cashier or to the bank.

Recommendation

Financial Form No. 11 issued and used by the collectors must be returned before issuing additional forms. These forms should also be audited by the internal auditor and the collections thereof should be handed over to the main cashier or deposited into the bank.

iii) Revenue Not Accounted

SDG 15,671 was collected by a cash collector using financial form 67 nos. 37251 to 37254(SDG 9,896) and no. 37255 to 37258(SDG 5,775). SDG 2,328 was collected by another cash collector using financial form 67. But audit was not provided with the financial forms no. 11 which was used to collect the money. Further we couldn't verify whether the money was handed over since we were not provided with the main cashier's cash receipt voucher.

Implication

We couldn't verify whether the entries on the financial form 67 agree with the amounts on financial form 11. Furthermore we couldn't ascertain whether the amounts collected as per financial form 67 were handed over to the main cashier.

Recommendation

We recommend that all financial forms no. 11 be made available for our verification and if the cash was handed over to the main cashier then the cash receipts of the main cashier be made available for our verification.

Appendix – I: Salary advances not deducted

Sr. No.	Name of payee	P.O. /Cheque No.	Date	Amount SDG
1	Available	103185	26/09/2008	14,025
2	Available	103199	18/10/2008	11,000
3	Available	103199	18/10/2008	6,000
4	Available	103193	26/09/2008	5,790
5	Available	103194	23/09/2008	1,000
6	Available	747405	21/10/2008	1,000
7	Available	103116	19/05/2008	18,000
8	Available	000496	17/12/2008	6,000
9	Available	039353	06/02/2008	1,500
10	Available	039353	06/02/2008	750
11	Available	103145	22/07/2008	16,806
	Total			81,871

Appendix 2 – Operating expenditures without supporting documents

Sr. No.	Payee	P.O. No.	Date	Amount SDG
1	Available	103119	27/05/2008	18,000
2	Available	103119	27/05/2008	10,000
3	Available	103181	12/08/2008	24,965
4	Available	103170	10/09/2008	22,200
5	Available	039399	06/03/2008	30,500
6	Available	039377	10/03/2008	14,700
7	Available	103122	08/07/2008	5,600
	Total			125,965

Appendix – 3: Payments supported only with proforma and photocopy invoices

Sr. No.	Name of payee	P.O. or Cheques	Date	Amount
1	AVAILABLE	464	31/10/2008	28,287
2	AVAILABLE	464	31/10/2008	20,823
3	AVAILABLE	464	31/10/2008	20,823
4	AVAILABLE	464	31/10/2008	20,823
5	AVAILABLE	747416	20/11/2008	21,000
6	AVAILABLE	103196	07/10/2008	12,000
7	AVAILABLE	103122	14/05/2008	22,500
8	AVAILABLE	103118	26/05/2008	5,495
9	AVAILABLE	103112	02/05/2008	34,310
10	.AVAILABLE	103155	11/08/2008	5,600
11	AVAILABLE	488	11/12/2008	20,101
12	AVAILABLE	495	16/12/2008	12,400
13	AVAILABLE	103121	05/06/2008	20,000
14	AVAILABLE	103129	23/06/2008	60,270
	Total			304,432

CHAPTER - TEN
MINISTRY OF LEGAL AFFAIRS
&
CONSTITUTIONAL DEVELOPMENT

CHAPTER – 10

1. Introduction

The Ministry of Legal Affairs and Constitutional Development played a pivotal role in incurring the capital expenditure of GoSS being the nodal ministry for approving the contracts for the capital expenditure. These approved contracts were honoured by the Ministry of Finance and Economic Development. The budget of the Ministry was SDG 25.272 million which accounted for 0.5% of the budget of GoSS for the year. The ministry had surrendered SDG 2.996 million.

2. Audit Objectives

- i) To verify completeness in recording of payroll costs, capital expenditure and other operational costs and transactions.
- ii) To verify that all expenditures and transactions were stated at the correct value, supported by appropriate documentation and accurately recorded.
- iii) To verify that all expenditures and transactions were made in accordance with the legislative framework and budgetary limits of the Government of Southern Sudan.
- iv) To verify the existence of the paid employees, supporting documentation and public assets.
- v) To verify the existence and efficacy of internal controls to protect public funds and the constitutionality in practice to follow rules, laws, regulations and procedures.
- vi) To verify compliance with generally accepted accounting principles.

3. Scope of Audit

The scope of audit was designed to achieve the objectives enumerated above with respect to the transactions for FY 2008. The span of audit included:

- i) Payroll costs.
- ii) Capital expenditure.
- iii) Operational and other expenditure.
- iv) Ascertainment of the existence and application of the internal and budgetary controls
- v) Stewardship of Public Assets.
- vi) Disclosures in accordance with Generally Accepted Accounting Principles.

4. Conclusion

The ministry did not ensure budget integrity. Revenue of SDG 293,802 and SDG 512,146 collected as various fees and registration of business was not remitted to MoFEP. Operating expenditure of SDG 576,120 was not accounted for.

5. Findings

5.1 Salaries and Allowances

a) Payroll Maintenance

A review of salaries and allowances in the Ministry revealed the following:

- The pay roll cost for the ten months of 2008 was SDG 6,120,408 but the transfers from the MOFEP were not made available to the auditors.(In all for twelve months the pay roll cost was seen to be SDG 18,445,135)
- The Pay sheets should be numbered and used sequentially. However, the ministry used other inappropriate forms which are against FAPO section-275(1) that requires the use of Form (13) to record and monitor the salaries of classified employee and such pay sheets be filled in with the available details in Nominal Roll.
- The Pay sheets were not verified by the establishment officer and not stamped to evidence that payments were made to bona-fide employees.
- Nominal Rolls were not maintained as required to ensure that all Ministry employees are easily identified on the rolls to avoid instances of ghost employees.

Implication

The cumulative effect of the use of self designed pay sheets and absence of nominal rolls meant the total cost of salaries and allowances was not accurately captured for accounting purposes and that funds meant for operating expenditure and other savings were diverted to meet salaries and allowances. Also there could be risks of irregular appointments, retired public servants continuing in service and payment of incorrect grades of pay.

Recommendation

The Ministry should ensure that the amount of salaries paid out is as per the payroll-sheet and are calculated based on the attendance records and that the Accountant uses the appropriate and pre-numbered Financial Forms. Funds should be expended as per the budget lines and no diversions should be made without the requisite supplementary appropriation approval.

5.2 Operating Expenditure

a) Payments without supporting documents

- i) Disbursements of SDG 576,120 were without supporting documents (*Appendix 1*).
This indicated non-compliance with the requirements of the Financial and Accounting Procedures Ordinance (FAPO) Chapter 386 Section (1) which states “*No Expenditure shall be charged against the budget except those approved, provided that payment shall be by cheque or Payment Order supported with bona fide vouchers*”.
- ii) In yet another instance, SDG 62,850 was posted as suspense payments to staff which is against FAPO Chapter 273 which says.” *Advances against salaries are charged against suspense account (miscellaneous loans) in the name of the borrowers; deductions in respect of the advances are also credited to this account.*”

Implication

This weakness in internal controls and failure to apply the recommended regulations (FAPO) increases the risk that public funds may be misappropriated and that goods and services paid for may not have been received.

Due to the failure to follow the laid down accounting procedures, there is also a risk that claims could have been paid more than once and that payments may have been made in excess of what was provided for in the budget.

Recommendation

The Ministry should adopt and apply the FAPO 1995 to avoid payments being made without supporting documents and to ensure that all payments are as per the approved budget.

5.3 Cash and Bank Balances

i) Cash balance

The Cash and Bank monthly reconciliations were not maintained. Consequently, we were unable to verify the Ministry's Cash and Bank balances at the end of the financial year.

Implication

In the absence of the monthly Cash and Bank reconciliations it is not possible to determine whether or not Cash and Bank transactions of the entity were correctly captured.

Recommendation

Monthly Cash and Bank reconciliations should be carried out. These reconciliations should be reviewed by a senior official independent of the preparer of those reconciliations.

5.4 Capital Expenditure

The assets procured during the year SDG 625,000 (Boundary wall SDG 335,000 and Three plots SDG 290,000) were not entered in the Asset Register.

Implication

Because of the lack of the Assets register, it is not possible to determine whether or not the said assets were ever procured and if so, whether the same was done according to the guidelines set out in the Interim Public Procurement and Disposal Regulations 2006.

Recommendation

An assets register should be maintained to record /capture the details of all the assets procured and maintained/owned by the Ministry.

Internal Audit should certify to the NAC the availability of the assets.

5.5 Revenue unaccounted

i) Retention of Revenue

Revenue received as Advocacy fee, Contract fee and Change of Name fee was SDG 3,025,900 and the actual remittances was SDG 2,732,108. The balance SDG 293,802 was .unaccounted

The collections were made through Financial Form 15 (Cash receipt)-according to FAPO 236 (1). The collections were posted to Collector Book 67(Collectors Account) as per (FAPO) Chapter 239 Section (2) which states. "The Collectors book shall contain all receipts issued,, their serial numbers, names of payers and total sum collected per receipt distributed among the various revenue items.....". Further, section (3) of the same Chapter requires the issuance of a Credit Advice for all the amounts collected and credited or remitted to the Treasury. Contrary to this, no credit advice was issued against these amounts.

Implication

Due to the Non- issuance of the credit advice, there is a likelihood that the funds collected may have been diverted to other uses and may never have been surrendered to the Government.

Recommendation

Ministry's Accountant should check the collector's book on a daily basis against the book copies of the receipts and verify the total collection prior to filling the credit advice.

5.6 Directorate of registration of business, associations & NGO's

In our audit on revenue in the Directorate of Registration of Business Association and NGO's in the Ministry for the financial year 2008 we found the following:-

The Directorate was established vide organization act 2008 section (12)

- 1- To register companies, business, NGO's societies, associations & other legal entities in Southern Sudan
- 2- To ensure that all the business were operating in accordance with the law.
- 3- To ensure that NGO's were operating in accordance with their own law of establishment
- 4- MoFEP as the sole entity in charge of revenue management never provided the Directorate with authority letter assigning the responsibility.

The revenue was collected by financial form No 15 (cash receipts).According to FAPO (236)- "a collector shall issue finance revenue form 15". The collections were not posted to the collector book 67 (collector account) as per FAPO chapter (239) section (2)

The chargeable rates shown to our team vide letter dated 12/1/2011 from chief registrar were not convincing.

The total Amount collected was SDG 2,459,365. Out of this Unremitted was SDG 512,146

Implication

The inability to have an authority letter from Ministry of Finance created uncertainty of the rates to be charged on registration for every company, NGO and society.

Without supervision and verification of collection of receipts, there would be risk of mis-use of public fund.

Due to the failure to record money collected in the collector account book FF-67, there was no control mechanism.

Recommendation

An authority letter from MoFEP is of great importance to the Directorate of Business Registry to collect revenue.

The collector of revenue should work with Accounts Department and any collection must be verified by senior official before these are deposited to the Bank A/C.

All collections should be posted to collector book FF -67 as per FAPO 239-(2)

There must be a ledger to up keep the business records, and NGOs which are already registered. This could provide easy reference for the head of Directorate.

Additional man power (Book-keeper) and capacity building are required.

Annexure – 1: Payments without supporting documents

Sr.No.	Name	Date	V.O. No.	Amount SDG
1	Available	08/01/2008	013	12,260
2	Available	11/01/2008	019	60,000
3	Available	11/01/2008	020	5,700
4	Available	14/01/2008	021	7,174
5	Available	16/01/2008	033	10,000
6	Available	15/04/2008	066	5,370
7	Available	30/04/2008	0161	4,800
8	Available	13/05/2008	048	4,000
9	Available	20/06/2008	0105	17,060
10	Available	30/06/2008	0172	22,000
11	Available	10/07/2008	120	5,105
12	Available	16/07/2008	149	2,700
13	Available	18/07/2008	182	5,000
14	Available	03/07/2008	027	5,215
15	Available	21/07/2008	202	20,000
16	Available	30/07/2008	295B	3,200
17	Available	15/08/2008	002	3,455
18	Available	16/08/2008	089	25,000
19	Available	23/08/2008	132A	1,700
20	Available	13/09/2008	031	8,000
21	Available	19/09/2008	060	10,080
22	Available	17/07/2008	164B	6,605
23	Available	27/10/2008	165	20,000
24	Available	13/05/2008	0110	3,500
25	Available	02/11/2008	010	4,460
26	Available	19/11/2008	0160	10,000
27	Available	04/12/2008	041	9,150
28	Available	18/12/2008	0147B	6,590

29	Available	20/12/2008	0163B	98,000
30	Available	23/12/2008	0176	36,000
31	Available	20/09/2008	080	30,000
32	Available	03/09/2008	004	3,376
33	Available	11/09/2008	014	3,570
34	Available	10/09/2008	016	12,425
35	Available	12/09/2008	025	10,080
36	Available	06/09/2008	116	15,000
37	Available	26/09/2008	148	3,200
38	Available	13/10/2008	063	3,450
39	Available	13/10/2008	066	10,000
40	Available	20/10/2008	0131	32,065
41	Available	23/12/2008	0180	5,000
42	Available	24/12/2008	0190	7,500
43	Available	22/12/2008	239	8,330
		TOTAL		576,120

CHAPTER - ELEVEN

SOUTHERN SUDAN

LEGISLATIVE ASSEMBLY

CHAPTER – 11

1. Introduction

The Southern Sudan Legislative Assembly (SSLA) is a premier constitutional authority of the nation. The budget of SSLA was SDG 180.18 million which was 3.3% of the budget of the Government of Southern Sudan for the year.

2. Audit Objectives

- i) To verify completeness in recording of payroll costs, capital expenditure and other operational costs and transactions.
- ii) To verify that all expenditures and transactions were stated at the correct value, supported by appropriate documentation and accurately recorded.
- iii) To verify that all expenditures and transactions were made in accordance with the legislative framework and budgetary limits of the Government of Southern Sudan.
- iv) To verify the existence of the paid employees, supporting documentation and public assets.
- v) To verify the existence and efficacy of internal controls to protect public funds and the constitutionality in practice to follow rules, laws, regulations and procedures.
- vi) To verify compliance with Generally Accepted Accounting Principles (GAAP).

3. Scope of Audit

The scope of audit was designed to achieve the objectives enumerated above. The span of audit included:

- i) Payroll costs.
- ii) Capital expenditure.
- iii) Operational and other expenditure and.
- iv) Ascertainment of the existence and application of the internal and budgetary controls
- v) Stewardship of Public Assets.
- vi) Disclosures in accordance with GAAP

4. Conclusion

The SSLA did not respect the integrity of the budget and over spent by SDG 5.15 million over and above the supplementary budget of SDG 96.28 million. The recruiting procedures in the Assembly were incorrect. The officials were recruited internally without the involvement of the Ministry of Public Service and retired employees continued. Systemic controls were weak as payment of emoluments to staff and members was without authority and one employee collected two salaries for four months. Loans of SDG 1,081,331 were paid without budget and SDG 1,856,450 was released as operating expenses without supporting documents.

5. Findings

5.1 Budget Analysis

The original budget allocation to SSLA was SDG 83.938 million. The supplementary grant was SDG 96.238 million. Despite the total budget of SDG 180.176 million the SSLA over spent by SDG 5.147 million.

Implication

SSLA should be in the vanguard of protecting budget inviolability. SSLA neither had ability for budget forecasting, as its supplementary budget was more than the original nor had the ability to control expenditure within allocation.

Recommendation

SSLA should improve systemic controls and set an example.

5.2 Payroll costs

i) Emoluments to the members of the Southern Sudan Legislative Assembly

The auditors noted that as in the previous year, the Presidential Decree or Provisional Order of the GoSS, authorizing the remuneration of the members of the SSLA were not provided. As a result audit was not able to authenticate the levels of remuneration paid to members of the Legislative Assembly. The audit also could not confirm the legality of the emoluments paid to the constitutional post holders.

Implication

In the absence of the Council of Ministers Resolution or the President Decree authorising the emoluments payable to the members of the Assembly, there is the risk that members were paid their emoluments irregularly.

Recommendation

We recommend that the emoluments and benefits paid to SSLA members should be based on the Resolution of the Council of Ministers or Presidential Decree during the year. This may be availed to the audit, the soonest.

ii) Employees' Personal Files

SSLA employees' personal files were not updated with the records of service and documents such as appointment letter, salary increment, promotion letters, nationality, birth certificate, academic and professional certificates, previous employments, medical fitness certificate, employee photograph, and leave records. Classified employee personal files are required to be updated with copies of the record of service history sheets (Establishment form no.6) showing the date of appointment, date of birth, job grade and salary range, annual rate of pay and other relevant details. The establishment form no.6 was partially updated in most of the files or was missing.

Implication

There was a risk that SSLA employees due for retirement may have continued in employment. The data is also used for computing the final dues on resignation / retirement. There was the risk of under/ over payments in the absence of data.

Recommendation

Human Resource Department, SSLA should review and update the employee files.

iii) Retired Employees continued by SSLA

Some employees in the SSLA who had retired were still on the payrolls. They were granted various grades, and were paid allowances corresponding to the internally allocated grades in the payrolls. They were exempted from personal income tax deductions.

There were no clear policies and procedures on how the retired employees were retained in active employment. The details of retired employees so employed are shown below:-

Name	Grade	Gross SDG
Germano Nyagong	3	2,251
Edward Lomude	3	2,251
Fathoran Pal	8	1,150
Denis Lokudo Joka	8	1,125

Implication

There is the risk that the re employment of retired employees was irregular and indicated favouritism

Recommendation

The terms of such re employment should be regularized with the Ministry of Public Service.

iv) Employees internally recruited in the SSLA

Some of the employees were directly recruited by the SSLA. Their terms of employment were not forwarded to the Ministry of Public Service to regularize their salary grades. Further there were no pension deductions for such employees. (Appendix 1).

Implication

There is the risk that these employees were employed and paid for irregularly

Recommendation

The terms of employment of these employees should be got regularized.

SSLA should be deducting pension, once the appointments are regularized.

v) Duplication of salary payment

Name of one of the employees (detail available) who was in grade (14) used to appear twice in the pay rolls. The amount for the second name was being signed for by another person. The duplication was from September to December 2008:

Pay SDG	Month	Payroll no
291	September	62
291	September	75
291	October	62
291	October	75
298	November	62
291	November	75
298	December	62
291	December	75

Implication

Inadequate internal controls led to misappropriation of public funds.

Recommendation:

The excess salaries paid should be recovered and fraudsters proceeded against.

5.3. Operating Costs

Section 386-(1) FAPO stipulates that no expenditure shall be charged against the budget line except those approved, provided the payment shall be by cheques or Payment Order supported with bona fide vouchers. In all SDG 1,856,450 was released without supporting documents (Appendix 2)

Implication

The accuracy and validity of the operating expenditure amounting to SDG 1,856,450 cannot be certified in the absence of documents and possibility of misapplication of funds is real.

Recommendation

These unsupported payments should be reviewed and accounted for immediately. Internal Audit should exert itself to avoid recurrence of such cases.

5.4. Loans and Advances**a) Unbudgeted loans**

Loans were disbursed to employees and members of SSLA to the tune of SDG 1,081,331. though there was no budget provision. The SSLA did not comply with FAPO 386(2) which stipulates that no payment should be incurred except when it is within the budget. One of the loans (SDG500) was not to an employee/member of the Assembly.

Implication

The loans were disbursed irregularly. MoFEP was equally remiss in releasing the money when the application for transfer of funds was received

Recommendation

SSLA should frame Loan Rules and get it passed in the Assembly. A budget line should be provided in future.

Loan disbursed to non SSLA employee be investigated and appropriate action taken

b) Loan Management

Loans were being approved to some employees and members before they repaid their current loans. The auditors also noted that there were no clear policies and procedures regarding the application of loans, loans disbursements, and monthly loans recoveries.

Implication

In the absence of an updated suspense book there was the risk that public funds disbursed as loans may not be recovered. There is lack of audit trail on the loans disbursed/ recovered and the balances due. The correctness of the loan recoverable amount SDG 840,293 cannot be certified by audit (Appendix 3)

Recommendation

Rules for loan management are already available in the FAPO and these should be strictly followed. Internal audit should exercise itself to ensure the prescribed system is honoured.

c) Loans recording

The suspense book where all the loan disbursements and monthly deductions should be recorded was not updated and reviewed on a monthly basis. An amount of SDG 840,293 (Appendix 3) had not been recovered at the end of the financial year. Audit not confirms the accuracy of the outstanding loan balances as at the end of the financial year since the suspense book was partially updated.

Implication

There is lack of audit trail on the loans disbursed, loan recoveries and the balances indicated as outstanding. There was a clear risk of public money being lost.

Recommendation

We reiterate that the suspense book should be updated with the details. The monthly loan recoveries should be updated on the employees or members' ledger. There should be an independent review of the suspense book to check that the book is being updated and that

all the loan repayments are updated on monthly basis to the individual members ledger accounts. Internal audit should get this done immediately.

5.5. Internal Audit Department.

Internal audit department does not independently review the effectiveness of the systems in practice in the various departments of SSLA and present recommendations to the Clerk of the Assembly. Internal audit is remiss in not carrying out its mandated duties including safeguarding the assets and the resources. An internal audit manual specific to SSLA, which is different from the MDAs of GoSS, should be drafted to guide the planning and execution of the internal audits.

Implication

There is a risk that internal control deficiencies in the SSLA could pass undetected even when the controls are in place since there was no independent appraisal of the practices in the departments. Deficiencies in internal controls may facilitate misappropriation of public funds.

Recommendation

Internal Audit Department should commence system reviews of the policies and processes implemented by SSLA on a monthly basis to enable the Clerk of the Assembly to set in motion measures for mitigation. An internal audit manual specific to SSLA should be developed

5.6. Fixed assets

SSLA did not have a fixed asset register. to track the assets acquired in the previous years and the current year. The register ought to be updated with the date of purchase, cost of the asset, description, classification of the asset, location and the custodian. The movements and the transfers of assets were not properly updated and accounted for during the year.

Implication

With the lack of adequate internal controls, assets are prone to be misused or misappropriated.

Recommendation

A fixed asset register should be opened and be updated showing the date of the purchase, cost, description, fixed asset tag number, location, custodian etc Policies and procedures regarding the custody of the fixed assets should be formulated

5.7. Books of Accounts

Monthly returns of expenditure were not being sent to the Ministry of Finance (MOFEP) to enable an update of the Free Balance Ledger. This would enable the MOFEP to have correct allocation of the funds expended and enable reconciliation of the transfers to the SSLA

Implication

Transfers pose a risk of possible misappropriation since they can be diverted by individuals in the absence of reconciliation between the MOFEP and SSLA of the funds transferred.

Recommendation

SSLA should send monthly returns to the MOFEP for reconciliation of transfers.

i) Bank Reconciliations

Bank reconciliations were not carried out on a monthly basis as stipulated in Section 324 of FAPO. The bank statements were not requested for from the bank on a monthly basis.

Implication

The failure to prepare monthly bank reconciliations may result in transactions being omitted which are in the bank statements and not in the bank book falsifying financial statements. Further intentional errors and omissions in the cheque books, the bank statements and the bank book may pass undetected if the monthly bank reconciliations are not prepared and reviewed.

Recommendation

Monthly bank reconciliations should be carried out by the accountant. This will mitigate the risk of errors and omissions and any misappropriation would come to light in time.

APPENDIX- 1: Details of the employees appointed internally

Sr. No.	NAME	GRADE	GROSS SDG
1.	Available	3	1,876
2.	Available	3	1,876
3.	Available	3	1,876
4.	Available	3	1,876
5.	Available	5	1,501
6.	Available	5	1,501
7.	Available	5	1,501
8.	Available	5	1,501
9.	Available	5	1,501
10.	Available	3	1,876
	TOTAL		16,885

Appendix - 2: Unsupported payment orders

Sr. No	Beneficiary	Date	Payment order No	Amount SDG
1.	Available	05/01/2008	776778	78,750
2.	Available	11/01/2008	776786	78,100
3.	Available	11/01/2008	776786	22,953
4.	Available	11/01/2008	776786	36,080
5.	Available	22/01/2008	776805	116,716
6.	Available	30/05/2008	776929	109,590
7.	Available	31/07/2008	777011	95,112
8.	Available	31/07/2008	777011	50,002
9.	Available	31/07/2008	777011	30,460
10.	Available	04/09/2008	777051	10,500
11.	Available	04/09/2008	777051	40,000
12.	Available	04/09/2008	777051	26,505
13.	Available	05/09/2008	777052	186,000
14.	Available	24/09/2008	777068	72,408
15.	Available	24/09/2008	777068	7,087
16.	Available	24/09/2008	777068	10,800
17.	Available	24/09/2008	777068	10,012
18.	Available	29/10/2008	777093	116,480
19.	Available	17/12/2008	153532	123,624
20.	Available	29/12/2008	153543	240,000
21.	Available	29/12/2008	153543	8,500
22.	Available	05/01/2008	776779	40,000
23.	Available	21/01/2008	776802	30,000
24.	Available	21/01/2008	776802	10,000
25.	Available	21/01/2008	776802	4,000
26.	Available	21/01/2008	776802	4,000
27.	Available	28/01/2008	776843	40,000
28.	Available	18/03/2008	776862	20,000
29.	Available	18/03/2008	776862	30,000
30.	Available	18/03/2008	776862	30,000
31.	Available	18/03/2008	776862	30,000

32	Available	18/03/2008	776862	20,000
33	Available	18/03/2008	776863	46,000
34	Available	18/03/2008	776863	12,000
35	Available	18/03/2008	776863	40,000
36	Available	18/03/2008	776863	20,000
37	Available	18/03/2008	776863	50,000
38	Available	18/03/2008	776865	14,000
39	Available	18/03/2008	776865	30,000
40	Available	18/03/2008	776865	10,000
41	Available	18/03/2008	776865	30,000
42	Available	18/03/2008	776865	10,000
43	Available	19/03/2008	776867	10,000
44	Available	19/03/2008	776867	52,060
45	Available	23/04/2008	776893	30,495
46	Available	19/05/2008	776915	30,000
47	Available	19/05/2008	776915	2,770
48	Available	10/06/2008	776953	10,000
49	Available	10/06/2008	776953	10,000
50	Available	10/06/2008	776953	14,000
51	Available	10/06/2008	776953	30,000
52	Available	10/06/2008	776953	20,000
53	Available	08/08/2008	777019	30,000
54.	Available	08/08/2008	777019	15,000
55.	Available	08/08/2008	777019	30,000
56	Available	22/08/2008	777033	10,000
57	Available	22/08/2008	777033	41,800
58	Available	22/08/2008	777033	10,000
59	Available	22/08/2008	777033	10,000
60	Available	21/11/2008	153515	30,000
61	Available	21/11/2008	153515	20,000
62	Available	21/11/2008	153515	20,000
63	Available	30/12/2008	153545	6,000
64	Available	30/12/2008	153545	30,000

65	Available	30/12/2008	153545	15,000
66	Available	31/12/2008	153549	30,000
67	Available	31/12/2008	153549	10,000
68	Available	31/12/2008	153549	20,000
69	Available	31/12/2008	153549	10,000
70	Available	31/12/2008	153555	30,000
71	Available	31/12/2008	153555	10,000
72	Available	31/12/2008	153555	20,000
	TOTAL			1,856,450

Appendix - 3: List of loan balances not recovered.

Sr. No.	NAME	BALANCE SDG
1.	Available	14,500
2.	Available	11,500
3.	Available	250
4.	Available	16,500
5.	Available	14,000
6.	Available	8,000
7.	Available	4,900
8.	Available	500
9.	Available	1,500
10.	Available	5,000
11.	Available	15,830
12.	Available	16,570
13.	Available	5,500
14.	Available	1,000
15.	Available	1,000
16.	Available	1,800
17.	Available	4,500
18.	Available	725
19.	Available	850
20.	Available	1,400
21.	Available	1,750
22.	Available	500
23.	Available	3,750
24.	Available	1,000
25.	Available	600
26.	Available	2,000
27.	Available	2,000
28.	Available	500
29.	Available	1,500

30.	Available	50
31.	Available	1,550
32.	Available	2,000
33.	Available	2,000
34.	Available	550
35.	Available	1,800
36.	Available	100
37.	Available	550
38.	Available	350
39.	Available	1,500
40.	Available	1,000
41.	Available	500
42.	Available	300
43.	Available	300
44.	Available	1,500
45.	Available	500
46.	Available	5,000
47.	Available	10,000
48.	Available	1,800
49.	Available	900
50.	Available	1,800
51.	Available	1,800
52.	Available	1,750
53.	Available	2,800
54.	Available	1,500
55.	Available	4,000
56.	Available	2,100
57.	Available	800
58.	Available	400
59.	Available	3,000
60.	Available	855
61.	Available	10,435
62.	Available	14,500

63.	Available	10,000
64.	Available	7,000
65.	Available	1,600
66.	Available	1,400
67.	Available	500
68.	Available	650
69.	Available	1,300
70.	Available	100
71.	Available	500
72.	Available	51,960
73.	Available	6,000
74.	Available	3,300
75.	Available	3,500
76.	Available	7,500
77.	Available	13,600
78.	Available	300
79.	Available	2,000
80.	Available	1,500
81.	Available	1,500
82.	Available	750
83.	Available	500
84.	Available	500
85.	Available	500
86.	Available	500
87.	Available	500
88.	Available	500
89.	Available	6,555
90.	Available	5,000
91.	Available	36,000
92.	Available	13,000
93.	Available	900
94.	Available	6,555
95.	Available	2,000

96.	Available	50,000
97.	Available	1,000
98.	Available	2,500
99.	Available	1,000
100.	Available	2,500
101.	Available	1,000
	Available	
103.	Available	3,000
104.	Available	3,000
105.	Available	5,000
106.	Available	250
107.	Available	775
108.	Available	3,933
109.	Available	1,500
110.	Available	500
111.	Available	1,500
112.	Available	10,000
113.	Available	3,000
114.	Available	1,000
115.	Available	20,000
116.	Available	4,000
117.	Available	6,555
118.	Available	15,500
119.	Available	10,000
120.	Available	500
121.	Available	1,500
122.	Available	200
123.	Available	500
124.	Available	750
125.	Available	15,000
126.	Available	300
127.	Available	3,000
128.	Available	3,000

129.	Available	10,000
130.	Available	20,000
131.	Available	1,000
132.	Available	6,400
133.	Available	500
134.	Available	1,500
135.	Available	10,000
136.	Available	500
137.	Available	50,000
138.	Available	41,800
139.	Available	1,500
140.	Available	2,500
141.	Available	20,000
142.	Available	5,000
143.	Available	28,140
144.	Available	10,000
145.	Available	2,000
146.	Available	2,500
147.	Available	7,000
148.	Available	1,000
149.	Available	50
150.	Available	5,000
151.	Available	1,500
152.	Available	1,115
153.	Available	10,000
154.	Available	2,000
155.	Available	10,640
156.	Available	1,000
	TOTAL	840,293

CHAPTER- TWELVE
THE MINISTRY OF
SUDAN PEOPLE'S LIBERATION ARMY AFFAIRS

CHAPTER- 12

1. Introduction

The signing of the Comprehensive Peace Agreement (CPA) in January 2005 marked the beginning of a transition period from the administration of the Sudan People Liberation Army/Movement (SPLA/M) to the then South Sudan Coordination Council (SSCC) until the formation of the Government of Southern Sudan (GoSS) in October 2005.

GoSS lacked capacity in financial management, and as a result the administration engaged an Interim Project Accounting Agent (IPAA) to prepare the financial statements for the period ended 31 December 2008. Financial accounting was centralised at the Ministry of Finance. Expenditure support documents were available at the ministry, however in some instances some documents and records were found to be missing.

The SPLA is a major spending unit and in 2008 the expenditure was SDG 1,872.598 million which was almost 33 % of the annual GoSS budget. The quality of expenditure called for vast improvements along with structures to achieve the quality.

2. Audit Objectives

- i) To ensure completeness in recording of payroll costs, capital expenditure and other operational costs during the year of audit.
- ii) To ensure that all expenditure in the year of audit is stated at the correct value, supported by appropriate documentation and accurately recorded by the ministry.
- iii) To ensure that all expenditure in the year of audit was made in accordance with the legislative framework of the Government of Southern Sudan.
- iv) To verify the existence of the paid employees and fixed assets.
- v) To verify the existence and efficacy of internal controls to protect public funds and the constitutionality in practice to follow rules, laws, regulations and procedures.
- vi) To verify compliance with generally accepted accounting principles.

3. Scope of Audit

The financial audit was carried out to achieve the objectives of the audit enumerated below with respect to the receipts and expenditure of the Sudan People's Liberation Army (SPLA) for the year ended 31 December 2008. Our main areas of focus included:

- i) Payroll cost incurred by the Army during the year audit
- ii) Capital expenditure recorded during the year under audit
- iii) Operational and other expenditure during the year under audit
- iv) Ascertainment of the existence and application of the internal controls and budgetary control.
- v) Stewardship of Public Assets.
- vi) Disclosures in accordance with Generally Accepted Principles (GAAP).

4. Conclusion

The SPLA for the fourth year frustrated the efforts of National Audit Chamber to subject the expenditure of SPLA, out of public funds to legislative scrutiny. The audit of SPLA is all the more significant since 60% of the pay roll expenditure of GoSS is in SPLA and only 7 out of 40 divisions shared the pay roll details with Audit. The authorities at the Ministry did not give any reason but it is not difficult to construe their concerns for confidentiality. Unfortunately, the shield of security can also cover illegitimate transactions. In any event, the continued refusal to submit to legislative audit constitutes a constitutional challenge.

This failure has to be seen in the light that the accounting staff in SPLA are predominantly uniformed men who implicitly carry out orders and do not refer to financial regulations. The SPLA does not have staff with accounting skills and do not have internal audit to protect public funds. On top of it external audit is thwarted.

Not only audit but also the budget voted by parliament was disrespected. The expenditure of SDG 1,872,597,611 included excess expenditure of SDG 69,597,611. The expenditure included SDG 1,916,734 as medical assistance without recommendation of the medical commission SDG 1,473,000 had been paid as Up keep allowance to officers without proof of payment or authorization. Payment by cheques for SDG 30,785,588 and payment by cash of SDG 9,456,159 were without supporting documents. In this context the audit is constrained to record Disclaimer for the audit certificate on the GoSS financial statements for 2008.

5. Findings

5.1 Internal control environment

SPLA did not maintain adequate accounting records to enable a reasonable assurance that public funds had been used for bona fide purposes of the defence forces and in terms of their mandated authority. As discussed in the later sections of this chapter, several documents which were required to authenticate expenditure such as nominal rolls, pay sheets, invoices and contracts amongst others were not made available.

Further there was no evidence of many fundamental internal control functions such as authorization of transactions, segregation of incompatible duties, custodial controls and supervision. Where controls were noted, these were weak and therefore risked being circumvented and expose public funds to the possibility of fraudulent use.

The control weaknesses arose mainly from the lack of the institutional structures and capacity to support proper recording of transactions at SPLA. There was lack of skilled staff in the accounting section with the result basic procedures were overlooked exposing public funds to misuse and possible corruption.

Even mundane procedures such as reconciliations were beyond the accounting staff of SPLA. There was no reconciliation of SPLA records with the Free Balance system in MoFEP resulting in a difference of SDG 704,614,197 in total expenditure. It was not possible to establish the completeness, accuracy, existence, and regularity of SPLA accounting records due to the weak internal control environment.

It was also observed that the ministry's accounting section was staffed by serving members of the army who did not have the necessary accounting skills and financial management knowledge required for a sophisticated spending unit of GoSS.

Implications

Weak internal controls expose public funds to fraudulent activities including collusion between staff and outsiders to prejudice the SPLA appropriations.

A weak internal control environment leads to material inaccuracies in the accounting records. It also makes it difficult to establish whether transactions have passed through the necessary approval procedures as there is no evidence to that effect.

The staffing of the accounting function in SPLA by military personnel could potentially increase the risk that internal controls are overridden. There is a clear potential conflict whereby senior officers can resort to issuing orders to junior officers where internal controls prove a hindrance.

In the absence of sufficient and adequate audit evidence, auditors were unable to rule out the possibility of the existence of material and pervasive misstatements and fraud in the SPLA and GOSS financial statements.

Recommendations

SPLA should embark on capacity building in the finance section to enable implementation of an effective internal control and related accounting system.

In addition it is recommended that basic controls such as reconciliations of bank accounts and transfers from MOFEP should be instituted along with internal checks, supervision and adherence to authorization and approval processes.

Auditors recommend that the accounting function may be better served by civilians who normally operate on the basis of collegiate style as opposed to regimentation which is the norm in the army to prevent circumvention of internal controls by way of senior Officers issuing commands to staff which then become the basis of transactions rather than sound internal control measures.

As reported in the previous year, SPLA should institute document retention policies and strategies that are consistent with the laws of the country. Documents should be maintained for five years and be subject to audit prior to destruction.

5.2 Budgetary Performance

SPLA had total expenditure of SDG 1,872,597,611 which was 33% of the total GOSS expenditure of SDG 5,789,932,356. Despite a supplementary budget that was higher than the original, the SPLA still had an over-expenditure of SDG 69,597,611. The over spend was on account of salaries (-SDG 8.6 million) operational expenditure (SDG 42.5 million) and Capital Expenditure (SDG 35.7 million) The SPLA Directorate of Finance was unable to provide any explanations for the over-expenditure.

SPLA did not have procedures to monitor budget implementation so that budget limits are honoured. A key control for monitoring the budget would be maintaining commitment registers which would provide guidance on the availability of resources prior to incurring expenditure, but these were not being maintained.

Implications

The SPLA violated the Appropriation Act of the legislature overturning the parliamentary control over public expenditure. This means the officials have greater say over the application of public funds in comparison to the representatives of the people. If this trend is

not arrested the importance of the legislature will diminish, democracy will not flourish and the need for voting for appropriations will vanish. In due course this can lead to disappearance of financial discipline in government and emergence of irregular expenditure of public funds.

Recommendation

In order to safeguard prioritisation of application of scarce public funds and protecting financial discipline in government suitable estimations of expenditure should be in place. Once the budget is voted by parliament the ministry should prune its expenditure to the level of funds made available. In case of emergencies SPLA should take recourse to Supplementary Budget mechanism and not over spend with abandon as in the instant case where it was SDG69,5 million in excess of the total budget.

5.3 Payroll records

Auditors received pay sheets from 7 SPLA Directorates out of the 30 based within the Headquarters (**Appendix 1**). Pay sheets are required in terms of Financial and Accounting Procedures Ordinance (FAPO) s.284(1) and their importance is that they are numbered and are to be used in sequence and therefore any unaccounted sheets can be easily identified and investigated. In addition, pay sheets are important as they are designed to show evidence of checks conducted by at least five officials on arithmetical accuracy, consistency in rates of pay from month to month, authorisation and approval and checks to assure employees are genuine.

Auditors did not receive pay sheets from the 10 divisions based outside the SPLA Headquarters despite repeated requests and meetings with the SPLA management

In addition the Auditor General wrote to the Minister for SPLA requesting for pay sheets but no action was taken. In the absence of pay sheets, there remained a risk that material irregularities occurred in recruitment and existence of SPLA staff. There was insufficient evidence that staff of the remaining 33 Directorates that were drawing salaries from public funds actually existed and staff were properly recruited. The SPLA payroll amounts to 60% (SDG 1,118,247,525) of the total government expenditure on payroll and therefore the lack of basic payroll records had significantly limited the scope of audit and increased the risk that public funds could have been subjected to fraud.

Implications

There was a risk that ghost employees were drawing salaries from public funds.

Recommendations

The SPLA should embark on personnel verification to ensure that only bona fide employees subject to appropriate recruitment appear on payroll records and efforts should be directed at identifying and removing ghost employees from the payroll.

There is a need to train and recruit competent staff for the maintenance of payroll which give a full account of how funds have been used in the payment of salaries.

Internal auditors should attend pay parades to verify identification documents of recipients with those appearing in the payroll to ensure that only bona fide staff is paid.

5.4 Recruitment and appointment of staff

Auditors were unable to establish whether recruitment was authorized by the appropriate SPLA authorities prior to being embarked on. Personnel files or records of employees were not made available and we were unable to establish whether they existed or not as we were not given any satisfactory explanations or evidence.

Implications

There was the risk of unauthorised recruitment leading to excess staff compared to the levels planned.

Recommendation

SPLA should institute recruitment and appointment procedures on the basis of Manual of Public Service Procedures Article 1.1(1.1.3).

There should be nominal rolls and personnel history records to have an audit trail.

5.5 Fraudulent payments

An official signed for 36 salaries in the month of November 2008 without procurement as required by FAPO Article 278 (3). Auditors could not quantify the amount as the pay sheet did not give details for the amounts signed for. There was no explanation given by the Deputy Director of Finance.

Implications

This is an example of possible fraudulent salary payment from the limited sample provided to audit.

Recommendations

SPLA should ensure that where employees are not available to collect their salaries procurement should be obtained. In terms of FAPO s. 278 (3-4) procurement should be in writing, bear a stamp of the prescribed rate, and requires to be endorsed by the head of the accounting unit for it to be valid.

5.6 Financial assistance disbursements

SDG 1,916,734 was paid out as financial assistance and medical treatment, out of which SDG 1,459,016 was paid for medical treatment and SDG 457,718 for financial assistance. Audit noted there were no set criteria for the financial assistance and medical treatment. The shortcomings included the lack of documents from a medical commission supporting the request for medical assistance. **(Appendix 2) (i) and (ii)**

Implications

Funds can be misappropriated in the guise of financial assistance for medical treatment

Recommendations

Disbursements for medical aid should be supported by a medical report. Cases noted in the appendices should be investigated for recovery. There should be standardized rules.

5.7 Upkeep allowances

SDG 1,473,000 was paid as upkeep allowances to senior SPLA officers but no standing order authorizing such an allowance was provided. Neither the officers receiving the allowance had signed to acknowledge receipt of the allowance. **(Appendix 3)**

Implications

There was a risk that unauthorised and/or fraudulent payments could be made from public funds by way of this allowance in the absence of the standing order.

Recommendations

Recipients of this allowance should sign as evidence of receipt. The standing order authorising the allowance should be made available. The SPLA authorities should investigate the propriety and regularity of this allowance and take remedial action

5.8 Operating expenditure payment system

Short-comings in processing the payments for operating expenditure included

- Lack of purchase orders
- Lack of invoices
- Lack of contracts
- Absence of quotations

SDG 30,785,588 was paid to various vendors by cheque and SDG 9,456,159 was paid in cash without the above mentioned supporting documentation. **(Appendix 4 & 5)**.

These accounting documents are a requirement of FAPO Articles 108 (1-3) & 109(1-5) and their purpose is to ensure the correct amount is paid, services or goods have been received, and the payment is for bona fide government expenditure.

Implications

In the absence of supporting documents it is not possible to ascertain if the payments made are regular, accurate, to the correct suppliers and for goods or services received.

Recommendations

All payment should be supported by appropriate documentation as outlined in the FAPO Sections.108 and 109.

Internal audit and Ministry of Finance should review these payments to establish authenticity and correctness.

5.9 Bank Reconciliation

Periodic bank reconciliations should be performed to help in the early detection of errors and irregularities in bank and cash transactions. This was not done.

Implications

The absence of bank reconciliations increases the risk that errors and irregularities would remain undetected. Also in the absence of reconciliations the financial statements of GoSS can be rendered incorrect.

Recommendations

Monthly bank reconciliations be performed by the Directorate of Finance, and the bank reconciliations be reviewed for accuracy and completeness on a timely basis by the Director of Accounts. The review should be documented and approval shown with the reviewer's signature and date of review to comply with FAPO Article 324 (1) (d).

5.10 Fixed assets

SPLA did not have a fixed asset register to record capital items. This register, along with periodical verification would enable SPLA to know the location and condition of its assets in addition to alerting the organization on any missing or misappropriated assets.

Implications

Owing to the lack of adequate financial records, auditors were not able to track and establish existence of all public assets in the custody of SPLA. Without such a register there is a risk that any assets purchased were misused or stolen.

Recommendations

SPLA should undertake the following:

- maintain a register of fixed assets containing information such as acquisition date, item description, cost, estimated assets life, and fixed asset identification numbers,
- assign accountability for the assets and develop procedures for annual physical inventory;
- Ensure that missing assets identified during the inventory are investigated.

Appendix-1: Pay sheets received

Sr. No.	Directorate	Months	No. of Months
1	Directorate of Finance	Jan-2008-31-Dec.2008	12 Months
2	Directorate Organization	Jan-2008-June.2008	6 months
3	Directorate of Military Justice Office	Jan,2008-August 2008	8 months
4	Directorate Field engineer corps.	Jan,2008-Dec-2008	12 months
5	Directorate PAPA-91 Officers.	Jan, One Month	One month
6	Directorate Military intelligence.	Feb-08	one month
7	Directorate Ame and Nimule.	July 2008-August,2008	two months

Appendix - 2(i): Medical Treatment paid without supporting documents

Sr.No.	Names	Rank	Date	P. O.No	Amount
94	Available	2nd LT	10/1/2008	121256	3,000
95	Available	COL	18/1/08	121830	2,900
96	Available	PUT.	//	121834	1,800
97	Available	SGT.	21/1/08	121842	2,000
98	Available	BG.	22/1/08	121849	6,000
99	Available	LT COL	25/1/08	121868	6,000
100	Available	1st LT	30/1/08	121894	96,454
101	Available	LT COL	6/2/2008	121927	11,250
102	Available	Mrs	13/2/08	121947	2,250
103	Available	SGT.	15/2/08	121967	10,000
104	Available	PUT.	20/2/08	164140	1,000
105	Available	2nd LT	22/2/08	164152	500
106	Available	M.G	//	164159	22,000
107	Available	//	26/2/08	164701	10,000
108	Available	Brig	//	164187	4,000
109	Available	COL	//	164200	2,000
110	Available	S/M	27/2/08	164710	4,900
111	Available	COL	29/2/08	164736	6,000
112	Available	M	4/3/2008	164768	1,300
113	Available	COL	//	164772	40,000
114	Available	Brig	5/3/2008	164783	7,980
115	Available	COL	//	164786	6,000
116	Available	Brig	6/3/2008	164791	4,000
117	Available	MAJ.	//	164793	2,000
118	Available	PUT.	11/3/2008	164415	4,200
119	Available	MAJ.G	14/3/2008	164446	10,700
120	Available	COL.	14/3/08	164449	4,000
121	Available	1st LT	//	164451	1,000
122	Available	CPL	1/8/2008	112548	40,000
123	Available	1st LT	4/8/2008	112555	2,000
124	Available	//	//	112556	2,600
125	Available	Brig	5/8/2008	112561	8,000
126	Available	LT COL.	6/8/2008	112571	2,500
127	Available	COL.	7/8/2008	112575	32,000
128	Available	Brig	8/8/2008	112581	20,000
129	Available	M/Gen	13/8/08	112902	8,000
130	Available	CPE	14/8/08	112938	1,000
131	Available	COL	//	112939	10,000
132	Available	M/Gen	112940	112940	12,000

133	Available	2nd LT	19/8/08	112968	20,000
134	Available	//	20/8/08	112969	20,000
135	Available	M/Gen	21/8/08	112978	7,000
136	Available	2nd LT	2/9/2008	185911	1,000
137	Available	1st LT	//	112995	18,000
138	Available	CAPT	//	185903	4,000
139	Available	DR.	//	185909	6,000
140	Available	CAPT	//	185912	6,000
141	Available	Maj.	9/9/2008	185931	6,600
142	Available	1st LT	//	185933	650
143	Available	Brig	//	185934	14,000
144	Available	1st LT	//	185937	80,000
145	Available	COL.	//	185942	30,000
146	Available	COL.	//	185938	8,000
147	Available	2nd LT	10/9/2008	185948	14,000
148	Available	SGT.	//	185949	4,000
149	Available	2nd LT	11/9/2008	185956	4,000
150	Available	COL	12/9/2008	185968	6,000
151	Available	LT.COL	16/9/08	185978	4,000
152	Available	R/SM	//	185979	10,000
153	Available	S/M	19/9/08	185802	3,000
154	Available	LT.COL	//	185803	44,000
155	Available	CAPT.	//	185804	7,560
156	Available	2nd LT	22/9/08	185808	14,000
157	Available	2nd LT	25/9/08	185832	4,000
158	Available	1st LT	4/11/2008	201736	4,000
159	Available	Brig	//	201738	10,000
160	Available		//	201742	8,000
161	Available		6/11/2008	201750	10,000
162	Available	SGT	//	201752	3,000
163	Available	M/Gen	13/11/08	201767	6,000
164	Available	2nd LT	18/11/08	201778	4,000
165	Available	CPE	//	201781	6,000
166	Available	PVT.	//	201782	6,000
167	Available	LT.COL.	//	201812	2,000
168	Available	M/GEN.DR.	6/11/2008	201753	10,000
169	Available	//	25/11/08	201833	8,000
170	Available	CAPT.	//	201840	11,500
171	Available	Brig	//	201845	44,972
172	Available	Brig	2/12/2008	201856	3,000
173	Available	SGT.	11/12/2008	201888	6,000

174	Available	Brig	//	201895	6,000
175	Available	Brig	5/12/2008	201869	8,000
176	Available	Maj.	12/12/2008	209604	94,400
177	Available	LT.COL.	//	209609	70,800
178	Available	LT.COL.	15/12/08	209617	10,000
179	Available	COL	//	209625	10,000
180	Available	COL	16/12/08	209632	10,000
181	Available	COL	19/12/08	209653	6,000
182	Available	2nd LT	16/12/08	209639	3,000
183	Available	LT	23/12/08	209679	22,000
184	Available	COL	29/12/08	209690	4,600
185	Available		31/12/08	209695	40,231
186	Available	B.G	14/3/08	164453	40,000
187	Available	COL.	17/3/08	164461	100,000
188	Available	COL.	27/3/08	164490	20,000
189	Available	Capt.	//	183914	3,000
190	Available	Sgt.	7/4/2008	183952	22,000
191	Available	L.T	11/4/2008	183982	6,000
192	Available	Sgt.	14/4/08	183015	7,000
193	Available	L.T.Col	16/4/08	183045	6,000
194	Available	Capt.	17/4/08	183056	10,000
195	Available	Capt.	//	183062	13,000
196	Available	Sgt.	//	183064	3,000
197	Available	put.	18/4/08	183069	5,129
198	Available	Capt.	//	183085	5,000
199	Available	1st.LT	21/4/08	183092	4,000
200	Available	M.G	24/4/08	183097	5,000
201	Available	Sgt.	25/4/08	183302	2,000
202	Available	Capt.	28/4/08	183329	6,000
203	Available	1st.LT	27/4/08	183481	2,000
204	Available	Capt.	30/5/08	164519	4,000
205	Available	Maj	2/6/2008	164544	2,000
206	Available	//	5/6/2008	164562	4,240
207	Available	2nd LT	12/6/2008	164590	6,000
208	Available	1st.LT	13/6/08	164597	6,000
209	Available	M.G	24/6/08	164862	3,000
	Total				1,459,016

Appendix - 2(ii): Medical Assistance without documents

Sr. No.	DATE	Name	RANK	P.O.No	SDG
1	12/1/2008	Available		12/250	3,066.0
2	14/1/2008	Available	Mr	12/276	8,000.0
3	18/1/2008	Available		12/817	4,000.0
4	18/1/2008	Available	Maj.G	12/829	3,000.0
5	21/1/2008	Available	Maj.G	12/840	500.0
6	25/1/2008	Available	Maj.	12/869	1,500.0
7	25/1/2008	Available	B.G.	12/876	3,000.0
8	25/1/2008	Available	M.G	12/884	10,000.0
9	31/1/08	Available	B.	12/896	15,000.0
10	//	Available	M.G	12/897	6,000.0
11	1/2/2008	Available	1st l.t	12/906	4,000.0
12	//	Available	B.G.	12/907	4,000.0
13	//	Available	Col	12/910	8,000.0
14	//	Available	Cde	12/911	8,000.0
15	6/2/2008	Available	SDT	12/934	1,500.0
16	15/2/08	Available	P.U.T	12/976	1,000.0
17	22/2/08	Available	Mrs	164157	1,000.0
18	//	Available	Brig.	164163	5,000.0
19	//	Available	//	164169	4,000.0
20	//	Available	P.U.T	164173	1,500.0
21	25/2/08	Available	SDT	164183	8,000.0
22	27/2/08	Available	Maj	164713	3,000.0
23	28/2/08	Available	2nd.L.t	164722	6,000.0
24	29/2/08	Available	Brig.Dr	164741	6,000.0
25	//	Available	1st l.t	164743	2,000.0
26	3/3/2008	Available	Cop.Dr	164753	6,000.0
27	//	Available	Mrs	164755	6,000.0
28	5/3/2008	Available	B.G.	164778	4,000.0
29	5/3/2008	Available	//	164788	6,000.0
30	11/3/2008	Available	Mr	164417	1,000.0
31	//	Available	COR.	164418	3,000.0

32	12/3/2008	Available	COPT.	164427	2,500.0
33	//	Available	2nd.L.t	164435	5,000.0
34	13/3/08	Available	Mr	164442	5,000.0
35	26/3/08	Available	Maj.	164483	4,000.0
36	//	Available	//	164484	4,000.0
37	//	Available	1st l.t	164488	3,000.0
38	//	Available	//	164489	4,000.0
39	29/3/08	Available	//	183919	4,280.0
40	4/4/2008	Available	Col	183930	2,500.0
41	7/4/2008	Available	COPT.	183944	5,000.0
42	//	Available	L.t Col	183948	4,000.0
43	14/4/08	Available	SGT	183001	2,000.0
44	//	Available	COL	183011	2,000.0
45	15/4/08	Available	Mrs	183018	4,000.0
46	16/4/08	Available	COPT.	183039	14,000.0
47	//	Available	Col	183041	4,000.0
48	17/4/08	Available	Maj.G	183057	4,000.0
49	18/4/08	Available	COL	183061	4,000.0
50	//	Available	2nd.L.t	183076	10,000.0
51	//	Available	1st l.t	183077	1,500.0
52	//	Available	Maj.G	183084	4,000.0
53	//	Available	Col	183098	3,150.0
54	25/4/08	Available	//	183099	8,000.0
55	29/4/08	Available	Maj	183306	4,000.0
56	8/5/2008	Available	2nd.L.t	183348	2,000.0
57	2/5/2008	Available	Col	183393	6,000.0
58	//	Available	SGT	183369	1,000.0
59	22/5/08	Available	Col	183360	2,000.0
60	20/5/08	Available	//	183456	3,000.0
61	27/5/08	Available	2nd.L.t	183480	4,220.0
62	26/5/08	Available	M.S	183482	2,500.0
63	29/5/08	Available	MRs	183483	1,422.0
64	30/5/08	Available	Maj	183498	5,000.0

65	//	Available	COPT.	164522	1,400.0
66	2/6/2008	Available	Maj	164542	4,240.0
67	6/6/2008	Available	Col	164573	4,240.0
68	16/6/08	Available	Dr	164600	5,000.0
69	//	Available	CPL	164802	6,000.0
70	20/6/08	Available	Brig	164835	1,000.0
71	23/6/08	Available	//	164838	5,000.0
72	//	Available	2nd.L.t	164845	10,000.0
73	25/6/08	Available	Mrs	164849	2,000.0
74	18/8/08	Available	Brig	164868	4,000
75	13/8/08	Available	SGT.	112908	5,000
76	2/8/2008	Available	COL.	112979	2,000
77	5/8/2008	Available	MAJ.	185928	200
78	9/9/2008	Available	//	185941	4,000
79	10/9/2008	Available	COL.	185950	8,000
80	11/9/2008	Available	SGT.	185961	6,000
81	16/9/08	Available	SGT.	185982	20,000
82	16/9/08	Available	S/MAJ	185988	1,000
83	22/9/08	Available	CAPT.	185809	2,000
84	3/11/2008	Available	SGT.	201735	5,000
85	3/11/2008	Available	LT.	201777	4,000
86	18/11/08	Available	RTD/M/GEN	201798	10,000
87	25/11/08	Available	2nd LT.	201838	6,000
88	25/11/08	Available	Mrs	201848	10,000
89	10/12/2008	Available	Mrs	201883	1,500
90	12/12/2008	Available	Mrs	209608	10,000
91	19/12/08	Available	COL.	209655	2,000
92	22/12/08	Available	Mrs	209659	40,000
Grand Total					457,718

Appendix - 3: Senior Officers' Upkeep Allowance:

Sr. No.	DATE	Payee	RANK		AMOUNT SDG
1	30/5/08	Available	1st Lt.	164505	124,500
2	10/6/2008	Available	//	164579	84,000
3	31/7/08	Available	R/sm.	112550	133,500
4	15/8/08	Available	S/m.	112952	133,500
5	3/9/2008	Available	Sag.	185915	133,500
6	19/9/08	Available	//	185999	133,500
7	9/4/2008	Available	2nd LT	183966	79,000
8	1/7/2008	Available	1st LT.	164885	124,500
9	28/4/08	Available	//	183327	123,500
10	21/7/08	Available	//	112790	129,000
11	15/10/08	Available	Maj.	185882	153,000
12	14/5/08	Available	1st LT.	183440	121,500
	TOTAL				1,473,000

Appendix- 4: Vendor Payments by cheque without supporting documents

Sr. No.	Date	Payee	Cheque No	Amount Paid SDG	Remarks
1	15/01/2008	Available	922	2,135,000	Food Supply
		Sub - total		2,135,000	
2	18/02/2008	Available	940	3,264,120	General Service Cost
3	//	Available	946	3,000,000	General Service Cost
4	21/02/2008	Available	950	3,000,000	General Service Cost
5	01/03/2008	Available	959	3,000,000	General Service Cost
6	26/03/2008	Available	998	2,000,000	General Service Cost
	29/05/2008	Available	1093	2,200,000	General Service Cost
		Sub – total		16,464,120	
7	18/02/2008	Available	948	1,400,000	Air transport
8	//	Available	951	1,676,468	Air transport
		Available			
		Sub – total		3,076,468	
9	01/03/2008	Available	960	1,360,000	Training
		Sub – total		1,360,000	
10	18/08/2008	Available	1236	1,350,000	Uniform for SPLA Officers
		Sub – total		1,350,000	
11	16/02/2008	Available	941	3,550,000	Building Constructions
		Sub – total		3,550,000	
12	12/08/2008	Available	1223	1,500,000	Administrative Cost
13	01/09/2008	Available	1243	1,350,000	Administrative Cost
		Sub – total		2,850,000	
Grand total				30,785,588	

Appendix- 5: Vendor Payments by cash without supporting documents

P.O. No.	Payee	Date	Amount Paid
164546	Available	02/06/2008	145,400
164563	Available	05/06/2008	259,297
164565	Available	05/06/2008	66,144
164595	Available	13/06/2008	204,097
164707	Available	26/02/2008	150,000
183983	Available	11/04/2008	130,000
112932	Available	13/08/2008	436,000
209603	Available	13/12/2008	400,000
209636	Available	16/12/2008	150,000
121863	Available	23/01/2008	499,500
201851	Available	25/11/2008	385,000
164764	Available	03/03/2008	1,360,000
112597	Available	12/08/2008	208,236
121894	Available	30/01/2008	96,454
164156	Available	22/02/2008	100,000
164535	Available	30/05/2008	169,668
164809	Available	17/06/2008	73,182
121289	Available	15/01/2008	2,135,000
183002	Available	14/04/2008	119,000
183317	Available	25/04/2008	428,000
183390	Available	07/05/2008	509,711
185958	Available	11/09/2008	194,384
201868	Available	02/12/2008	195,000
183331	Available	28/04/2008	68,000
164771	Available	04/03/2008	178,900
183446	Available	15/05/2008	116,050
164725	Available	23/02/2008	182,500
183401	Available	08/05/2008	86,232
121935	Available	08/02/2008	260,404
209610	Available	12/12/2008	150,000
	TOTAL		9,456,159

CHAPTER - THIRTEEN
SOUTHERN SUDAN
ELECTRICITY CORPORATION

CHAPTER - 13

1. Introduction

The power stations in Juba, Malakal and Wau existed till December 2006 under the administration of National Electricity Corporation-Khartoum. On the 19th.Dec. 2006 vide council of Minister Resolution 255/2006, Southern Sudan Electricity Corporation was mandated to generate, distribute and sell electricity throughout Southern Sudan.

2. Audit Objectives

- i) To ensure completeness in recording of payroll costs, capital expenditure and other operational costs during the year of audit.
- ii) To ensure that all expenditure in the year of audit is stated at the correct value, supported by appropriate documentation and accurately recorded by the ministry.
- iii) To ensure that all expenditure in the year of audit was made in accordance with the legislative framework of the Government of Southern Sudan.
- iv) To ensure that there was existence of the paid employees and fixed assets procured during the year
- v) To verify the existence and efficacy of internal controls to protect public funds and the constitutionality in practice to follow rules, rules, laws, regulations and practices and
- vi) To verify the compliance with Generally Accepted Accounting Principles.

3. Scope of Audit

The scope of audit was designed to achieve the objectives enumerated above with respect to the transactions for FY 2008. The span of audit included:

- i) Payroll costs.
- ii) Capital expenditure.
- iii) Operational and other expenditure and.
- iv) Ascertainment of the existence and application of the internal and budgetary controls
- v) Stewardship of Public Assets.
- vi) Disclosures in accordance with GAAP

4. Conclusion

Southern Sudan Electricity Corporation has to improve internal control systems to properly account for budget execution, non oil revenue collection and operating expenditure. Operating Expenditure of SDG 2,174,800 did not have supporting documents and SDG 69,266 was medical assistance without referral and recommendation. SDG 719,071 and SDG 8,651 was unaccounted unpaid salary. No non oil revenue was remitted by SSEC to GoSS in 2008.

5. Findings

5.1. Internal control environment

No monthly statement of account was prepared and presented to the Ministry of Finance with copies to South Sudan Audit Chamber (SSAC).

Article 196 (1) of the FAPO states that any statement in a book or finance form must be supported with vouchers containing adequate details.

This regulation requires that proper records which enable accounting for all public funds must be maintained by the SSEC and presented to audit.

There is no internal Audit section in SSEC.

Implications

The non adherence to FAPO procedures weakens the internal control systems and can lead to misappropriation of public funds.

Recommendations

SSEC should embark on capacity building of staff in the finance section to enable effective implementation of FAPO requirements.

In addition, reconciliations should be performed between the SSEC records and those of MoFEP.

South Sudan Electricity Corporation should establish internal Audit section.

5.2 Payroll records

a) South Sudan Electricity Corporation had paid SDG 4,004,970 as salary and allowances but had used inappropriate forms not authorized under FAPO section-275(1). Such Pay sheets were not compared with the Nominal Roll for grades of pay etc. The unpaid salaries amounted to SDG 8,651. These unpaid salaries were not refunded to the chest with Form No.39. (Appendix 1)

Implications

Due to the failure to use the appropriate printed and numbered pay sheets as required by the Financial and Accounting procedures and the use of white paper as Pay Sheets, the Salaries and allowances paid out may not have been accurately captured.

The non provision of pay sheets is a limitation on Audit work.

Recommendations

SSEC should use the appropriate and pre-numbered Financial Forms 13.

Nominal rolls should be maintained and pay roll details should be collated every month.

Monthly accounts should be submitted to MoFEP and SSAC.

Unpaid salary should be accounted for immediately.

b) Incentive / allowances

SDG 719,071 was paid as incentives and allowances without orders authorizing the payment (**Appendix-2**)

Implications

Such unauthorised payments are misappropriation of public funds.

Recommendations

In the absence of necessary standing orders the allowance paid should be recovered.

5.3 Operating expenditure

Processing of payments for operating expenditure suffered from

- Lack of purchase orders
- Lack of invoices
- Lack of documents from Medical Commission for medical assistance

These are requirements of FAPO Articles 108 (1-3) & 109(1-5). SDG 2,243,976 (Appendix 3 to 5) had been so paid to various beneficiaries by cheque. The details are:

-SDG 69,266 for Medical treatment;

-SDG 250,906 for Air-tickets and travelling allowances and

-SDG 1,923,804 on various contracts/other expenses.

Implications

The above payments might have resulted in misappropriation of public funds.

Public funds can be misappropriated in the disguise of medical treatments for individuals.

Recommendations

All payment should be supported by appropriate documentation as outlined in the FAPO. For transparency and safeguarding of public funds, disbursements for medical aid should be supported by a medical commission report.

Internal Audit should vigorously check the travelling and medical claims and all fraudulent claims should be fixed.

5.4 Fixed assets

SSEC did not establish fixed asset registration log and perform physical inventories of capitalized property in the field and Head offices. Sound internal control requires that all movement and transfer of fixed assets must be properly registered and accounted for.

Implications

Assets that are not monitored become susceptible to theft or loss. The auditors were not able to check the physical existence of the fixed assets due to the absence of the records.

Recommendations

SSEC ought to maintain a list of fixed assets containing information such as acquisition date, item description, cost, property estimated assets life, and identification numbers.

For all fixed assets to assign Custodian accountability and develop formal procedures for annual physical inventory.

5.5 Non -Oil revenue

SSEC did not remit any non oil revenue to GoSS in 2008

Appendix -1: Unpaid Salaries not remitted to the chest.

Sr. No.	Name	Month	Grade	Amount SDG
1	Available	Jan	14	314.95
2	Available	March	16	236.90
3	Available	March	15	264.50
4	Available	March	15	264.50
5	Available	April	15	261.28
6	Available	April	12	261.28
7	Available	May	12	389.98
8	Available	May	15	389.98
9	Available	May	15	261.28
10	Available	May	13	261.28
11	Available	May	14	339.14
12	Available	May	11	303.88
13	Available	May	13	492.48
14	Available	May	12	339.14
15	Available	May	14	389.98
16	Available	May	14	308.88
17	Available	June	15	261.28
18	Available	June	12	389.98
19	Available	June	12	389.98
20	Available	July	13	339.14
21	Available	July	15	261.28
22	Available	July	13	339.14
23	Available	July	12	389.98
24	Available	Aug	13	339.14
25	Available	Aug	13	339.14
26	Available	Aug	15	261.28
27	Available	Aug	15	261.28
	TOTAL			8,651.05

Appendix- 2: Unauthorized Incentive/Allowance

S/No.	Date	Ch. No.	Particular	Amount SDG
1	07/04/2008	434	Allowance	48,274
2	21/05/2008	523	Financial Appreciation	12,850
3	04/08/2008	597	Allowance	5,500
4	14/08/2008	466	Financial Reword	48,000
5	21/08/2008	473	Allowance	23,800
6	07/11/2008	620	Training	35,688
7	20/12/2008	-	Incentive	26,500
8	24/12/2008	-	Allowance	518,459
		Total		719,071

Appendix - 3: Allowance for Medical Treatments.

S/No.	Date	Ch.No.	Details	Amount SDG
1	13/08/2008	610	Available	7,745
2	06/08/2008	599	Available	45,000
3	01/12/2008	635	Available	16,521
			Total	69,266

Appendix-4 : Air –tickets and travelling allowances paid without supporting documents

S/No.	Date	Cheque No.	Details	Amount SDG
1	04/07/2008	569	Available	22,190
2	01/08/2008	595	Available	16,119
3	28/08/2008	484	Available	8,000
4	03/07/2008	566	Available	27,480
5	16/12/2008	646	Available	130,000
6	06/10/2008	607	Available	5,656
7	29/08/2008	485	Available	2,227
8	11/08/2008	458	Available	1,403
9	26/03/2008	425	Available	3,500
10	19/06/2008	545	Available	13,415
11	19/03/2008	421	Available	14,716
12	27/02/2008	390	Available	6,200
13	Total			250,906

Appendix-5: Other payments without supporting documents.

Sr. No.	Date	Cheque No.	Particular	Names of Payees	Amount SDG
1	17/01/2008	352	Cost of fuel	South Way group	1,762,568
2	11/04/2008	440	Cost of office equipment	Khair Alseed Alfred	5,545
3	04/07/2008	568	8 Unit of the office	Coldair Engineering	7,350
4	04/07/2008	A/C No. 6913.3039.001	Renovation	SSEC –Juba Power Station	47,978
5	07/08/2008	600	Being purchase of equipment from Nairobi	Wilson Walani Sokiri	31,500
6	22/08/2008	475	Renovation	Mufumba Charles Kisubi	9,107
7	14/11/2008	A/CNo.6913.3 039.001	Renovation latrine	SSEC-Juba Power Station	18,950
8	30/12/2008	653	Contingent out expense		40,800
			Total		1,923,804

CHAPTER- FOURTEEN
SOUTHERN SUDAN
HUMAN RIGHTS COMMISSION

CHAPTER- 14

1. Introduction

It was a significant public policy statement to the international audience that Southern Sudan was a progressive modern state when in June, 2006 a presidential decree was issued establishing Southern Sudan Human Rights Commission (SSHRC) as required by the Interim Constitution. Immediately some commissioners were appointed and the commission became functional.

The budget of SSHRC was SDG 5 .0 million and the expenditure conformed to the limit.

2. Audit Objectives

- i) To ensure completeness in recording of payroll costs, capital expenditure and other operational costs during the year of audit.
- ii) To ensure that all expenditure in the year of audit is stated at the correct value, supported by appropriate documentation and accurately recorded by the ministry.
- iii) To ensure that all expenditure in the year of audit was made in accordance with the legislative framework of the Government of Southern Sudan.
- iv) To ensure that there was existence of the paid employees and fixed assets procured during the year
- v) To verify the existence and efficacy of internal controls to protect public funds and the constitutionality in practice to follow rules, rules, laws, regulations and practices and
- vi) To verify the compliance with Generally Accepted Accounting Principles.

3. Scope of Audit

The scope of audit was designed to achieve the objectives enumerated above with respect to the transactions for FY 2008. The span of audit included:

- i) Payroll costs.
- ii) Capital expenditure.
- iii) Operational and other expenditure and.
- iv) Ascertainment of the existence and application of the internal and budgetary controls
- v) Stewardship of Public Assets and
- vi) Disclosures in accordance with GAAP

4. Conclusion

Several procedural lapses characterized the work culture of the commission favoring the persons in authority. Illustratively the Chairperson was paid higher per diem for longer duration or paid constitutional allowance without authority. Similarly the higher echelons flouted the rules for retention of vehicles after they demitted their offices. Procurement rules were flouted when cars were bought or when consultants were engaged. Payments without supporting documents was for SDG 600,376 and unpaid salaries was SDG 31,115. Unrecovered loan was SDG 24,200. Asset register was not maintained and several assets were missing or were unauthorisedly with employees and ex employees.

5. Findings

5.1. Operational Expenditure

i) Excess Travel Allowance

South Sudan Human Rights Commission failed to comply with the Provisional Order set out by the Council of Ministers (November, 2007) on Allowances for foreign travel. The Chairperson was entitled to US\$ 220 per day but was paid US \$ 400

Furthermore, the Chairperson was invited by the All Africa Conference of Churches General Assembly Meeting in Mozambique. The date of arrival was 05 December and date of departure 13 December, 2008 The Chairman was paid from 1st December to 15th December, 2008.

ii) Excess house rent

The Deputy Chairperson made a lease agreement for a house from September 1, 2007 to August 31, 2008. Before the expiry of the lease the Deputy Chairperson made another agreement from June 1, 2008, with a different landlord. SDG 15,000 was the rent for the overlap period and. MoFEP issued chq # 3496 on August 12, 2008.

iii) Excess payment for vehicles

The Commission signed a contract on July 20, 2006 with Juba Interlink Services for hiring two vehicles for 45 days at the rate of US\$ 6,750. The vehicles hired were, Land cruiser VX registration # NS 977 E and Executive Honda CRV registration # NS 490 D.

Contrary to the agreement, the company presented a detailed invoice for hire of three vehicles for the period from August 1, 2006 to April 31, 2007 (270 days).

Implications

The instances showed scant regard for rules and absence of internal controls. The officials overrode the inconvenient rules and exercised authority which they did not have.

Recommendations

The public funds should be recovered from those individuals where over payments are not justified. The management had cited inevitable circumstances for breaking the rules. Strict instructions to observe rules as they exist should be issued. Any deviation to rules is allowable only after a specific permission from Council of Ministers etc is received.

b) Payments without supporting documents

SDG 600,376 was paid for on several transactions which were not adequately supported with documents. (Appendix 1)

Implications

Transactions with no supporting documents may result in abuse of public funds and avoidable litigation.

Recommendations

Internal audit should review to rule out dubious payments and recover where monies were not due. The present practice of advancing a standard per diem rate does not establish actual travel and stay and so need to be supplemented with bills as proofs. Similarly, in the case of house rent, the officials should produce monthly rent receipts from the owners to prove continued occupation and hire of the house in addition to lease agreements.

5.2 Improper procurements

Chapter 5 of the Interim Public Procurement and Disposal Regulations Act 2006 outlines the procedure that should be followed in the sourcing and procurement of Consultancy Services. The Commission did not follow the laid down procurement procedure. Illustratively,

- (i) The commission entered into a contract with Tonempa Development Consultants Ltd (TDC Ltd) but the Terms of Agreements did not specifically mention the areas of focus. In the terms of Agreement Vincent Museke, the consultant was to facilitate the contract and the Commission cater for his stay and transport in Juba. The agreed price was US\$ 9,000 for a period of forty five working days i.e. from December 15, 2007 to January 31, 2008, But contrary to that agreement the Commission continued to maintain him without

any formal extension of the contract. There were other consultants who also did not have valid Terms of Agreement. The details are

EV No.	Date	Cheque No.	Name	Amount SDG
At 153336	04/07/2008	377	Available	8,000
At 239601	26/11/2008	448	Available	3,000
At 211064	30/01/2008	305/306	Available	4,630
At 211064	30/01/2008	305/306	Available	10,027
At 211068	11/02/2008	311	Available	1,441
At 211093	09/04/2008	331	Available	5,000
At 153317	06/06/2008	356	Available	3,600
At 153321	11/06/2008	360	Available	15,000
At 153323	13/06/2008	362	Available	350
At 153318	06/06/2008	357	Available	4,187
At 211090	04/04/2008	331	Available	4,470
PV 10	25/07/2008	164697	Available	44,440
PV 10	25/07/2008	164697	Available	34,980
PV 25	20/11/2008	528066	Available	3,450
PV 25	20/11/2008	528066	Available	3,450
	04/12/2008	453	Available	3,000
PV 28	23/12/2008	528073	Available	6,943
PV 12	14/08/2008	164699	Available	2,500

Implications

Failure to comply with the Interim Public Procurement and Disposal Regulations Act 2006 may lead to loss or misappropriation of public funds. Nepotism and favoritism may influence unpremeditated extensions to consultancy contracts

There is a risk that the Commission may engage ineligible consultants and may not derive value for money paid to them. More importantly development may be retarded perpetuating poverty, ill health, ignorance and absence of human rights.

Recommendations

In future all procurements for goods and services should be after sufficient home work laying down the expected results of the consultancy, in a time frame, and the methodology for engagements should honour the Interim Public Procurement and Disposal Regulations Act

5.3 Assets

i) No procurement process for Motor vehicles.

The Commission signed a contract with M/s White Dove Ltd for the procurement of five vehicles without fulfilling procurement requirements. On the request of the SSHRC, the MoFEP paid the contractor vide check No. 3573 of SDG 485,850 on 18 August 2008.

Due to improper quotation the supplier company subsequently presented another invoice for SDG 67,350 which was also paid.

ii) Vehicles not returned upon forfeiture of office

On December 16, 2008 the Council of Ministers issued a Guideline on Emoluments, Allowances and Privileges of Constitutional Post Holders in Southern Sudan. Article 2.3 Privileges (b) stated *"Provision of a car for official use and in case of forfeiture of the position he/she shall be entitled to the use of a car for three months or receive cash payment for renting a car for three months at the prevailing market rates."*

Two instances where failure occurred to so return Vehicles upon forfeiture of offices were.

- Ex-chairperson returned the vehicle (GOSS 1387 BC) after fourteen months.
- Former Deputy Chairperson transferred by a presidential decree on November 2010 to Civil Service Commission had not returned the SSHRC vehicle.

iii) Commission equipments retained by former employees

The table below shows the details of the assets still held by former employees:

Sr. No.	Employees' names	Particulars	Qty	Year of purchase
1	Ex-chairperson,	Hp Laptop s/n cnd8112007 Satellite phone House generator	One One One	2008 2008 2008
2	Former Deputy Chairperson,	Hp Laptop s/n cnd811zpl Satellite phone Think pad s/n RW8WCEHP House generator Satellite phone	One One One One One	2008 2008 2009 2008 2009
3	Commissioner,	Hp Laptop s/n cnd811zpl Satellite phone Digital camera	One One One	2008 2008 2008
4	Consultant, Veronica	Hp Laptop	One	2008
5	Office Manager	Think pad s/n R8wcehp	One	2008

iv) Loss of assets

The Commission informed audit that some of the equipments were stolen during an armed robbery and up till now police were investigating. The details are

Sr.No.	Particulars	Qty	Year of purchase
1	Hp Laptop	One	2008
2	Hp Laptop s/n cnd811zcx	One	2008
3	Dell Laptop	One	2009
4	Sony Laptop	One	2009
5	Hp Laptop s/n cnd811120kT	One	2009
6	Hp Laptop s/n cnd8111109	One	2008
7	Hp Laptop s/n cnd8152nw5	One	2008

v) Commission Vehicles with differing Engine Numbers.

Audit carried out a physical verification of five vehicles supplied by M/s White Dove Ltd. The engine numbers registered by the Ministry of Transport and Roads (MTR) for issuance of licensed number plates were different from that seen on the chassis. The details are:

Licensed No.	Type	Engine No. Recorded	Engine No. Verified
GOSS 1347 BC	TOYOTA HILUX	2KD-7469108	2KD-FTV 2494cc
GOSS 1348 BC	TOYOTA PRADO	5L-6052200	5L-E 2986mL
GOSS 1387 BC	TOYOTA L/C STWG	1VD0025113	1VD-FTV 4461mL
GOSS 1954 BC	TOYOTA L/C H/TOP	1HZ-0604424	1HZ 416mL
GOSS 1967 BC	NISSAN D/CABIN	YD25-256160A	YD25 (DDi) 2488cc

vi) Missing assets

In the absence of a Fixed Assets register with complete descriptions of assets and their locations and custodians, Audit cannot certify their existence. The details of missing assets are

EV	Chq #	Items	Qty	Amount	Remarks
PV 5	164690	Generator	1	US\$ 9,200	Existence uncertain
		Digital camera (Sony)	2	US\$ 1,370	Existence uncertain
		Scanner	3	US\$ 420	Existence uncertain
		Color printer	2	US\$ 340	One color printer exists one missing
		LaserJet Printer	2	US\$ 570	One LaserJet printer exists; one missing
		External hard disk	3	US\$ 1,200	Existence uncertain
PV 7	164693	Laptops	18	US\$ 16,000	One missing before distribution One with Consultant Veronica. Five were stolen.
	161685	Satellite modem	3	US\$ 9,000	Existence uncertain
		Sony Digital Voice recorder	5	US\$ 945	Existence uncertain
		Projector & screen Sony VPL-ES4,LCD2000	3	US\$ 2,550	Established existence of one projector & screen; two missing
		Chairs	6		Donated to Human Rights and Humanitarian Affairs Committee
At 153353	392	Laptops		SDG 8,170	Existence uncertain
At 239601	448	Generators	2	SDG 8,700	Purchased for Chairperson & Deputy Chairperson home use.

Implications

Laxity in assets management including maintenance of records would result in loss of assets

Recommendations

SSHRC should strictly follow the procurement procedures set in the Interim Public Procurement and Disposal Regulations, 2006.

The Constitutional Post holders, in particular, should observe rules and regulations and set examples.

The Commission should set right discrepancies mentioned and maintain reliable asset records

5.4 Payroll Expenditure

i) Unauthorized Payment of Monthly Constitutional Allowance

The Chairperson received a monthly constitutional allowance of SDG 2,000. In all SDG 24000 was paid and in all instances, payment was processed outside the Payroll. There was no authority from the Council of ministers for the payment. The table below shows the details

Implication

The irregular payment implies misuse of office and authority.

Recommendation

Either the payment to the Chair person should be set right or recovered

ii) Unpaid Salaries

We observed that for nine consecutive months some employees did not collect their salaries, and we could not establish whether they eventually claimed their salaries. Further investigations into this issue revealed that these employees had quit their jobs. The details are below.

Month	Name	Grades	Net pay	Total SDG
April	1. Available	7	1,056	1,056
May	1. Available	7	1,056	2,112
	2 Available	7	1,056	
June	1 Available	7	1,056	2,112
	2. Available	7	1,056	
July	1. Available	7	1,056	3,167
	2. Available	7	1,056	
	3. Available	7	1,056	

August	1. Available	7	1,056	3,167
	2. Available	7	1,056	
	3. Available	7	1,056	
September	1. Available	7	1,056	3,167
	2. Available	7	1,056	
	3. Available	7	1,056	
October	1. Available	7	1,056	3,167
	2. Available	7	1,056	
	3. Available	7	1,056	
November	1. Available	7	1,056	3,997
	2 Available	7	1,056	
	3 Available	7	1,056	
	4. Available k	9	830	
December	1 Available	7	1,056	3,997
	2. Available	7	1,056	
	3. Available	7	1,056	
	4 Available	9	830	

Implications

Unpaid salaries month after month means salaries were drawn for ghost employees and can lead to misappropriation of public funds.

Recommendations

Every month the payroll should be reconciled with nominal rolls so that those employees who are not in service are excluded from the payroll.

iii) Unrecovered loan/advance of SDG 24,200

The Commission did not comply with the rules and regulations in Chapter 3, section 3.3 of the Public Service Manual which outlines, "*Any financial advances shall be subject to below conditions:*

- i. The maximum amount of advance shall not exceed one month gross salary. Notwithstanding this, the actual amount shall be determined in view of other outstanding debts the applicant has with the GOSS.*

- ii. *The maximum repayment period shall not exceed four (4) months and this period shall not be extended for whatever reason*
- iii. *The total deduction on a salary / wage must not exceed one quarter of monthly salary / wage*
- iv. *An employee shall be allowed to have only one advance at a time and no new advances shall be approved within four (4) months of repaying a previous advance.”*

Cases of unrecovered loan / advances are shown in a table below:

EV	Cheque No.	Date	Name	Amount SDG	Remarks
At 153332	368	23/06/2008	Available	100	Outstanding
At 153386	435	22/10/2008	Available	2,500	Outstanding
At 239611	462	29/12/2008	Available	20,000	Outstanding
At 239608	454	12/12/2008	Available	600	Outstanding
At 239608	454	12/12/2008	Available	1,000	Outstanding
			Total	24,200	

Implications

This is an abuse of public funds and is an indicator of poor cash management.

Recommendations

The commission should record and update the advances or loans paid out to its employees.

The Director General of Administration and Finance and internal audit should follow up and make sure that all those advances are fully liquidated,

Appendix - 1: Payments with no supporting documents

EV No.	Date	Chq No.	Particulars	SDG	Remarks
At 153314	29/05/08	351	Financial support	1,250	No supporting document
At 153314	29/05/08	351	Financial support	750	No supporting document
At 153332	23/06/08	368	Appreciation allowance	2,000	No supporting document
At 153385	21/10/08	434	Financial support	300	No supporting document
At 153385	21/10/08	434	Financial assistance	300	No supporting document
At 153347	28/07/08	387	Financial assistance	600	No supporting document
At 153371	23/09/08	416	Financial assistance	1,000	No supporting document
At 153371	23/09/08	416	Financial assistance	400	No supporting document
At 211068	11/02/08	311	Trip to Uganda	16,281	No supporting document
At 211071	13/02/08	309	EBB-AMS-NBO-AMS	14,900	No supporting document
At 153306	19/05/08	347	Process of visa to Canada	1,138	No supporting document
At 153331	18/06/08	365	Travel to Kenya	3,512	No supporting document
At 153359	25/08/08	407	Travel to Kenya	1,224	No supporting document
At 153367	11/09/08	415	Travel to Khartoum	2,083	No supporting document
At 153370	17/09/08	367	Travel to Kenya	1,572	No supporting document
At 153375	02/10/08	424	Travel to Kenya and Ghana	9,699	Inadequately supported
At 153376	03/10/08	426	Travel to Ghana	1,470	No supporting document

At 153384	17/10/08	433	Travel to Kenya and Ghana	11,188	Inadequately supported
At 153387	27/10/08	436	Travel to Kenya	2,047	No supporting document
At 239610	22/12/08	460	Travel to Uganda	5,478	No supporting document
At 153332	23/06/08	368	Travel allowance	3,462	No supporting document
PV 9	25/07/08	164695	Travel to Uganda	9,920	No supporting document
At 211064	30/01/08	305/306	Travel to Torit (DSA)	4,200	No output as evidence
At 211064	30/01/08	305/306	Vehicle maintenance	3,870	No supporting document
At 211066	09/02/08	309	Travel to Bor (DSA)	2,400	No output as evidence
At 211073	29/02/08	317/318	Domestic travel	4,525	No supporting document
At 211073	29/02/08	317/318	Fuel	540	No supporting document
At 211084	12/03/08	326	Trip to Wau and Tonj	25,950	No supporting document
At 211094	11/04/08	335	Domestic travel	41,575	No supporting document
At 211097	21/04/08	332	Travel to Jonglei (DSA)	3,450	No supporting document
At 211097	21/04/08	332	Fuel	1,000	No supporting document
At 211100	02/05/08	239	Domestic travel	1,650	No supporting document
At153305	15/05/08	346	Domestic travel	3,000	No supporting document
At 153311	26/05/08	349	Domestic travel	470	No supporting document
At 153312	28/05/08	353	Travel to Aweil	12,750	No supporting document
At 153314	29/05/08	351	Travel to Warrap State	6,300	No supporting document

At 153315	02/06/08	352	Trip to Unity State	825	Unaccounted
At 153315	02/06/08	352	Trip to Jonglei State	10,490	No evidence of travel
At 153324	16/06/08	363	Trip to Eastern E. State	15,500	No supporting document
At 153328	27/06/08	372	Trip to Khartoum	1,350	No supporting document
At 153329	27/06/08	373	Trip to Khartoum	2,550	No supporting document
At 153332	23/06/08	368	Trip to Kenya	5,562	No supporting document
	23/12/08	528074	Hire of vehicle	6,350	No supporting document
At 153328	27/06/08	372	House rent	6,000	Inadequately supported
At 153330	18/06/08	364	Car hire	2,600	No supporting document
PV 22	12/11/08	528063	House rent	16,100	Inadequately supported
PV 14	11/09/08	528053	Financial support	1,000	No supporting document
PV 13	29/08/08	528051	Incentive	21,000	No supporting document
PV 12	14/08/08	164699	Trip to Uganda-reimbursement	800	No supporting document
	13/12/08	528074	TV coverage for IHRD	1,000	No supporting document
	13/12/08	528074	TV coverage for IHRD	1,000	No supporting document
	13/12/08	528074	Allowance	1,000	No supporting document
PV 26	17/12/08	528069	Token of appreciation	2,500	No supporting document
PV 16	17/09/08	528055	Financial assistance	1,000	No supporting document
PV 16	17/09/08	528055	Financial support	1,500	No supporting document

PV 15	12/09/08	528054	Air ticket	3,266	No supporting document
	21/08/08	399	House rent	36,000	Inadequately supported
At 153337	10/07/08	379/380	Vehicle maintenance	10,597	Unaccounted for
At 211098	30/04/08	332	Printing	15,050	No supporting document
At 153366	29/08/08	408	Training	48,099	No supporting document
At 153330	18/06/08	364	Various items	3,000	Unaccounted for
At 239608	12/12/08	454	Human Rights day celebration	135,531	No accountability
At 211069	13/02/08	313	Medical cost for Thomas Dut	1,150	No supporting document
At 239615	28/11/08	450	Medical cost for Thomas Dut	7,000	No supporting document
At 239606	04/12/08	457	Medical cost for Thomas Dut	6,000	No supporting document
At 239607	15/12/08	455	Medical cost for Thomas Dut	983	No supporting document
PV 14	30/12/08	528074	Medical cost for Joy Kwaje	14,000	No supporting document
PV 26	17/12/08	528069	Medical cost for Samuel Yanga	6,168	No supporting document
PV 21	03/10/08	528062	Medical cost for Anei Adik Arop	5,923	No supporting document
	11/11/08	427	Medical cost for Anei Adik Arop	7,228	No supporting document
Total				600,376	