



SOLOMON ISLANDS GOVERNMENT

**REPORT ON MATTERS ARISING FROM
ACCOUNTS & RECORDS AUDIT**

Temotu Provincial Government (PG)

1 April 2013 – 30 September 2013

Reported by:

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RISK RATING AND DEFINITION

Table 1 - Risk Ratings

Table 1 below lists the risk ratings that have been assigned to each audit finding to help identify which audit observations should be given priority:

Risk Rating	Description
High	<ul style="list-style-type: none"> • Matters which may pose a significant business or financial risk to the entity; and/ or • Matters that have resulted or could potentially result in a modified or qualified audit Opinion if not addressed as a matter of urgency by the entity; and or • Moderate risk matters which have been reported to management in the past but have not been satisfactorily resolved or addressed.
Moderate	<ul style="list-style-type: none"> • Matters of a systemic nature that pose a moderate business or financial risk to the entity if not addressed as high priority within the current financial year; and / or • Matter that may escalate to high risk if not addressed promptly; and / or • Low risk matters which have been reported to management in the past but have not been satisfactorily resolved or addressed.
Low	<ul style="list-style-type: none"> • Matters that are isolated, non-systemic or procedural in nature; and / or • Matters that reflect relatively minor administrative shortcomings and require action in order to improve the entity's control environment.

AUDIT FINDINGS AND RECOMMENDATIONS

FINANCIAL REPORTING

Financial Statement 2013/14 not prepared yet

Risk Rating - High

When the audit was conducted in May 2014 the Provincial Government is yet to prepare the 2013/14 financial statement as required by section 39(2) of the Provincial Government Act, and it means that the financial statement should be available for audit after six months from the end of the financial year. The Auditor-General should audit the records and accounts within three months prior to issue of audit opinion. The non-availability of the 2013/14 financial statement has made it difficult for the Auditor-General to conduct his duties as required in section 39(2) of the Provincial Government Act.

Implications

The lack of financial statement for audit increases the risk of errors occurring due to rush work, manipulation of figures, incompetency, high costs for OAG due to extend timeframe and loss of opportunity for further funding from National Government and donors.

Recommendation 1

OAG recommends that the Provincial Government:

- Ensure that the Provincial Treasurer immediately prepare the 2013/14 financial statement and submit for audit and;
- Must always comply with section 39(2) of the Provincial Government Act and Financial Management Ordinance 2008.

Executive Response

The issued raised by OAG have been taken note of by the Executive Management that when the audit was conducted in May 2014, the Provincial Government is yet to prepare the financial statement for 2013/2014.

The Executive Management will make sure that the Provincial Treasurer prepare the financial statement for 2013/2014 and will submit within the time frame of six months.

General ledger accounts MYOB incompetently managed**Risk Rating - High**

General ledger records is the primary source of financial reports and data maintenance for the provincial government. Ministry of Provincial Government Institutional Strengthening has rolled out a program where hired consultant teaches treasury staff to manage and correctly record provincial financial information. OAG noted that treasury staff lacked common knowledge to operate and keep GL accounts.

Furthermore, the MYOB computerised accounting software was never being updated for months. The computers used for MYOB were virus ridden. Common users' processes such as accounts roll over and back up maintenance were never done. In a worst case scenario, the rolled accounts were history and never backed up.

Implications

The lack of proper general ledger keeping increases the risk of errors occurring due to rushed work, manipulation of figures and incompetency. Financial reporting error gives loss of confidence to public finance accountability.

Recommendation 2

OAG recommends that the Provincial Government:

- Ensure that the MYOB consultant to thoroughly train provincial treasury staff to manage provincial accounts and records;
- MYOB accounting software to comply with good accounting practises whereby (general ledger) transactions history is to be regularly updated and backed up.

Executive Response

The Executive Management has been taken note of the OAG's concern on this issue. The Executive have consulted with MPGIS to address the issued that the treasury officer need training on the MYOB accounting software.

The provincial government is using the MYOB accounting software even though that the records are still maintain and recorded.

MINUTES

Poor controls over executive minutes

Risk Rating – High

The Provincial Executive had a total of six (6) meetings in the first six months of the 2013/2014 financial year. From the review of the six meetings held, one meeting minutes was not provided. Further Executive Extracts were compared to resolution and decisions that being carried out.

OAG noted the Executive Extracts decision to employ Market Master was never part of Executive Minutes resolutions.

Implications

The lack of maintaining proper executive minutes increases the risk of unauthorised expenditure and political expediency that leads to poor accountability and transparency.

Recommendation 3

OAG recommends that the Provincial Government:

- Ensure that all *Executive Meeting minutes* and *Executive Extracts* are filed away in a safe location and made available during audit.

Executive Response

The Executive Management has been taken note of the OAG's concern on this issue. The same issue has also been raised in the previous reports and the action taken in response to that concern, that the responsible Officers are taken note of that and making sure the minutes have been signed off and filled away in safe place.

REVENUE

Weak controls over management of revenue (C/fwd from 2010)

Risk Rating – High

As noted from past audits, the Provincial Government has not properly addressed the problems highlighted below and they are as follows:

- Monthly reconciliation of General Ledger revenue control accounts and subsidiary ledgers were not performed.
- Basic rates control accounts reconciliation were not done.
- Domestic Revenue collection reconciliation were not done.

OAG is quite concerned with the controls breakdown within the revenue process which a breach of the Financial Management Ordinance 2008. Unless there are serious actions taken by the Provincial Government to address them, the problems will continue to appear in OAG's report in the future.

Implications

Poor record management increases the risk of misuse and misappropriation of public funds. Furthermore, there is a high tendency that total revenue maybe under-stated or over-stated for the financial year.

Recommendation 4

OAG recommends that the Provincial Government:

- Ensure to perform monthly reconciliation on all revenue accounts of the GL control account and its subsidiary ledgers; and
- Ensure all revenues collected were banked intact and timely.

Executive Response

The Executive Management took note of the OAG's concern and has taken measures to rectify the situation. That monthly reconciliations of general ledgers and subsidiary ledgers to be done by MYOB officer.

However, the Executive Management seriously taken into consideration to address the issued by informing the responsible officer the provincial cashier that the revenue collected must banked in timely manner.

Lack of frequent surprise survey of cash (C/fwd from 2010/11)

Risk Rating – High

It was noted that there was lack of evidence of frequent surprise survey of cash being carried out by the Provincial Treasurer or Deputy Provincial Treasurer. Frequent surprise survey of cash is one of the controls that should be performed in order to prevent cashier or unauthorised officer(s) using the monies collected prior to banking them.

Implications

The non-conduct of frequent surprise survey of cash increases the risk of understating the cash collected, embezzlement and misappropriation of cash collections.

Recommendation 5

OAG recommends that the Provincial Government:

- Must conduct frequent surprise survey of cash to ensure that cash on hand is reconciled to record in the cash book register and;
- Ensure that Provincial Treasurer or Deputy Provincial Treasurer signed off and dated the cash count form after performing the survey of cash.

Executive Response

The Executive Management has taken note of the OAG's concern on this issue. The same issue has also been raised in the previous reports. However action been taken in response to that concern that the Provincial Treasurer is taken note of these to do the surprise check. And even the Provincial Treasurer do the surprise cash count and have been signed off and dated the cash count form after performing the survey of cash.

INVESTMENT

Lack of financial report and disclosure of investment (C/fwd from 2011/12)

Risk Rating – High

Temotu Development Authority (TDA) is the business arm of the Provincial Government and they have ventured into the follows businesses:

- a. Hibiscus Lodge (TDA Rest house)
- b. Naha house – on rent; (Legal proceedings)
- c. Copra trading;
- d. Timber Production;
- e. Retail Sales; and
- f. Hardware Trading
- g. Cocoa Trading

TDA has been maintained five (5) bank accounts for its operation and are shown below.

Account Name	Account Number
TDA General Account	BSP 8400710802
TDA Shipping Account	BSP 922
TDA Call Account	BSP 4000004756
TDA Term Deposit Account (#1)	BSP 004000311144
TDA Term Deposit Account (#2)	BSP 850

TDA is not producing financial statements and submitting them to the Executive. TDA has being using manual accounting system to keep their records. This has made it difficult for the

Provincial Government to make sound decision about its investment and to disclose its investment in the Provincial Government's financial statements. No dividends were paid to Provincial Government.

Implications

No financial statements and lack of investment's disclosure increases the risk of provincial funds being mismanaged, fraud, abuse of assets, theft of assets and open for self-serving.

Recommendation 6

OAG recommends that the Province Government:

- Must liaise with TDA for them to produce the set of financial statements and submit to the Executive and;
- Ensure TDA operation to be disclosed in the TPG financial statements.

Executive Response

The Executive Management took note of the recommendation by OAG and will discuss the issue with the management of TDA investment entities for their action to prepare their financial statements for amalgamation and disclosure in the Province's Financial Statements.

Bank South Pacific (BSP) agent runs at a loss

Risk Rating – High

The BSP agent is operated by the Province under accounts division and the Provincial Treasurer is managing all the affairs of the BSP agent. It is also noted that the BSP agent was not included in the investment arm of the province. The banking agent ran at a loss during the six months of being reviewed.

The total commission received was \$91,426 and expenditure to run the operations was \$171,571. Hence, a loss of \$80,144 was result of the banking agent operation managed by the Treasury Department.

Implications

The manner in which the BSP agent operation is under the accounts division increases the risk of poor performance by the Provincial Treasurer due to work overload, mismanagement of the agent's operation, political expediency and misappropriation of the commission.

Recommendation 7

OAG recommends that the Province Government:

- Ensure BSP banking agent operations closely monitored by the Provincial Treasury Division;
- Daily cash counts to be carried out by the Provincial Treasury staff that being assigned to manage the banking agent and;
- Ensure for gradual separate management to operate BSP agent under the investment arm of province.

Executive Response

The Executive Management took note of the concern by OAG and its true that the Agency BSP Lata is manage by Provincial Treasurer .However the Executive Management will discuss the issue and addressed that BSP Agent to be fully operate by its own.

Then the other action prepare to be taken is to take action against those officers working in the Agency because of their misappropriation of the commission.

And also so the Provincial Treasurer had been disclose the BSP Lata Agency financial reports into the financial statements for amalgamation and disclosure in the Province's Financial Statements 2013/2014.

UNACQUITTED IMPRESTS AND ADVANCES***Poor controls over management of imprests and advances fund (C/fwd – 2012/13)*****Risk Rating – High**

OAG reviewed the provincial imprest and advance registers and noted that imprest holders and advance holders were not making any attempt to retire or repay funds to the Provincial Government. In addition, OAG noted that there is no strategy in place to recover the monies issued to the imprest and advance holders. Financial Management Ordinance 2008 requires monies given to the officers through imprest or advance must be fully retired or repaid within a timeframe.

Special Imprest:

- A member of Provincial Assembly was issued with second imprest whilst he yet to retire the first. The \$12,982 unretired imprest represent 21% of total unretired imprest.
- A provincial staff was issued with four (4) imprests and only retire two (2). It was noted that he was issued with new imprests whilst not retiring the previous issued.
- A seconded staff now deceased has an outstanding imprest of \$7,950.

Advances:

- Opening balance (1st April 2013) was \$190,953 and 14 new salary advances was made. \$19,080 was recovered for the period. Four new salary advances was paid to recipients that never recovered their existing outstanding debts.

- The continuous slow recovery of salary advances was the policy of \$50 per pay deduction.

Table below shows how much provincial direct employee, seconded staff and Members of Provincial Assembly owed to the Provincial Government.

Description	Amount Issued	Outstanding Amount	% not recovered
Special Imprests	\$165,197.00	\$77,142.00	47%
Advances	\$213,603.48	\$194,523.74	91%

Implications

Lack of management of imprest and advance increases the risk of loss of funds, wastage of funds, and misappropriation of provincial funds and overspending of the approved budget.

Recommendation 8

OAG recommends that the Provincial Government:

- Ensure to take immediate actions to recover the outstanding imprests and advances, hence, deductions from officers to be actioned
- Write Off long outstanding and uncollectable imprests and advances, and;
- Ensure to regularly monitor the imprests and advances and remind officers of their obligations.

Executive Response

The Executive Management had been take note of this issued that all imprest holders have been reminded that imprests not retired will be recovered from their salary/wages.

The Executive Management is taken hard measure to ensure that the procedure for issuing and doing retirement of imprests are complied with.

The imprest issue has been a pressing one and all along we have tried to put a stop to that, if any officer have outstanding imprest they will not allowed to take any more imprest unless retirement are made. Also salary deduction will be made from the officers and the Honourable members to recover the outstanding imprest.

PAYROLL

Unauthorised Overtime Payments and Poor Filing (C/fwd from 2010/11)

Risk Rating – High

The Provincial Government has yet to address payroll issues raised in the past audits. From the past audits, payroll excel spreadsheets that tie up to general ledger were recommended to print

out and filed safely for future references and audit trial. From audit review this has not been done, hence, incomplete information linking sub ledger to general ledger.

No further review and testing carried out to verify payroll expenditure

Implications

The lack of control over overtime, incomplete timesheet during pay week and under or over payment of salary/wage increases the risk of overspending of approved budget, conflict of interest and loss of provincial funds.

Recommendation 9

OAG recommends that the Provincial Government:

- Ensure overtime are properly approved prior to tasks being carried out and;
- Ensure fortnightly timesheets are properly completed prior to payroll being processed.

Executive Response

The Management took note of the recommendation raised by the OAG and has taken measures to rectify the situation.

She was advised that one of her priorities is to have Payroll system in place so that Payroll can process well every fortnights so that management can avoid under or over payment of salary to happen and also the overtime and timesheets are properly processed.

Delay in the remittance of PAYE and NPF

Risk Rating - Moderate

The audit revealed that the Province has made significant improvement in correcting error on the calculation on tax (PAYE) for the last six (6) months in the 2012/13 financial year. This shows that the Provincial Government is committed in implementing the recommendations in the OAG audit report.

Despite this improvement audit noted payments to the Inland Revenue Division and the National Provident Fund was not up to date.

Implications

The non-payment of tax and NPF contributions to the Inland Revenue and National Provident Fund respectively increases the province's liabilities for the next financial year.

Recommendation 10

OAG recommends that the Provincial Government:

- Ensure that PAYE and NPF remittance are paid on timely basis and;
- Ensure to cater for outstanding PAYE and NPF remittance in the next financial year's budget.

Executive Response

The Executive Management took note of the recommendation raised by the OAG and has taken measures to address the issue.

That the responsible officer, the Payroll Officer must priorities is to work on the PAYE and NPF to have good record in place before payment done to their respective organisation or offices.

However, the Provincial Government have inserted a provision for these outstanding creditors in the current financial year 2014/2015 budgets to settle these outstanding creditors which is due.

PROPERTY, PLANT AND EQUIPMENT***Poor management of property, plant and equipment (C/fwd from 2010/11)*****Risk Rating – High**

As noted from past audits, the Provincial Government has been maintaining an asset register, however, not all assets were recorded and further no revaluation of assets ever done. The Provincial Government does not have a policy for the management of assets that shows how to procure, maintain and dispose them. The deficiency in the management of property, plant and equipment has worsened as this register was never updated and linked to financial reporting.

Implications

Lack of appropriate valuation of assets, asset policy and management procedure increases the risk of misuse, theft of assets and waste of provincial funds.

Recommendation 11

OAG recommends that the Provincial Government:

- Ensure to record all property, plant and equipment in the asset register,
- Ensure Provincial Government to adopt and asset policy, and;
- Ensure movement of assets to be properly monitored.

Executive Response

The Executive Management took note of the recommendation raised by the OAG and has taken measures to address this issue to try to record all assets of the province.

The management will engage one valuer to do the task.

The problem that we will have now is the valuation of some assets especially land, however, the management will try and see that assets are valued and that their values are recorded in the asset register and we ensure the movement of the asset are properly monitored.

TRADE RECEIVABLE

Poor control over trade receivables (C/fwd from 2010/11)

Risk Rating – High

Even though the Provincial Government has kept record of receivables, OAG found that receivable records for 2013/14 were not recorded in the manual debtor note register and OAG is unable to verify and do cut-off testing for the financial year in order to determine the exact amount of trade receivables for the financial year ended 31 March 2014.

Implications

The lack of strong control over trade receivables increases the risk of unauthorized collection of revenue, loss of revenue and unrealistic budget for the subsequent year.

Recommendation 12

OAG recommends that the Provincial Government:

- Ensure to regularly update the receivable records in the register and;
- Must make sure to have a recovery strategy to collect the outstanding revenue.

Executive Response

The Executive Management took note of the recommendation raised by the OAG. The Executive management must make sure that the responsible officer the Revenue officer need to register the businesses, also up dated the register and maintained proper records of these. The revenue division is working on these as of their priorities to address the issue.

There is revenue sourcing policy in place which has some strategy on how to collect the revenues which is very helpful to improve some of the revenue areas. Hope full there will be some changes of improvement in this area in future.

TRADE PAYABLE

Weak controls over trade payables (C/fwd from 2010/11)

Risk Rating – High

It is continually noted that the Provincial Government has not updated their trade payable register for the audited period. This has made it difficult to determine the actual amount the

Provincial Government owed to the creditors and should be included in the budget for the subsequent year. The Provincial Government needs to seriously address this deficiency otherwise it will keep appearing in OAG's report in the future.

Implications

Lack of strong control over trade payables increases the risk of loss of provincial funds when payments are made to ghost businesses, conflict of interest and unrealistic future budgets in terms of debt servicing.

Recommendation 13

OAG recommends that the Provincial Government:

- Ensure to immediately update the payable register;
- Ensure that the Province honour its obligations on timely basis and;
- To produce monthly copies of payable report for executive and have the back-up records secured in a safe place from public access.

Executive Response

The Executive Management took note of the concern of OAG and has initially taken steps to rectify the situation. That the expenditure clerk who will be responsible to look after the trade payable should update the records. That in future the payable register will be available.

AUDIT ACTION PLAN

Audit Issue #	OAG Recommendations	Detail Action that is to be / has been Taken	Responsible Officer	Target Date
1	<p>OAG recommended that the Provincial Government:</p> <ul style="list-style-type: none"> • Ensure that the Provincial Treasurer immediately prepare the 2013/14 financial statement and submit for audit and; • Must always comply with section 39(2) of the Provincial Government Act and Financial Management Ordinance 2008. 	Provincial Treasurer will ensure that financial report are prepared in time and submitted to AOG office on the duration of six months or before nine months.	Treasurer, Executive Provincial Secretary	2015-2016
2	<p>OAG recommended that the Provincial Government:</p> <ul style="list-style-type: none"> • Ensure that the MYOB consultant to thoroughly train provincial treasury staff to manage provincial accounts and records; • MYOB accounting software to comply with good accounting practises whereby (general ledger) transactions history is to be regularly updated and backed up. 	The Executive inform the MPGIS about the MYOB issued and the problem face with the MYOB software. The response is the MPGIS will recruit some body to do training on MYOB software.	Treasurer, Executive Provincial Secretary	2015/2016
3	<p>OAG recommends that the Provincial Government:</p> <ul style="list-style-type: none"> • Ensure that all <i>Executive Meeting minutes</i> and <i>Executive Extracts</i> are filed away in a safe location and made available during audit. 	The Executive Management has been taken note of the OAG's concern on this issue. The same issue has also been raised in the previous reports and the action taken in response to that concern, that the responsible Officers are taken note of that and making sure the minutes have been signed off and filled away in safe place.	Treasurer, Executive Provincial Secretary	2015-2016
4	<p>OAG recommended that the Provincial Government:</p> <ul style="list-style-type: none"> • Ensure to perform monthly reconciliation on all revenue accounts of the GL control account and its subsidiary ledgers; and • Ensure all revenues collected were banked intact and timely. 	The Executive Management took note of the OAG's concern and has taken measures to rectify the situation. That monthly reconciliations of general ledgers and subsidiary ledgers to be done by MYOB officer. However, the Executive Management seriously taken into consideration to address the issued by informing the responsible officer the provincial cashier that the revenue collected must banked in timely manner.	Treasurer, Executive Provincial Secretary	2015-2016
5	<p>OAG recommended that the Provincial Government:</p> <ul style="list-style-type: none"> • Must conduct frequent surprise survey of cash to ensure that cash on hand is reconciled to record in the cash book register and; • Ensure that Provincial Treasurer or Deputy Provincial Treasurer signed off and dated the cash count form after performing the survey of cash. 	The Executive Management has taken note of the OAG's concern on this issue. The same issue has also been raised in the previous reports. However action been taken in response to that concern that the Provincial Treasurer is taken note of these to do the surprise check. And even the Provincial Treasurer do the surprise cash count and have been signed off and dated the cash count form after performing the survey of cash.	Treasurer, Executive Provincial Secretary	20152015-
6	<p>OAG recommended that the Provincial Government:</p> <ul style="list-style-type: none"> • Must liaise with TDA for them to produce the set of financial statements and submit to the Executive and; 	The Executive Management took note of the recommendation by OAG and will discuss the issue with the management of TDA investment entities for their action	Treasurer, Executive Provincial Secretary	2015- 2016

Audit Issue #	OAG Recommendations	Detail Action that is to be / has been Taken	Responsible Officer	Target Date
	<ul style="list-style-type: none"> Ensure TDA operation to be disclosed in the TPG financial statements. 	to prepare their financial statements for amalgamation and disclosure in the Province’s Financial Statements.		
7	<p>OAG recommended that the Provincial Government:</p> <ul style="list-style-type: none"> Ensure BSP banking agent operations closely monitored by the Provincial Treasury Division; Daily cash counts to be carried out by the Provincial Treasury staff that being assigned to manage the banking agent and; Ensure for gradual separate management to operate BSP agent under the investment arm of province. 	<p>The Executive Management took note of the concern by OAG and its true that the Agency BSP Lata is manage by Provincial Treasurer .However the Executive Management will discuss the issue and addressed that BSP Agent to be fully operate by its own.</p> <p>Then the other action prepare to be taken is to take action against those officers working in the Agency because of their misappropriation of the commission.</p> <p>And also so the Provincial Treasurer had been disclose the BSP Lata Agency financial reports into the financial statements for amalgamation and disclosure in the Province’s Financial Statements 2013/2014.</p>	Treasurer, Executive Provincial Secretary	2015-2017
8	<p>OAG recommended that the Provincial Government:</p> <ul style="list-style-type: none"> Ensure to take immediate actions to recover the outstanding imprests and advances, hence, deductions from officers to be actioned; Write-off long outstanding and uncollectable imprests and advances and; Ensure to regularly monitor the imprests and advances and remind officers of their obligations. 	<p>The Executive Management had been take note of this issued that all imprest holders have been reminded that imprests not retired will be recovered from their salary/wages.</p> <p>The Executive Management is taken hard measure to ensure that the procedure for issuing and doing retirement of imprests are complied with.</p> <p>The imprest issue has been a pressing one and all along we have tried to put a stop to that, if any officer have outstanding imprest they will not allowed to take any more imprest unless retirement are made. Also salary deduction will be made from the officers and the Honourable members to recover the outstanding imprest.</p>	Treasurer	2015-2017
9	<p>OAG recommended that the Provincial Government:</p> <ul style="list-style-type: none"> Ensure overtime are properly approved prior to tasks being carried out and; Ensure fortnightly timesheets are properly completed prior to payroll being processed. 	<p>The Management took note of the recommendation raised by the OAG and has taken measures to rectify the situation.</p> <p>She was advised that one of her priorities is to have Payroll system in place so that Payroll can process well every fortnights so that management can avoid under or over payment of salary to happen and also the overtime and timesheets are properly processed.</p>	Treasurer, Executive Provincial Secretary	2015-2016

Audit Issue #	OAG Recommendations	Detail Action that is to be / has been Taken	Responsible Officer	Target Date
10	<p>OAG recommended that the Provincial Government:</p> <ul style="list-style-type: none"> • Ensure that PAYE and NPF remittance are paid on timely basis and; • Ensure to cater for outstanding PAYE and NPF remittance in the next financial year's budget. 	<p>The Executive Management took note of the recommendation raised by the OAG and has taken measures to address the issue.</p> <p>That the responsible officer, the Payroll Officer must priorities is to work on the PAYE and NPF to have good record in place before payment done to their respective organisation or offices.</p> <p>However, the Provincial Government have inserted a provision for these outstanding creditors in the current financial year 2014/2015 budgets to settle these outstanding creditors which is due.</p>	Treasurer, Executive Provincial Secretary	2015-2016
11	<p>OAG recommended that the Provincial Government:</p> <ul style="list-style-type: none"> • Ensure to record all property, plant and equipment in the asset register, • Ensure Provincial Government to adopt and asset policy, and; • Ensure movement of assets to be properly monitored. 	<p>The Executive Management took note of the recommendation raised by the OAG and has taken measures to address this issue to try to record all assets of the province.</p> <p>The management will engage one valuer to do the task.</p> <p>The problem that we will have now is the valuation of some assets especially land, however, the management will try and see that assets are valued and that their values are recorded in the asset register and we ensure the movement of the asset are properly monitored.</p>	Treasurer, Executive Provincial Secretary	2016-2017
12	<p>OAG recommended that the Provincial Government:</p> <ul style="list-style-type: none"> • Ensure to regularly update the receivable records in the register and; • Must make sure to have a recovery strategy to collect the outstanding revenue. 	<p>The Executive Management took note of the recommendation raised by the OAG. The Executive management must make sure that the responsible officer the Revenue officer need to register the businesses, also up dated the register and maintained proper records of these. The revenue division is working on these as of their priorities to address the issue.</p> <p>There is revenue sourcing policy in place which has some strategy on how to collect the revenues which is very helpful to improve some of the revenue areas.</p> <p>Hope full there will be some changes of improvement in this area in future.</p>	Treasurer, Executive Provincial Secretary	2015-2016
13	<p>OAG recommended that the Provincial Government:</p> <ul style="list-style-type: none"> • Ensure to immediately update the payable register; 	<p>The Executive Management took note of the concern of OAG and has initially taken steps to rectify the situation.</p>	Treasurer, Executive Provincial Secretary	2015-2016

Audit Issue #	OAG Recommendations	Detail Action that is to be / has been Taken	Responsible Officer	Target Date
	<ul style="list-style-type: none"> • Ensure that the Province honour its obligations on timely basis and; • To produce monthly copies of payable report for executive and have the back-up records secured in a safe place from public access. 	<p>That the expenditure clerk who will be responsible to look after the trade payable should update the records. That in future the payable register will be available.</p>		