

---

# OFFICE OF THE PRESIDENT

---

## INTRODUCTION

The President of Vanuatu is the Head of State of Vanuatu, who symbolizes the unity and peace of the nation. The president is elected for a five year term by an Electoral College comprising of members of parliament and presidents of the six provincial councils. His or her role is mostly ceremonial, nonetheless one function reserved for His Excellency, under the constitution is the appointment of the Chief Justice to the Supreme Court and three other justices. The president also possess the power of pardon, commutation and reduction of sentences imposed on persons convicted of an offence. In situations where the position of the president becomes vacant, the Speaker of Parliament will perform presidential duties until a new head of state can be elected or resume office from official overseas trips. The Office of President provides support to the President and enables him to carry out this important role. The budget for the Office of the President is around VT 40 million a year and the budget for 2017 is the same as the budget for 2016 as a new NPP for the presidential tour was approved therefore around VT42million rollovers and set a new ceiling for thereafter.

---

## SUMMARY OF KEY FINDINGS

### Expenditure Trends

With 25% of the year elapsed the President's Office has spent 22% of their budget. If this trend continues the Office is in scheduled to come in on budget. However, at the beginning of April funds had to be found for the Presidents rental cost as this activity had not been budgeted for.

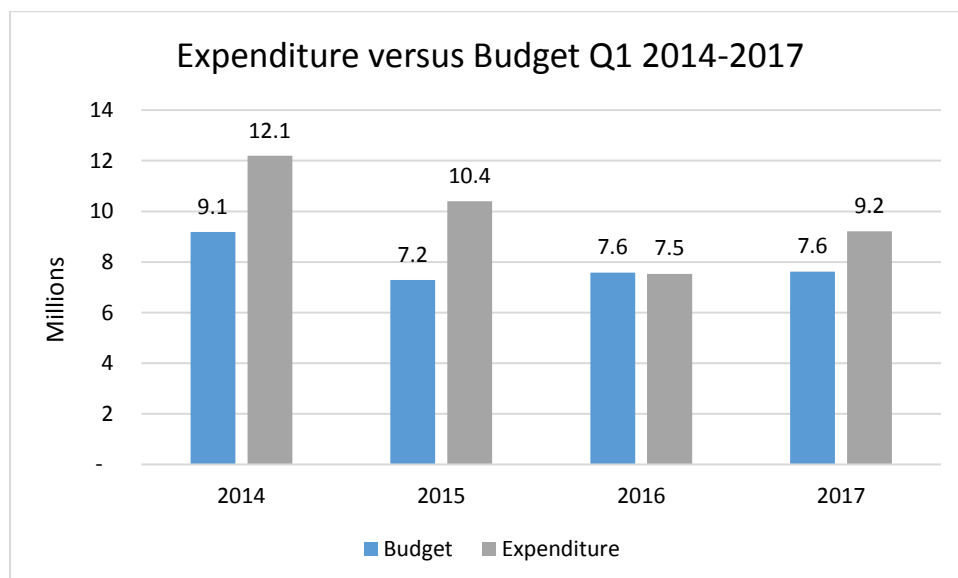


Figure 1: Expenditure versus Budget Q1 2014-2017

There is a rather significant split between how much of payroll has been spent compared to operations. Payroll has only spent 20% of its budget while operations has spent 26% of its allocated budget as

shown on *Table 1*. Payroll accounts have been spent within its Q1 budget and it is expected to come in under budget this year. Special Allowances in particular have not been budgeted for but have generated an expenditure of VT110, 000. Further, there are also a number of areas under operations that have significantly exceeded their budget. Postages – Communication has spent 337% of its budget, Subsistence Allowances has spent 177% of its budget. Advertising – Communication has spent 152% of its budget. Vehicles and repairs and maintenance have spent 91% of its budget. Better budgeting by revising allocations of funds to these chart of accounts should be considered. However, the Office should be endeavouring to keep these costs under control.

### **Revenue trends**

The office of the President does not collect revenue.

### **Virements**

The office of the President had no Virement in this quarter of the year and this has shown better budgeting and cash flow plans which results in proper management warrants releases both on payroll and operational accounts.

### **TABLES**

*Table 1: Expenditure by Chart of Account*

Account	Description	Total	Budget	Under/(Over)	Total Budget	Percentage of Total Budget Spent
	Q1 2017					
	<b>Personnel Expenses</b>					
8AAA	Acting Allowances	-	23,076	23,076	100,000	0%
8AAF	Family Allowance	51,244	77,538	26,294	336,000	15%
8AAG	Gratuitie Allowances	-	-	-	2,157,960	0%
8AAH	Housing Allowances	1,186,710	1,197,414	10,704	5,188,800	23%
8AAO	Other Allowances	-	110,769	110,769	480,000	0%
8AAP	Home Island Passage Allowances	257,673	281,538	23,865	1,220,000	21%
8AAS	Special Allowances	110,400	-	(110,400)	-	-
8ASP	Provident Fund	147,285	172,404	25,119	747,087	20%
8AWO	Overtime Wages	60,000	175,383	115,383	760,000	8%
8AWP	Permanent Wages	3,909,930	3,923,346	13,416	17,001,180	23%
PAYR	Payroll expenses	-	-	-	-	0
	<b>Personnel Expenses</b>	<b>5,723,242</b>	<b>5,961,468</b>	<b>238,226</b>	<b>27,991,027</b>	<b>20%</b>
	<b>Operating Expenses</b>					
8CAB	Subsistence Allowances	1,240,000	-	(1,240,000)	700,000	177%
8CBI	International Accommodation	-	-	-	800,000	0%
8CBL	Local Accommodation	191,100	-	(191,100)	500,000	38%
8CFV	Vehicles Fuel	248,285	412,248	163,963	1,649,000	15%
8CHI	International Medical Treatment	-	1,000,000	-	1,000,000	0%
8CHL	Local Medical Treatment	2,721	-	(2,721)	200,000	1%
8CIE	Equipment Hire	15,971	-	(15,971)	-	0
8CJO	Office Cleaning	142,842	75,000	(67,842)	300,000	48%

8CKD	Advertising - Communications	45,500	-	(45,500)	30,000	152%
8CKP	Postage - Communications	33,670	-	(33,670)	10,000	337%
8CKR	Printing - Communications	24,552	50,001	25,449	200,000	12%
8CKS	Stationery - Communications	76,686	50,001	(26,685)	200,000	38%
8CKT	Telephone / Fax - Communications	107,320	150,000	42,680	600,000	18%
8COI	Incidentals	31,503	50,001	18,498	200,000	16%
8COM	Medals	(15,000)	-	15,000	-	0
8COP	Official Entertainment	137,391	75,000	(62,391)	300,000	46%
8CRB	Buildings Repairs & Maintenance	2,266	24,999	22,733	100,000	2%
8CRE	Equipment Repairs & Maintenance	13,873	-	(13,873)	-	0
8CRV	Vehicles Repairs & Maintenance	242,503	66,594	(175,909)	266,375	91%
8CTI	International Travel	-	-	-	970,000	0%
8CTL	Local Travel	74,932	-	(74,932)	2,776,000	3%
8CUC	Gas - Cooking Utilities	34,944	25,000	(9,944)	100,000	35%
8CUE	Electricity Utilities	347,294	225,000	(122,294)	900,000	39%
8CUL	Lighting Utilities	-	22,500	22,500	90,000	0%
8CUW	Water Utilities	72,548	125,000	52,452	500,000	15%
8CZV	Value Added Tax	206,689	237,498	30,809	950,000	22%
8EEA	Equipment - Additional General	11,171	-	(11,171)	-	0
8EEC	Equipment - Computer	147,051	50,001	(97,050)	200,000	74%
8EEP	Equipment - Photocopiers	-	21,000	21,000	84,000	0%
8EFO	Furniture - Office Furniture	51,324	-	(51,324)	-	0
OVER	Overhead expenses	-	-	-	-	0
	<b>Operating Expenses</b>	<b>3,487,136</b>	<b>1,659,843</b>	<b>(1,827,293)</b>	<b>13,625,375</b>	<b>26%</b>
	<b>Total Expenditure</b>	<b>9,210,378</b>	<b>7,621,311</b>	<b>(1,589,067)</b>	<b>41,616,402</b>	<b>22%</b>

Source: Smart –Stream Vision Report

Table 3: Expenditure by Cost Centre

Code	Description	Budget to date	Total Expenditure	Under/ (Over)	Total Budget to Date	Percentage of Total Budget Spent
M01	Constitutional Agencies					
CAA	Presidential Support					
01AA	Office Administration	7,621,311	9,210,378	(1,589,067)	41,616,402	22%
CAAA	Management of the State House and President	7,621,311	9,210,378	(1,589,067)	41,616,402	22%
CAA	Presidential Support	7,621,311	9,210,378	(1,589,067)	41,616,402	22%

Source: Smart-Stream Vision