

MINISTRY OF JUSTICE AND COMMUNITY SERVICES

INTRODUCTION

The Ministry of Justice and Community Services (MJCS) was established in 2006 as a small Ministry with a small portfolio but over the years the portfolio has grown and currently MJCS is responsible for a large and diverse portfolio as follows: Judiciary and Judicial Service Commission; the Land Tribunal; the Ombudsman; Correctional Services Department; Public Prosecutor; Department of Women Affairs; the Public Solicitor; Malvatumauri National Council of Chiefs; Convention on the Rights of the Child (CRC); Convention on the Rights of Persons with Disability (CRPD); the Law Reform Commission; and Convention on the Elimination of all forms of Discrimination Against Women (CEDAW).

SUMMARY OF KEY FINDINGS

Area	Finding
Budget Management and Planning	Analysis shows that the Ministry of Justice and Community Services (MOJCS) had an allocated 2017 annual budget of VT 393,387,089 and had a total expenditure of VT184,779,251. MOJCS had already spent 47 percent of the annual budget and with that current rate of spending, the Ministry should be able to spend within its budget allocation.
Activity and Cost Centre Management and Planning	<p>The Cabinet and DG's office, CSU, CLMO and Law Commission had overspent its budget from a range VT 307,195 to VT 7.7 million. Only Women's Affairs had underspent its budget by VT 1.7 million.</p> <p>Advancing funds from the future periods and expending it in the first half of the year contributed to the high overspending figure.</p>
Payroll Budget Management and Planning	The half year budget for payroll for 2017 was VT133,572,767 and the total expenditure was VT 126,617,990. The Ministry had underspent on its payroll budget by 5.2 percent or VT 6.94 million in the first half of the year.
Operation Budget Management and Planning	The half year budget for operation for 2017 was VT 43,466,168 and total expenditure was VT 58,161,261. The Ministry had overspent on its operation budget by 33.8 percent or VT 14.7 million in the first half of the year.
Detailed Charts of Accounts In Payroll Expenditure Management and Planning	<p>Total expenses of unbudgeted items for the first half of 2017 was VT 25.4 million. This is about VT 5.5 million more than the first half of 2016. Major expenses are from contract wages VT 19.3 million, acting allowances VT 5 million and leave expenses VT 929,335. Most of the expenses of the unbudgeted chart of accounts in the first half of the year continues to increase every year. The Ministry should already notice the trend and budget accordingly.</p> <p>Spending on unbudgeted items has increased substantially. MOJCS needs to formalised positions as contract wages is increasing every year with no budget. It also needs to allocate enough funds to minimise</p>

	spending on the unbudgeted chart of accounts or overspending on the budgeted accounts.
Detailed Chart of Accounts in Operation Expenditure Management and Planning	Total expenses of unbudgeted items for the first half of 2017 was VT 22.2 million. This is about 3 million more than 2016 in the same period. Major expenses over 1 million vatu are from local travel VT2.9 million, official entertainment VT 2.2 million, termination payment VT 1.9 million, vehicle repair and maintenance VT 1.7 million, VAT 1.5 million, incidentals VT 1.4 million and stationaries VT 1.3 million. Expenses continues to increase every year with no or insufficient allocated budget. Ministry should already notice the trend and budget accordingly.
Current Revenue Planning and Management	The Ministry collected VT 3,000 in the first half of 2017 compared to VT 0 in the same period last year, 2016.
Outstanding Revenues	MOJCS had an outstanding revenue of VT 62,324 at the end of the first half of the year.
Asset Management	The Ministry does not check their assets status before preparing budgets therefore most of the asset chart of accounts were overspent in the first half of the year.
Virements	There was a total of 10 virements were processed in the first half of 2017 with a value of VT 5,038,858 There was a total of 10 virements were processed in the first half of 2017 with a value of VT 5,038,858, compared to 11.9 million in the same period in 2016.
Imprest Management	At the end of the first six months of 2017, the Ministry had a total of VT 1.3 million outstanding imprest to reitre.

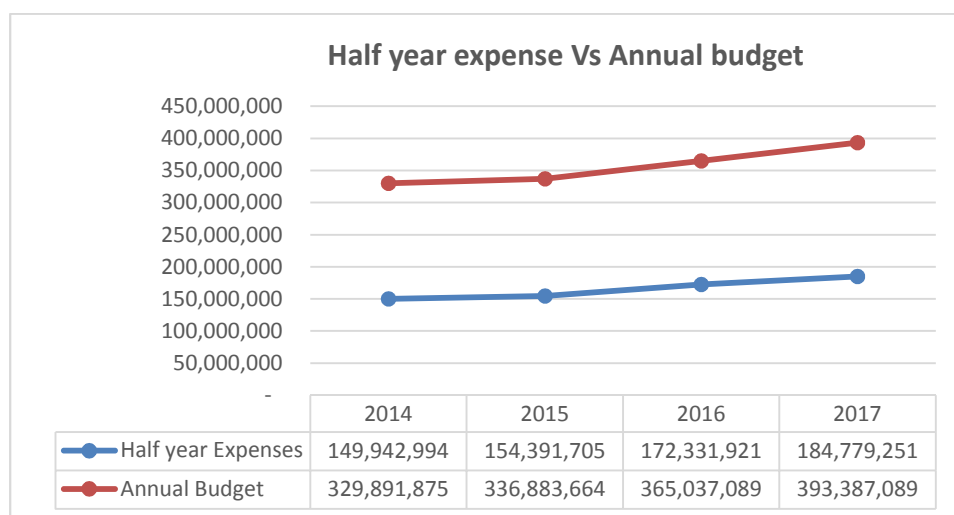
FINANCIAL MANAGEMENT ASSESSMENT

1. BUDGET PERFORMANCE

1.1 Overall Budget Management and Planning

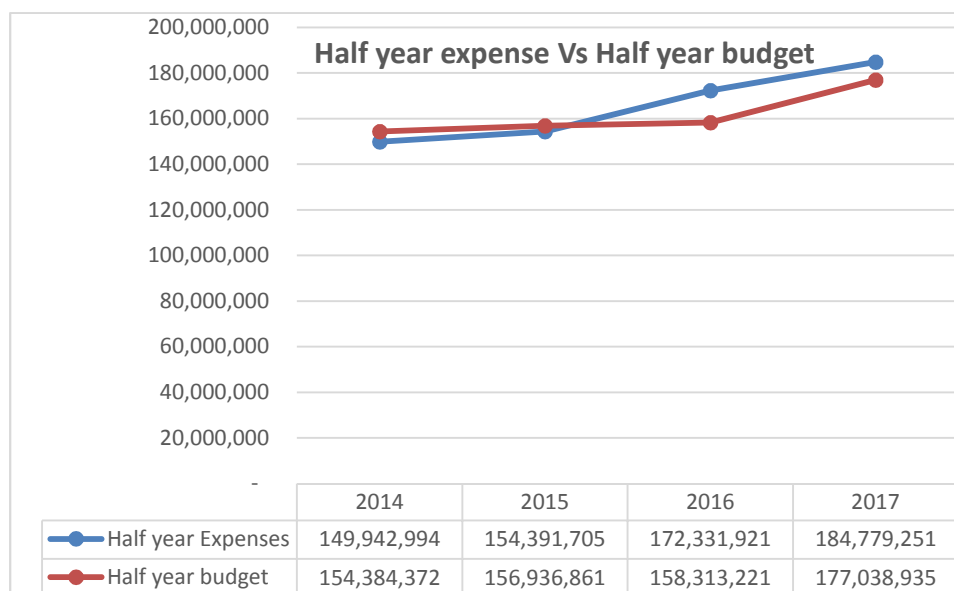
Analysis shows that the Ministry of Justice and Community Services (MOJCS) had an allocated 2017 annual budget of VT 393,387,089 and had a total expenditure of VT184,779,251. MOJCS had already spent 47 percent of the annual budget and with that current rate of spending, the Ministry should be able to spend within its budget allocation.

Figure 1: Expenditure Vs Budget



The above graph shows the half yearly expenditures against the annual budget for 2017 and the past three years in the same period. In 2016, Expenditure ranges from 45.5 to 47.2 percent.

Figure 2: Half yearly Expenses Vs Half yearly Budget



The graph above shows the half yearly expenditure against half yearly budget allocations and for 2017 and the past three years.

The Ministry had spent 104.4 percent of its half year budget in the first half of the year compared to 108.9 percent in the same period in 2016, 98.4 percent in 2015 and 97.1 percent in 2014.

1.2 Activity and Cost center management and planing

The Cabinet and DG's office (Cost center 070) half year budget was overspent by 36.8 percent or by VT7.2 million . The Office had already spent 52.3 percent of its annual budget. If that cost center continues to spend at that current rate of spending, it is most likely that it will used up its budget before the year ends. It was the operation budget that was overspent and this is due to NPP funds being advances from future periods and expended in the first half of the year.

The Department of Women's Affairs (cost center 080) half year budget was underspent by 12.6 percent or Vt 1.7 million. The Department had already spent 43.7 percent of its annual budget. If the Department continues to spend at that current rate of spending, it is most likely that the budget will be underspent the end of the year

The Correctional Services (Cost center 250) half year budget was underspent by 6.7 percent or VT 5.3 million. The Department had already spent 43.3 percent of its annual budget and with that rate of spending it is most likely that it will not used up its fund by the end of the year.

The Corporate Service Unit (Cost Center 300) half year budget was overspent by 3.6 percent or VT 830,983. The Unit had already spent 46.1 percent of its annual budget. If the Unit continues to spend at this current rate of spending, it is most likely that it will underspend by the end of the year

The Customary Lands Tribunal Office (Cost Center 840) half year budget was overspent by 58 percent or VT 7.7 million. . It was the operation budget that was overspent and this is due to NPP funds being advanced from future periods and expended in the first half of the year. The Office had already spent 60.7 percent of its annual budget. If the Office continues to spend at this current rate of spending it will run out of funds before the end of the year.

The Law Commission (cost center 850) half year budget was overspent by 4.1 percent or VT 307,195. Overspending was from the operation and thus operation funds were advand from the future periods and spent in the first half of the year The Commission had already spent 43.8 percent of its annual budget. If the Commission continues to spend at this current rate of spending it would most likely to underspend its budget at the end the year.

Table1: Cost centers budget and expenditures

Account	Description	Actual	Commitment	Total	Budget	Under/(Over)
07AA	Cabinet Operations					
	Personnel Expenses	17,826,357	-	17,826,357	18,079,938	253,581
	Operating Expenses	7,858,463	1,221,955	9,080,418	1,586,632	(7,493,786)
07AA	Cabinet Operations	25,684,820	1,221,955	26,906,775	19,666,570	(7,240,205)
07AB	Office of the Director General					
	Personnel Expenses	-	-	-	-	-
07AB	Office of the Director General	-	-	-	-	-
08AA	Policy Section					
	Personnel Expenses	7,926,780	-	7,926,780	9,355,824	1,429,044
	Operating Expenses	3,360,567	308,247	3,668,814	3,904,866	236,052
08AA	Policy Section	11,287,347	308,247	11,595,594	13,260,690	1,665,096
2501	Office of the Director					
	Personnel Expenses	7,242,095	-	7,242,095	7,339,682	97,587
	Operating Expenses	4,256,368	1,349,078	5,605,446	12,219,528	6,614,082
2501	Office of the Director	11,498,463	1,349,078	12,847,541	19,559,210	6,711,669
2502	Correctional Centre (North)					
	Personnel Expenses	17,565,613	-	17,565,613	17,408,683	(156,930)
	Operating Expenses	4,124,313	1,648,820	5,773,133	3,855,677	(1,917,456)
2502	Correctional Centre (North)	21,689,926	1,648,820	23,338,746	21,264,360	(2,074,386)
2503	Probation (North)					
	Personnel Expenses	4,300,278	-	4,300,278	4,317,800	17,522
	Operating Expenses	1,067,542	771,910	1,839,452	1,913,560	74,108
2503	Probation (North)	5,367,820	771,910	6,139,730	6,231,360	91,630
2504	Parole					
	Operating Expenses	271,044	191,786	462,830	474,446	11,616
2504	Parole	271,044	191,786	462,830	474,446	11,616
2505	Correctonal Centre (South)					

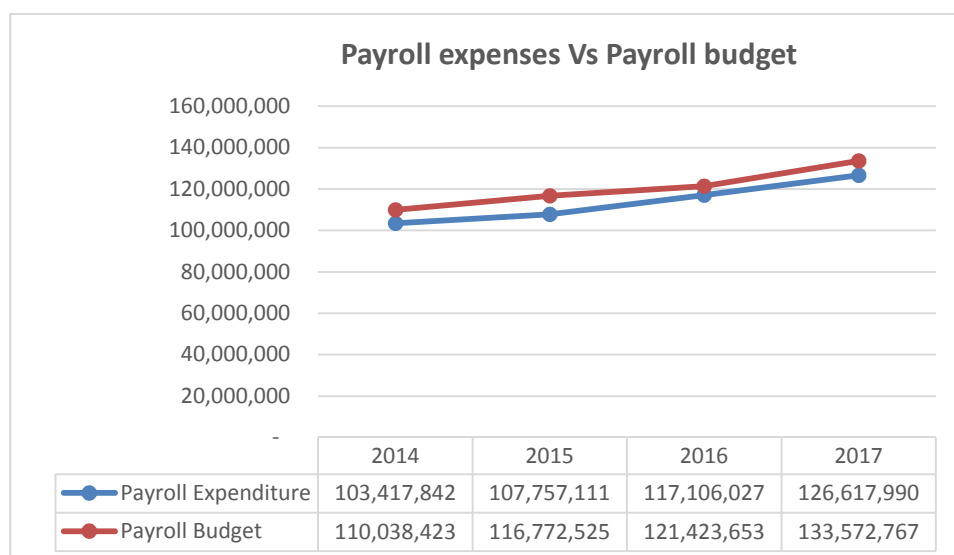
	Personnel Expenses	34,811,497	92,066	34,903,563	36,295,052	1,391,489
	Operating Expenses	7,414,967	1,165,463	8,580,430	8,869,514	289,084
2505	Correctonal Centre (South)	42,226,464	1,257,529	43,483,993	45,164,566	1,680,573
2506	Probation (South)					
	Personnel Expenses	5,805,737	-	5,805,737	5,858,508	52,771
	Operating Expenses	1,237,726	170,102	1,407,828	1,604,766	196,938
2506	Probation (South)	7,043,463	170,102	7,213,565	7,463,274	249,709
30AA	MoJCSCorporate Service Unit					
	Personnel Expenses	9,865,690	9,628	9,875,318	10,168,481	293,163
	Operating Expenses	7,235,705	541,141	7,776,846	4,281,902	(3,494,944)
30AA	MoJCSCorporate Service Unit	17,101,395	550,769	17,652,164	14,450,383	(3,201,781)
30AB	Convention on the Right of People with Disability					
	Personnel Expenses	1,372,777	38,945	1,411,722	2,079,183	667,461
	Operating Expenses	413,815	196,704	610,519	845,412	234,893
30AB	Convention on the Right of People with Disability	1,786,592	235,649	2,022,241	2,924,595	902,354
30AC	Convention on the Right of a Child (CRC)					
	Personnel Expenses	1,696,394	5,410	1,701,804	2,169,248	467,444
	Operating Expenses	82,440	-	82,440	575,885	493,445
30AC	Convention on the Right of a Child (CRC)	1,778,834	5,410	1,784,244	2,745,133	960,889
30AD	Land Ombudsman					
	Personnel Expenses	2,164,260	-	2,164,260	2,352,677	188,417
	Operating Expenses	258,356	48,750	307,106	626,244	319,138
30AD	Land Ombudsman	2,422,616	48,750	2,471,366	2,978,921	507,555
84AA	Customary land management Office					
	Personnel Expenses	9,884,418	33,916	9,918,334	11,117,804	1,199,470
	Operating Expenses	9,452,117	1,598,841	11,050,958	2,153,648	(8,897,310)
84AA	Customary land management Office	19,336,535	1,632,757	20,969,292	13,271,452	(7,697,840)
85AA	Vanuatu Law Commission					
	Personnel Expenses	5,976,129	-	5,976,129	7,029,887	1,053,758
	Operating Expenses	1,876,926	38,115	1,915,041	554,088	(1,360,953)
85AA	Vanuatu Law Commission	7,853,055	38,115	7,891,170	7,583,975	(307,195)
	Total Expenditure	175,348,374	9,430,877	184,779,251	177,038,935	(7,740,316)

Source: Department of Finance & Treasury

1.3. Payroll Budget Management and Planning

The half year budget for payroll for 2017 was VT133,572,767 and the total expenditure was VT 126,617,990. The Ministry had underspent on its payroll budget by 5.2 percent or VT 6.94 million in the first half of the year.

Figure 3: Payroll Expenditure Vs Payroll Budget



The above graph shows payroll expenditure versus payroll budget for the first half of 2017 and the same period in the past three years.

1.4 Detailed Chart of account in Payroll Expenditures Management and Planning.

The table below shows the payroll expenses by chart of accounts from 2014 to 2017 in the first half of the year. The highlighted yellow are expenses against no allocated budget, the highlighted green are overspent chart of accounts.

Table 2: Payroll Chart of accounts 2014-2017

Account	Description	2014 Expenditure	2014 Budget	2015 Expenditure	2015 Budget	2016 Expenditure	2016 Budget	2017 Expenditure	2017 Budget	Payroll Expenditure as % of Payroll
	Personnel Expenses									
8AAA	Acting Allowances	1,897,336	-	2,738,468	-	3,192,869	-	5,947,155	921,004	646%
8AAB	Responsibility Allowance	244,720	-	582,112	-	104,880	-	389,850	424,998	92%
8AAD	Shift Allowance	275,310	-	724,362	-	359,007	-	391,920	496,800	79%
8AAF	Family Allowance	1,864,624	3,274,683	1,769,470	3,159,199	1,678,121	3,005,975	2,025,444	3,986,758	51%
8AAG	Gratuitie Allowances	1,440,724	-	1,630,230	-	499,861	-	154,395	-	
8AAH	Housing Allowances	11,891,482	14,990,626	11,674,947	15,130,593	13,213,952	15,584,046	14,140,151	18,482,086	77%
8AAO	Other Allowances	-	608,717	18,090	693,266	3,500	665,356	74,614	1,601,363	5%
8AAP	Home Island Passage Allowances	270,742	659,316	165,495	296,898	132,727	141,455	235,612	224,995	105%
8AAS	Special Allowances	523,575	672,731	(202,382)	-	-	517,451			
8ASP	Provident Fund	3,451,939	3,518,071	3,459,397	3,566,989	4,163,595	3,722,200	4,282,707	4,286,236	100%
8AWC	Contract Wages	2,030,239	-	6,793,228	-	14,034,750	-	19,255,525	-	
8AWD	Daily Rated Wages	-	101,555	-	203,111					
8AWL	Leave expense	567,385	-	2,369,219	-	1,170,269	-	929,335	-	646%
8AWO	Overtime Wages	319,597	-	262,303	-	125,620	-	74,663	629,996	12%
8AWP	Permanent Wages	78,640,169	83,294,090	75,772,172	85,119,482	78,426,876	88,866,610	78,716,619	99,021,800	79%
PAYR	Payroll expenses	-	2,918,634	-	8,602,987	-	8,920,560	-	3,496,731	0%

	Personnel Expenses	103,417,842	110,038,423	107,757,111	116,772,525	117,106,027	121,423,653	126,617,990	133,572,767	95%
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Source: Department of Finance & Treasury

Unbudgeted Items

Total expenses of unbudgeted items for the first half of 2017 was VT 25.4 million. This is about VT 5.5 million more than the first half of 2016. Major expenses were from contract wages VT 19.3 million, acting allowances VT 5 million and leave expenses VT 929,335. Most of the expenses of the unbudgeted chart of accounts in the first half of the year continues to increase every year. Ministry should already notice the trend and budget accordingly.

Overspent on chart of accounts

There are only two chart of accounts that were overspent in the first half of 2017 due to insufficient budget, acting allowance and home island passage. More funds should be allocated to these chart of accounts in the future.

Improvement on chart of accounts management

Spending on unbudgeted items has increased substantially. MOJCS needs to formalised positions as contract wages is increasing every year with no budget. It also needs to allocate enough funds to minimise spending on the unbudgeted chart of accounts or overspending on the budgeted accounts.

Figure 4: Payroll 2017 first half of the year overspent chart of accounts

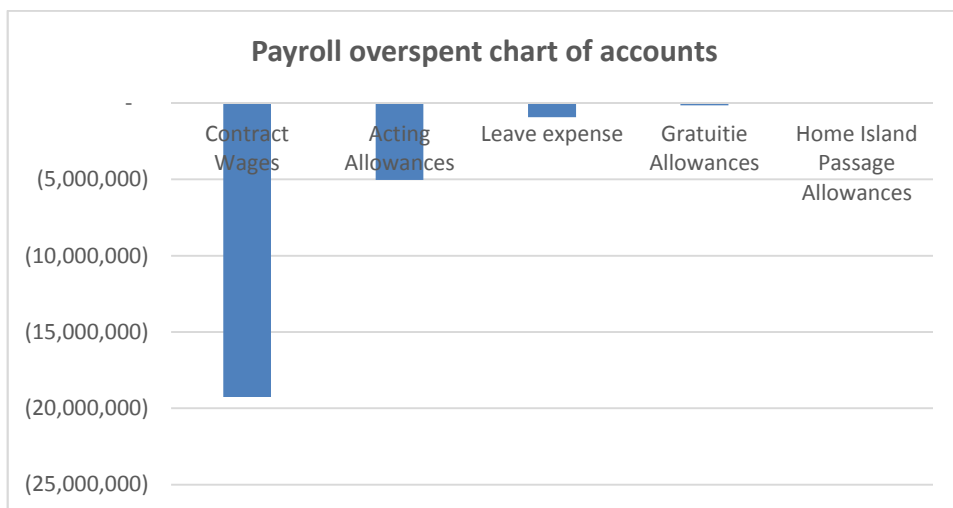
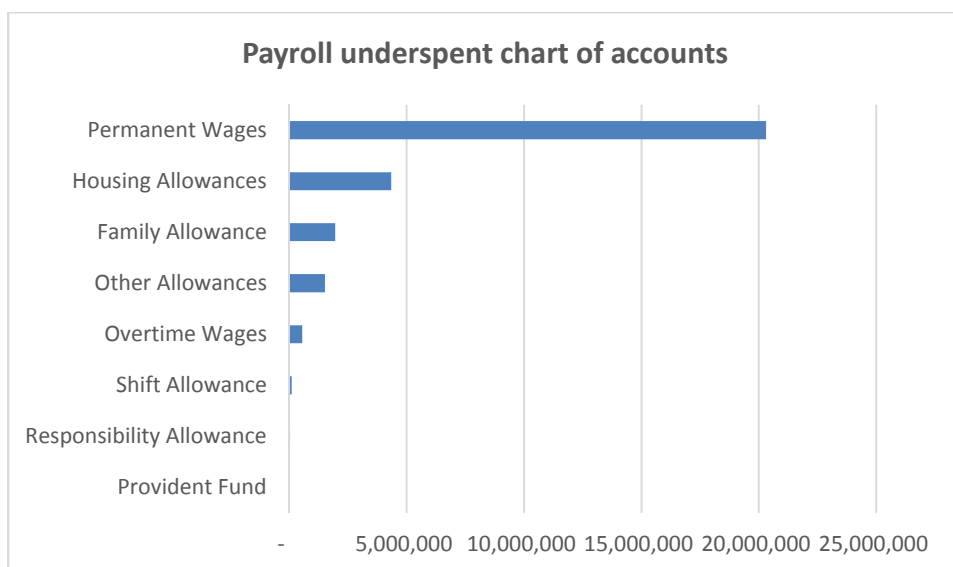


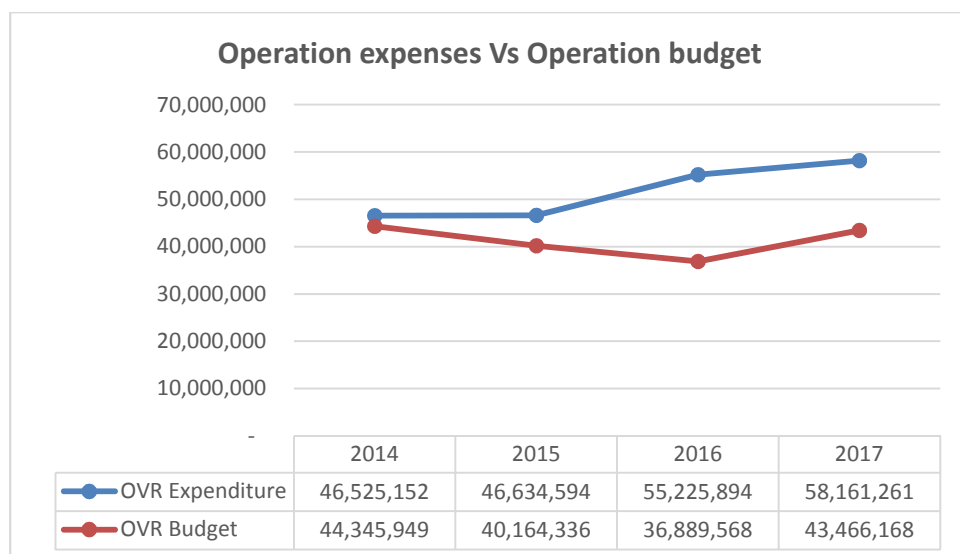
Figure 5: Payroll 2017 first of the year underspent chart of accounts



1.5. Operation Budget Management and Planning

The half year budget for operation for 2017 was VT 43,466,168 and total expenditure was VT 58,161,261. The Ministry had overspent on its operation budget by 33.8 percent or VT 14.7 million in the first half of the year.

Figure 6: Operation Expenditure Vs Operation Budget



The above graph shows payroll expenditure versus payroll budget for the first half of 2017 and for the same period in the past three years.

1.6 Detailed Chart of Accounts in Operation Expenditure Management and Planning.

Below is the table detailing the expenses and budget for all chart of accounts in the operation from 2014 to 2017. The highlighted yellow are expenses against no allocated budget, the highlighted green are overspent chart of accounts.

Table 3: Operation Chart of accounts 2014-2017

Account	Description	2014 Expenditure	2014 Budget	2015 Expenditure	2015 Budget	2016 Expenditure	2016 Budget	2017 Expenditure	2017 Budget	OVR Expenditure as % of OVR budget
	Operating Expenses									
8CAB	Subsistence Allowances	1,089,500	1,238,296	3,518,550	1,431,106	2,614,000	1,817,003	3,202,500	3,281,970	98%
8CAF	Food Allowances			4,375	-					
8CAP	Repatriation Allowances	1,730	-							
8CAS	Sitting Allowances	151,860	650,000	962,000	750,000	295,000	330,720	436,500	330,000	132%
8CBI	International Accommodation	70,000	194,000	-	388,000	-	125,000	-	49,998	0%
8CBL	Local Accommodation	375,572	489,758	451,042	618,500	468,026	581,380	254,091	565,050	45%
8CCL	Local Courses	-	48,500	28,334	-	82,503	-	58,094	30,060	193%
8CDI	Injuries Damages	40,000	-							
8CEC	Consultants Fees			-	242,500					
8CES	Security Services	44,444	126,102			222,333	150,000			
8CET	Other Fees	326,128	121,252	116,211	122,100	840,433	165,000	118,347	68,700	172%
8CFO	Freight Fuel			3,556	-					

8CFS	Ship and Boat Fuel			8,889	-					
8CFV	Vehicles Fuel	3,121,874	3,251,546	2,904,983	3,085,174	2,917,290	3,273,108	2,950,322	2,869,713	103%
8CGM	Mail Carriage Freight	2,521	-	17,989	-	-	21,000	-	12,306	0%
8CGO	Other Charges - Freight	16,993	4,850	-	60,000	15,061	60,000	6,950	25,002	28%
8CGR	Transport - Freight	119,659	89,725	55,227	142,730	275,129	163,172	552,323	312,583	177%
8CHD	Drug Distribution - Medical			3,556	-	-	2,510			
8CHL	Local Medical Treatment	-	4,850	-	20,080	352,778	25,000	12,010	40,032	30%
8CHT	Other Medical Treatment					132,335	-	-	20,040	0%
8CIE	Equipment Hire	101,175	38,800	19,378	106,300	-	90,000	26,000	209,250	12%
8CIF	Facilities Hire	284,334	58,200	35,000	234,460	419,690	121,000	516,654	200,150	258%
8CIV	Vehicles Hire	269,705	145,500	768,025	192,200	68,111	444,980	648,521	70,002	926%
8CJO	Office Cleaning	683,640	1,021,760	556,993	920,928	570,386	823,700	650,690	823,294	79%
8CKD	Advertising - Communications	728,279	198,850	577,735	275,620	986,842	277,878	562,128	365,028	154%
8CKL	Translation Communications							28,000	-	
8CKP	Postage - Communications	19,112	122,218	15,000	120,534	17,983	40,169	84,667	47,679	178%
8CKR	Printing - Communications	274,020	697,610	323,952	584,960	924,713	1,125,300	1,751,009	1,202,047	146%
8CKS	Stationery - Communications	1,573,634	953,080	1,012,762	1,040,954	1,322,054	852,684	2,427,001	1,149,953	211%
8CKT	Telephone / Fax - Communications	448,729	777,880	765,290	964,802	895,242	945,144	1,124,534	1,125,638	100%
8CLR	Rates - Land	99,000	48,013	99,000	49,698	99,000	49,302	-	100,000	0%
8CLS	Survey Cost - Land			247,112	-					
8CMG	General - Materials	868,195	135,760	1,591,455	307,038	1,040,450	581,378	1,406,922	629,292	224%
8CMO	Office - Materials	399,575	169,750	70,856	246,898	73,089	350,098	280,862	196,058	143%
8CNO	Office Rental	3,424,892	3,579,284	4,320,010	5,477,468	3,713,018	5,538,456	4,629,054	5,454,833	85%
8CNT	Other Rental	824,911	97,000	160,223	242,500	65,334	145,834	418,668	-	
8COC	Court Costs	405,000	485,000	120,000	926,686	1,200,000	100,002	-	48,648	0%
8COF	Refunds	2,578	-	272,750	-			166,024	-	
8COI	Incidentals	276,194	931,044	847,061	707,884	1,202,042	613,438	1,899,430	491,864	386%
8COP	Official Entertainment	1,896,780	378,244	740,265	637,282	1,154,638	1,315,156	2,947,478	737,452	400%
8COR	Recruitment Costs	-	97,000	-	48,500	-	44,000			
8COT	Termination Payment	700,000	-	150,000	254,418	6,777,751	-	1,936,395	50,000	3873 %
8COU	Uniforms	17,995	-	-	84,758	137,514	150,000	564,296	124,998	451%
8CRB	Buildings Repairs & Maintenance	906,774	475,300	858,177	412,940	834,295	550,402	476,964	413,890	115%
8CRE	Equipment Repairs & Maintenance	640,063	620,742	538,879	638,730	658,092	383,380	470,526	534,948	88%
8CRH	Houses Repairs & Maintenance	62,035	14,550	68,927	50,000	16,169	200,000	54,613	-	
8CRM	Maintenance Contract	75,556	97,000	110,556	60,624	-	50,000	3,556	49,998	7%
8CRV	Vehicles Repairs & Maintenance	2,365,276	1,525,924	2,164,184	1,526,462	2,962,553	1,574,354	3,234,130	1,567,814	206%
8CRW	Vehicle Servicing							25,245	94,440	27%
8CSF	Food - Suppliers	315,175	97,002	365,404	198,500	601,041	275,556	616,904	167,224	369%
8CSM	Medicines Suppliers	-	9,980	5,000	10,000	489	5,020			
8CSO	Other Suppliers	205,646	189,150	194,780	148,190	239,880	134,642	368,828	164,850	224%
8CSR	Rations Suppliers	5,150,568	5,975,394	5,076,525	6,180,000	5,494,614	5,848,100	4,970,300	4,803,500	103%
8CTI	International Travel	-	970,000	1,417,893	669,832	710,755	425,000	383,508	237,498	161%

8CTL	Local Travel	1,668,283	3,452,230	3,126,760	2,530,027	3,288,580	2,105,230	5,242,403	2,323,266	226%
8CUC	Gas - Cooking Utilities	292,534	435,142	161,600	426,100	243,200	301,200	346,044	150,000	231%
8CUE	Electricity Utilities	3,907,601	3,589,148	2,567,761	3,431,326	2,883,239	3,980,916	2,223,199	4,596,746	48%
8CUL	Lighting Utilities	1,778	14,550	87,989	25,000	6,391	25,002	44,386	25,002	178%
8CUW	Water Utilities	630,962	1,100,950	1,576,678	727,310	228,976	909,002	1,202,931	852,892	141%
8CWL	Local Workshops			133,334	48,500	235,278	250,000	251,467	82,170	306%
8CZV	Value Added Tax	4,651,329	4,752,488	4,307,913	4,578,886	4,462,901	3,655,487	4,763,823	3,288,446	145%
8DAD	Donations Abroad							450,000	-	
8DNO	Other Non Profit Institution	600,000	-							
8DGT	Other Grant					-	500,000			
8EBR	Buildings - Renovation	-	1,391,360	9,400	612,980	161,136	282,000	67,556	200,000	34%
8EEA	Equipment - Additional General	259,078	52,170	472,709	339,500	71,991	150,000	81,507	450,000	18%
8EEC	Equipment - Computer	1,290,199	575,290	766,610	539,500	1,572,665	285,000	695,095	174,664	398%
8EEP	Equipment - Photocopiers	-	97,000	128,889	-	155,224	-	908,307	-	
8EER	Equipment - Replacement General			285,268	-	234,133	-	162,378	-	
8EES	Equipment - Specialised					19,556	-	8,000	-	
8EFO	Furniture - Office Furniture	506,489	339,500	152,890	485,589	386,734	467,500	83,964	727,548	12%
8EVA	Vehicle - Additional Vehicle			-	-	222,222	-	791,112	-	
8EVR	Vehicle - Replacement	4,337,777	-	1,288,889	-	653,035	822,407	570,045	-	
8FCB	Bank Charges							5,000	-	
OVER	Overhead expenses	-	2,417,207	-	(3,759,738)	-	(6,613,042)	-	1,929,632	0%
	Operating Expenses	46,525,152	44,345,949	46,634,594	40,164,336	55,225,894	36,889,568	58,161,261	43,466,168	134%

Source: Department of Finance & Treasury

Unbudgeted Items

Total expenses of unbudgeted items for the first half of 2017 was VT 22.2 million. This is about 3 million more than 2016 in the same period. Major expenses over 1 million vatu are from local travel VT2.9 million, official entertainment VT 2.2 million, termination payment VT 1.9 million, vehicle repair and maintenance VT 1.7 million, VAT 1.5 million, incidentals VT 1.4 million and stationaries VT 1.3 million. Expenses continues to increase every year with no or insufficient allocated budget. Ministry should already notice the trend and budget accordingly.

Overspent on chart of accounts

Most of the chart of accounts are overspent in the first half of 2017 and also had been continue to overspent over the years in the same period.

Improvement on chart of accounts management

Unbudgeted items and overspent figures are still very high and increasing every year. MOJCS needs to allocate enough funds to minimise spending on the unbudgeted chart of accounts or overspending on the budgeted accounts.

Figure 7: Operation over spent chart of accounts

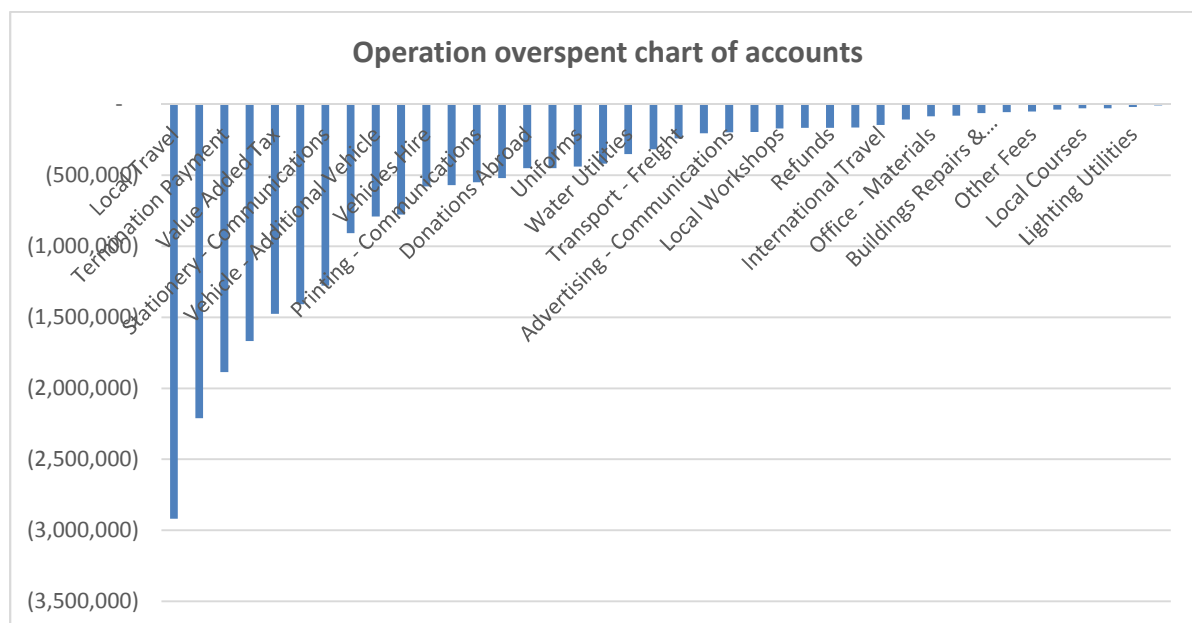
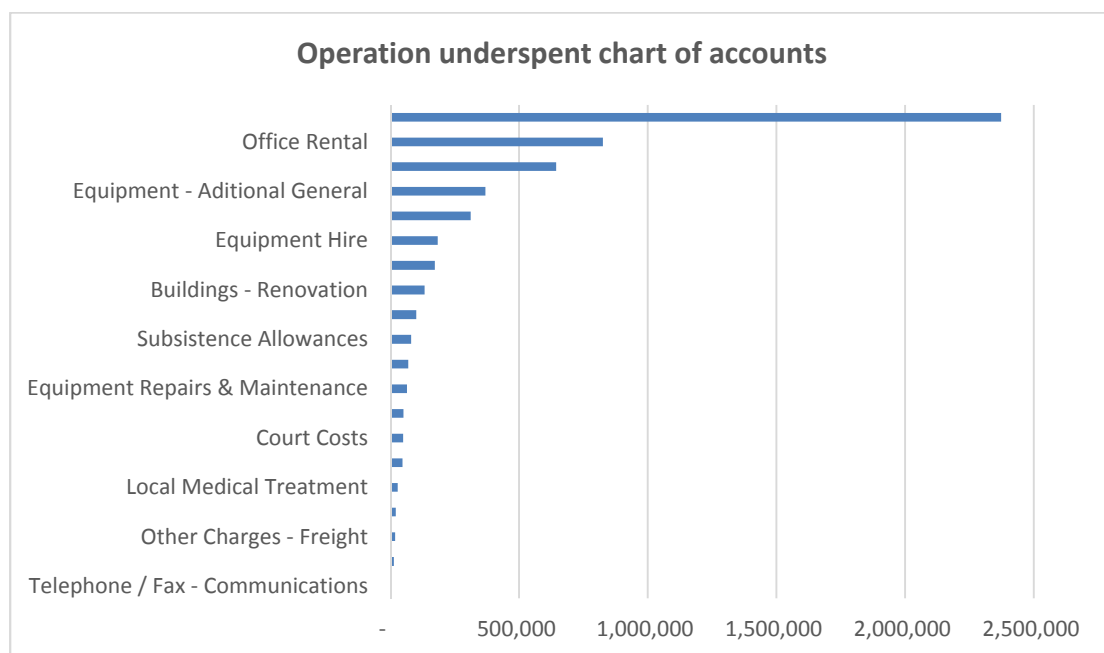


Figure 8: Operation under spent chart of accounts



REVENUE PLANNING AND MANAGEMENT

1. CURRENT REVENUE PLANNING AND MANAGEMENT

The Ministry collected VT 3,000 from sale of assetr in the fist half of 2017.

Table 4: Revenue 2014-2017

Year	Revenue	Budget	Over/(Under)	Cash Received
2017	3,000	0	3,000	3,000
2016	0	0	0	0
2015	0	0	0	0
2014	0	0	0	0

Source: Department of Finance & Treasury

MOJCS had no revenue target for 2017 and for the last three years.

2. OUTSTANDING REVENUES

MOJCS had an outstanding revenue of VT 62,324 at the end of the first half of the year.

ASSET MANAGEMENT

The Ministry does not check their assets status before prepraring budgets therefore most of the asset chart of accounts were overspent in the first half of the year.

VIREMENT

There was a total of 10 virements were processed in the first half of 2017 with a value of VT 5,038,858, compared to 11.9 million in the same period in 2016.

Table 5: Virements

VIRED OUT				VIRED IN				
FUND	DEPT	ACTIVITY	ACCOUNT	FUND	DEPT	ACTIVITY	ACCOUNT	AMOUNT
2	07AA	MJAA	OVR	2	2502	MJCA	OVR	675,000
2	2505	MJAA	PAYR	2	2501	MJCA	OVR	80,000
2	2503	MJCA	PAYR	2	2501	MJCA	OVR	120,000
2	2502	MJCA	PAYR	2	2501	MJCA	OVR	800,000
2	2501	MJCA	PAYR	2	2501	MJCA	OVR	100,000
2	2506	MJCA	PAYR	2	2501	MJCA	OVR	264,876
2	2502	MJCA	PAYR	2	2501	MJCA	OVR	400,000
2	2501	MJCA	PAYR	2	2501	MJCA	OVR	235,764
2	30AB	MJAB	PAYR	2	30AC	MJAB	PAYR	1,497,759
2	85AA	MJEA	OVR	2	85AA	MJEA	PAYR	865,459

Source: Department of Finance & Treasury

Graphs below showing number and value of virement in the first half of 2017 and the past three years in the same period.

Figure 9: Number of Virements 2014-2017

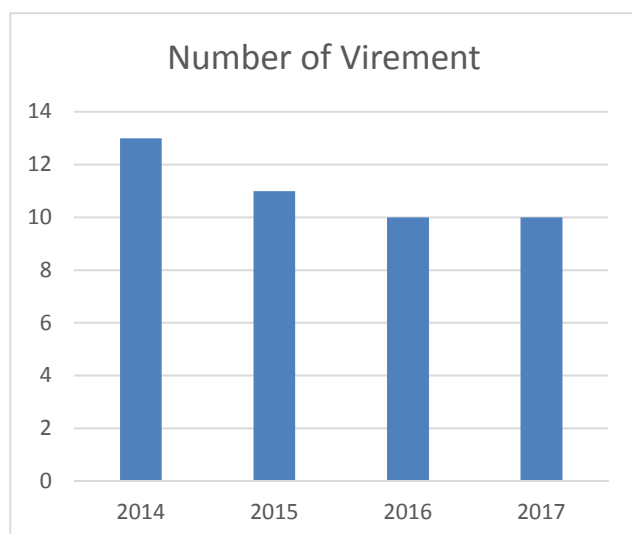
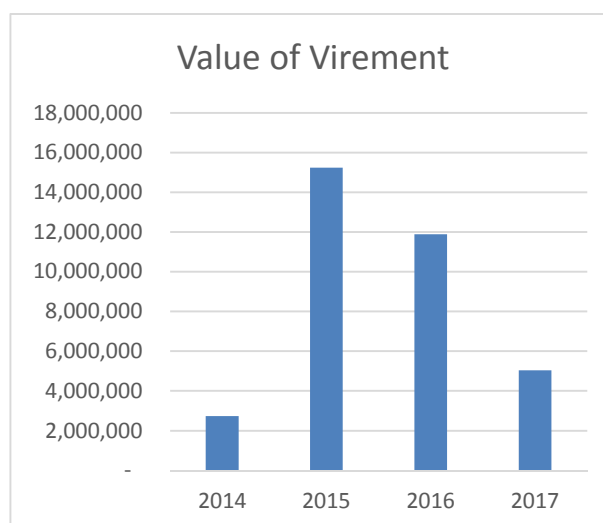


Figure 10: Value of Virements 2014-2017



IMPREST MANAGEMENT

At the end of the first six months of 2017, the Ministry had a total of VT 1.3 million outstanding imprest to reitre.

Table 6: Outstanding Imprests as of end of the first half of 2017.

Department Section	Amount Advanced	Amount Paid	Amount Outstanding
Women's Affairs	770,750	0	770,750
Correctional Services	26,090	0	26,090
Cabinet	500,000	0	500,000
CSU	39,000	0	39,000
TOTAL	1,335,840	0	1,335,840

Source: Department of Finance & Treasury