

MINISTRY OF FINANCE AND ECONOMIC MANAGEMENT

INTRODUCTION

This Ministry of Finance and Economic Management ensures that all the Financial, Economic and Fiscal Policies of the government are implemented accordingly.

The Ministry of Finance and Economic Management (MFEM) is responsible for:

- The formulation of sound and effective national and economic and financial policies, including national development and sectoral priorities;
- Managing and coordinating the distribution of the Government's financial resources;
- Managing the collection of customs, excise and other charges for which the Ministry is responsible;
- Protection of Vanuatu's borders;
- Collecting and publishing reliable and timely data on the economic and social activities of Vanuatu; and
- Ensuring effective economic, fiscal and financial management of the resources it is entrusted to manage.

The ministry's annual recurrent budget is composed of the budget for the Cabinet, Parliamentary Secretary to MFEM, Corporate Service Unit, Department of Customs and Inland Revenue, National Statistics Office, Department of Finance and Treasury, and all the Government Grant Bodies. Apart from the normal operational budgets, the ministry also accommodates the budget for government public debt and other small budgets for specific programs for the other ministries e.g. Vanuatu National Scholarship Fund, Severance Budget, Land compensation fund, Emergency Fund, etc.

The ministry has received additional recurrent budget support of VT 1,159,554,265 this year, bringing the total recurrent budget to VT 7.1 billion, compared last year's budget which was VT 5 billion more. The additional budget will finance the national population census, price control unit, MFEM building Sanma province, housing allowances, severance for the retirees, increase in Vanuatu government scholarships, restoring VBTC services, copra subsidy, housing allowance plus additional budget for several grant bodies such as the Utility Regulatory Authority (URA), Air Vanuatu – Deposit of 2 aircrafts, Vanuatu Tourism Office (VTO), Vanuatu Agriculture Research Training Institute (VARTC) and Vanuatu Chamber of Commerce and Industry (VCCI).

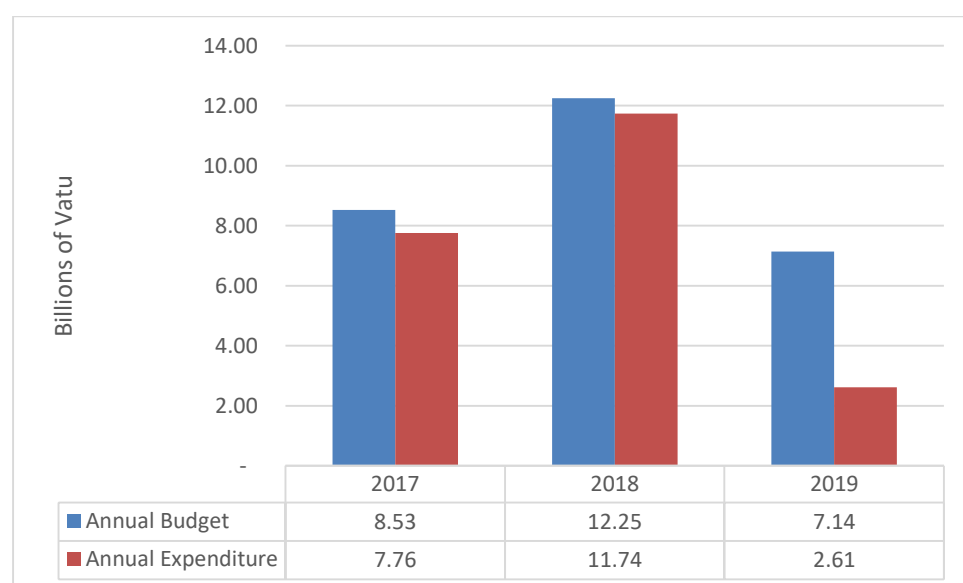
This first of three such reports seeks to highlight the major expenditure and budget issues for the ministry for the first quarter of 2019. It will also include discussions on revenue and transfer of funds within the ministry, and finally recommend ways to improve the budget management for the remaining three periods.

SUMMARY OF KEY FINDINGS

The national parliament appropriated a budget of VT 7.2 billion for Ministry of Finance and Economic Management last year which was further increased to VT 12.25 billion through the supplementary budget appropriation. This year's recurrent budget stands at VT 7.14 billion compared to VT 8.53 billion budgeted for the year 2017. Table 1.1 below shows the annual budget verses the actual expenditure for the three years period, where the actual spending fall short by 9 percent and 4 percent in 2017 and 2018 respectively. This year MFEM has consumed 37 percent of the annual budget to date.

Table 1 below shows a summary of the total budget and expenditure by cost centre for the first three months of the year against the total annual budget for this year. The analysis shows that the ministry Executive cost centre, the office of the director general, budget section, grants to VBTC and VMA, former leaders payment and Vanuatu Scholarship grant were overspent in the first quarter. Unbudgeted cost centres include central payments, public debt provision, and emergency fund. These cost centres were budgeted for in other quarters and were advanced to the first quarter to enable commitment of payments.

TABLE 1.1: ANNUAL BUDGET AND EXPENDITURE FOR THE MINISTRY OF FINANCE AND ECONOMIC MANAGEMENT, 2017 - 2019



Source: Finance and Treasury

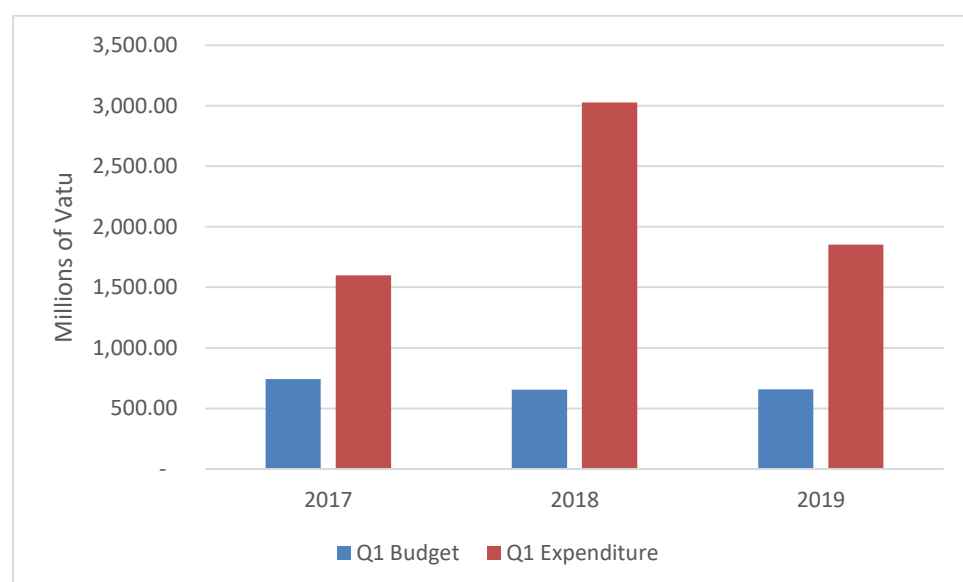
Like in the two previous years, the Ministry of Finance and Economic Management overspent its recurrent budget for the first three months of this year by VT 1.1 billion, followed by VT 2.3 billion last year, and VT 855 million in 2017, due to unrealistic budgeting where most of the budget are stored in the future periods, mostly in the month of December and were advanced to the first quarter to enable commitment of funds as shown in table 1.2 below. Efforts to improve budgeting for each period is necessary to reduce overspending and provide a good reporting in the future. The actual expenditure trend for the past three years is flexible showing an increase by 89 percent last year, however this year the actual expenditure drop by 63 percent.

In the first quarter, the ministry spent mainly only on termination payment, scholarship allowance, interest on government loans, permanent wages, loan repayments, operating grants and other grants.

Overspending continues to be seen annually and in the first quarter the ministry overspent mainly on expenditure items such as scholarship allowance, other grants, international travel, VAT, International organization fees, subsistence allowances, official entertainment, office rental, other fees, overtime wages, incidentals, refunds, acting allowances, additional equipment and responsibility allowance. Expenses such as scholarship allowances, subsistence allowances, office rental, acting allowances, and extra responsibility allowances are recurring expenditure that should have sufficient budget for each month, while others will be quite a challenge to realistically budget for each month given the nature of their implementation.

In terms of major unplanned or unbudgeted expenditures for the first quarter of this year (*highlighted in red in table 2 below*), Termination payment, interest on government loans, repayment for china and ADB loans, other suppliers, copra subsidy, interest on bonds, sea logical costs, food rations/relief supplies, etc, are seen as the major budgeted expenses. These items have their budget stored in period 12 (December) thus reported as not budgeted for in the first quarter for this year, and as alluded to earlier, the ministry needs to improve the cash flow budget for each of these expenditure items in order to match their annual implementation plans and improve reporting.

TABLE 1.2: FIRST QUARTER BUDGET AND EXPENDITURE FOR THE MINISTRY OF FINANCE AND ECONOMIC MANAGEMENT, 2017 - 2019



Source: Finance and Treasury

VANUATU NATIONAL STATISTICS OFFICE

The Vanuatu National Statistics Office (VNSO) plays a very important role to the overall development of the country especially with regards to providing reliable, timely data to aid decision making at all levels of the society and across a wide range of sectors. VNSO provides various statistical data in the following categories: economic statistics, social statistics, and census and surveys. VNSO also publishes a Quarterly Statistical Indicator snapshot summary as well as monthly highlights and special reports. There are challenges such as financial, human resource capacity issues, etc, that the department is addressing in phases.

This year the department was allocated with an annual budget of VT 89.3 million in which 16 percent was consumed in the first three months. VNSO received additional NPP of VT 25 million as a part of the budget for the 2020 national census. According to table 5.1 below VNSO under spent the first quarter budget of VT 19.2 million by 12 percent compared to 25 percent surplus seen in the same period, last year. The department reduce its first quarter's budget by 2 million, which results in an underspending of VT 2.3 million, compared to VT 5.3 million saved in the same period last year. Saving came mainly from the unspent operational budget.

As shown in table 5.1 below the department incurred several major overspent expense which include housing allowance, while on the other hand the unplanned expenditures also contributed to the overall overspending of the first quarter's budget. Items such as acting allowance, leave expense, termination payments and office furniture were the major contributors. The current spending rate will likely underspent the annual budget at the end of the year.

MFEM CORPORATE SERVICE UNIT

The Corporate Service Unit encompass the office of the Director General, Ministry executive unit, National Government Tenders Board, Internal Audit Unit and the Price Control Unit, providing overall oversight on the affairs of the ministry and finance at large, facilitate tender process, carry our internal audits, and strengthening the newly establish office of the price control unit. While tackling the current challenges of human capacity, finance, etc, the unit ensures that it continues to carry out its mandate.

The CSU unit has two approved NPP for this year which supports the construction of MFEM building for the Sanma Province to further decentralize the services of the ministry to provinces. Currently apart from Shefa Province, the ministry has already constructed two office building in Malampa and Tafea province and it anticipate to have the construction of the new office building in Sanma completed this year. The second NPP caters for operational budget top up for the price control Unit.

The corporate service unit has an annual budget for VT 180.6 million of which 20 percent was consumed in the first quarter of this year. The budget also includes the ministry rental cost which consumes quite a sum of the annual budget annually. CSU increased its first quarter budget by an additional VT 10 million from VT 17.4 million in the first quarter of last year, while actual spending went over the budget by VT 9.6 million this year compared to VT 6 million realized in the same period last year.

Table 5.2 outlines the detail budget and expense for the CSU unit incurred in the first quarter of this year. The unit spent mainly on permanent wages, office rental, new building, international travel and VAT. The issue of overspend and unplanned expenditures continue in the first quarter with major items like subsistence allowance, international accommodation, office cleaning, refunds and incidentals, international travel, VAT and New building are seen as major overspent expenditures incurred in the first three months.

Furthermore, the unit also expensed items not being budgeted for in the first quarter, and these include international medical treatment, office rental, and other rental and electricity utilities as the major ones. It is recommended for the unit to strategically and realistically set its cash flow budget and ensure its align with its activities for that particular period, in order to reduce overspending and unbudgeted expenditures as seen in the current trend, as wells as improving financial reporting for the future periods.

MFEM – CABINET

With the leadership of the honorable minister of Finance and Economic Management, Cabinet unit provides high policy directives and oversight of financial and economical matters for the government of Vanuatu. The unit was allocated with an annual budget of VT 95.9 million this year, in which 24 percent was spent in the first three months.

Expenses focused mainly on permanent wages, leave expenses, housing allowances, vehicle replacement and local travel. As shown in table 5.3 below, the cabinet unit has plan to spend VT 23.8 million in first quarter, however the actual expenditure falls slightly below budget target, compared to an overspent budget of VT 2.4 million realized in the same period last year.

Like other units within the ministry, the cabinet unit also overspend the budget for several expenditure items in the first quarter of this year. The major expenses include incidentals and local travel. Additionally the unit incurred unplanned expenditures mainly on acting allowance, housing allowance, leave expenses, local accommodation, refunds, and vehicle replacement. The budget for the overspent payroll expenditures listed above were stored in the month of December, while vehicle replacement was not budgeted for this year. The current spending rate could underspend the annual budget for the cabinet.

DEPARTMENT OF FINANCE AND TREASURY

The Department of Finance (DoFT) budget is mainly made up of the budget for other government activities, loan repayments, and grant bodies, which makes it difficult to compare the department's core budget, especially by chart of accounts, and gives a false reflection on the department's budget management for a given period. The core activities of the department accounts for 10 percent of the annual budget. Table 5.4 below shows that the department of finance overspent the first quarter's budget of VT 472 million by 353 percent due to unrealistic budgeting where budgets are stored in period 12 (December) and shown as unbudgeted expenditure in the first quarter. Last year, the department overspent its budget by VT 2.38 billion (588 percent). In the first quarter, the department spent 34 percent of the annual recurrent budget of VT 4.2 billion.

Table 5.4 indicates that the department overspent mainly the budget for Acting Allowances, Responsibility Allowance, Subsistence Allowances, Other Fees, Vehicles Fuel, Stationery – Communications, General – Materials, Incidentals, International Organization Fees, Official Entertainment, Allowances – Scholarships, International Travel, Value Added Tax, Other Grant and Equipment - Additional General.

Furthermore, major unplanned expenditures unbudgeted for include Termination Payment, Interest - Government Loans, Repayment - China Loans, Repayment - ADB Loans, Other Suppliers, Copra Subsidy, Interest – Bonds, Sea Logistical Costs and Food Rations/Relief Supplies. As mentioned above, the majority of these chart of accounts were unrealistically budgeted for and resulted in a negative balance shown in the end of the first quarter. The department will have to set the monthly cash flow budget of each of the major activities realistically in order to reduce this annual practice.

DEPARTMENT OF CUSTOMS AND INLAND REVENUE

The Department of Customs and Inland Revenue (DCIR) is the main revenue generating arm for the government and its vision is to be recognized as a competent in customs and tax administration for a good Vanuatu, collecting, protecting our borders, and facilitate trades.

With an annual budget of VT 517 million the department spent 20 percent in the first three months. The first quarter expenditure rise to VT 205 million with major expenditures like permanent wages, international organization fee, overtime wages, housing allowances, and daily rated wages. As shown in table 5.5 below, the department under spent its budget by VT 9.5 million in the first quarter of this year, while saving for the same period last year double this year's figure mainly due to delay in recruitments of new officers which were budgeted for and underspending several operational activities.

Nonetheless like in the past years, the overspent expenditure chart of accounts still exist and the main items include Acting Allowances, Home Island Passage Allowances, Overtime Wages, Local Courses, Printing – Communications, Stationery – Communications, Incidentals and Equipment - Replacement General. The analysis also highlighted in red the major unplanned expenditures that were not factored into the first quarter's budget such as Responsibility Allowance, Special Allowances, Daily Rated Wages, Leave expense, Consultants Fees and Value Added Tax. The department should set aside sufficient budget for annually recurring expenditures and have a proper cash flow budget in order to minimize overspend and unbudgeted expenditure. Spending at this rate will underspend the department's annual budget at the end of the year.

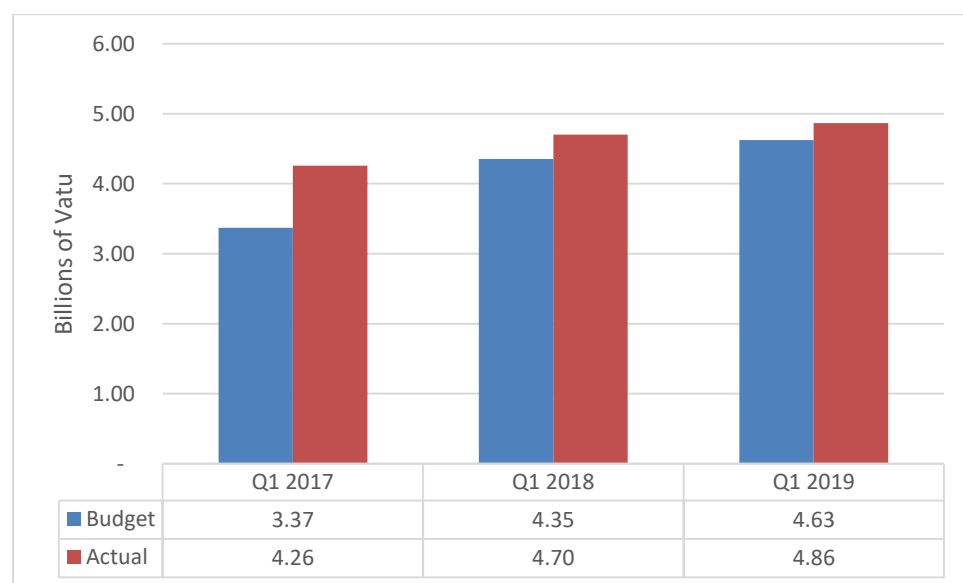
GRANT BODIES

Government grants given to grant bodies are released on either monthly or quarterly to individual grant bodies and managed by the grant bodies. Table 1 shows that VBTC overspent the budget for the first quarter since the NPP budget to expand the radio coverage is stored in period 12, thus accounted for as an unplanned expenditure for the first quarter, although the

activity was budgeted for this year. Report shows that some grant bodies consumed less while others overspent their budgets in the first quarter.

Revenue

TABLE 3.1: REVENUE FOR THE MINISTRY OF FINANCE AND ECONOMIC MANAGEMENT IN THE FIRST QUARTER, 2017 - 2019



Source: Finance and Treasury

Being the main government recurrent revenue contributor through major revenue items such as VAT, not elsewhere specified import duties and turnover tax, the ministry is embarking on further increase of revenue from now onwards. This year the ministry expected to raise VT 18.5 billion while actual revenue to date reached VT 7 billion. In 2018, the ministry budgeted for an annual revenue of VT 17.4 billion however actuals went above the target by 2 percent. The ministry raised 38 percent of this year's annual revenue target in the first three months of the year. At this rate, the ministry is expecting actual revenue to go beyond the budget target, as seen in the last year.

Table 3.1 above shows the revenue trend for the first quarters of 2017 – 2019. On average, the ministry recorded VT 490 million above budget targets of VT 4.1 billion for the first three months of 2017 – 2019, reflecting an increase of 14 percent mainly due to increased revenue received from VAT, business license and registration and road tax.

While the ministry's revenue trend is increasing annually, there are still challenges and loop holes that the ministry could address to further improve and sustain its revenue base to meet the rapid increasing demand driven government budget. Table 3 reflects that the major overstated revenue items for the first quarter include, Not Elsewhere Specified Import Duties, Excise Tobacco Products, Motor Spirit Import Duties, Excise Motor Spirit, Excise Domestic Beer, Rent Tax, Wines and Spirits Import Duties, Vehicles Import Duties, Vehicle Licences,

Excise Wines and Spirits and Excise Other Imports. The current strengthening of human capacity, compliance and institutional governance will have a positive impact on the department which will be reflected in the revenue figures for the future periods.

VIREMENT

Total virement of VT 203.3 million in the first quarter of this year caters for additional payroll budget for the Parliamentary Secretary for MFEM, severance payment for DoFT Directors, and virement of the severance budget from payroll to operation to enable commitment of severance payments for the government retirees, since the budget was stored in the month of December under the payroll cost centre.

TABLES

TABLE 1: MINISTRY OF FINANCE EXPENDITURE BY COST CENTRE FOR THE FIRST QUARTER, 2019

Code	Description	Total	Budget to Date	Under/(Over) Budget	Warrant Released	Warrant Remaining	Annual Budget	Annual Budget Remaining	% of Annual Budget Spent in Q1
M05	Ministry of Finance and Economic Management								
16	National Statistics Office								
1601	Director - NSO	1,223,699	1,795,326	571,627	1,795,326	571,627	7,585,171	6,361,472	16%
1602	Emoluments Section	9,719,096	9,426,747	(292,349)	9,426,747	(292,349)	40,849,275	31,130,179	24%
1603	NSO Office Admin	1,997,302	2,015,091	17,789	2,015,091	17,789	8,060,401	6,063,099	25%
1604	Provincial Offices	3,047,521	3,609,759	562,238	3,609,759	562,238	40,202,935	37,155,414	8%
1605	Statistical Leadership and Coordination Section	343,341	714,999	371,658	714,999	371,658	2,860,002	2,516,661	12%
1606	Economic Section	346,762	930,471	583,709	930,471	583,709	3,767,062	3,420,300	9%
1607	Social Section	227,056	726,255	499,199	726,255	499,199	2,905,002	2,677,946	8%
16	National Statistics Office	16,904,777	19,218,648	2,313,871	19,218,648	2,313,871	106,229,848	89,325,071	16%
33	MFEM Corporate Services								
3301	Office of the Director General	7,934,614	6,536,166	(1,398,448)	9,543,476	1,608,862	31,428,870	23,494,256	25%
3302	Ministry Executive	24,523,131	10,768,410	(13,754,721)	28,015,925	3,492,794	105,209,782	80,686,651	23%
3304	Tender Board	1,383,906	3,421,467	2,037,561	3,421,467	2,037,561	15,075,460	13,691,554	9%
3306	Internal Audit Section	2,488,761	3,989,139	1,500,378	3,989,139	1,500,378	16,948,367	14,459,606	15%
3307	Price Control Unit	373,542	2,326,074	1,952,532	2,326,074	1,952,532	12,000,000	11,626,458	3%
33	MFEM Corporate Services	36,703,954	27,041,256	-9,662,698	47,296,081	10,592,127	180,662,479	143,958,525	20%

34	MFEM Cabinet								
3401	Cabinet Operations	14,488,147	14,737,131	248,984	14,737,131	248,984	55,281,479	40,793,332	26%
3402	Office of the Director General	-	-	-	-	-	-	-	
3406	Parliamentary Secretary MoF	8,930,671	9,155,484	224,813	9,155,484	224,813	40,685,359	31,754,688	22%
34	MFEM Cabinet	23,418,818	23,892,615	473,797	23,892,615	473,797	95,966,838	72,548,020	24%
35	Department of Finance & Treasury								
3501	Director - DOF	1,500	1,634,568	1,633,068	1,634,568	1,633,068	7,011,611	7,010,111	0%
3502	Budget Section	11,448,282	10,908,970	(539,312)	12,112,540	664,258	40,494,530	29,046,248	28%
3503	Revenue Section	4,415,253	5,210,919	795,666	5,210,919	795,666	22,390,654	17,975,401	20%
3504	Payroll Section	5,576,811	5,614,848	38,037	5,614,848	38,037	24,607,712	19,030,901	23%
3505	Payments Section	7,010,799	8,290,734	1,279,935	8,290,734	1,279,935	36,728,232	29,717,433	19%
3506	Procurement and Asset Management Section	4,692,129	4,875,711	183,582	7,550,382	2,858,253	20,830,948	16,138,819	23%
3507	Financial Accounting Section	2,940,810	5,369,759	2,428,949	5,130,537	2,189,727	22,382,355	19,441,545	13%
3509	FMIS Section	3,411,731	11,024,383	7,612,652	11,024,383	7,612,652	56,258,225	52,846,494	6%
3511	DOF Corporate Services Section	6,045,804	8,012,177	1,966,373	8,012,177	1,966,373	50,281,228	44,235,424	12%
3512	Central Payments	478,993,982	-	(478,993,982)	462,773,239	(16,220,743)	806,933,689	327,939,707	59%
3513	Public Debt Provision	215,479,001	-	(215,479,001)	973,931	(214,505,070)	635,100,190	419,621,189	34%
3515	Legal Unit	724,893	1,149,177	424,284	1,149,177	424,284	4,979,784	4,254,891	15%
3516	Land Compensation payment	41,239,665	49,999,800	8,760,135	49,999,800	8,760,135	200,000,000	158,760,335	21%
3518	Emergency Fund	77,041,205	-	(77,041,205)	79,618,355	2,577,150	150,000,000	72,958,795	51%
3519	Government Contributions to Projects	-	-	-	-	-	15,000,000	15,000,000	0%
3520	Treasury Division	1,215,934	1,498,988	283,054	1,498,988	283,054	6,374,311	5,158,377	19%
3521	Debt Management Unit	2,097,254	2,766,036	668,782	2,766,036	668,782	11,698,107	9,600,853	18%
3522	Economic Policy Section	4,874,932	5,275,547	400,615	5,275,547	400,615	22,338,207	17,463,275	22%
3523	Revenue Policy Unit	2,898,693	3,474,144	575,451	3,474,144	575,451	34,296,051	31,397,358	8%

3530	Finance and Administration Section	9,487,507	10,010,891	523,384	10,010,891	523,384	14,575,726	5,088,219	65%
3531	Government Business Monitoring and Evaluation Section	1,589,100	2,130,182	541,082	2,130,182	541,082	9,158,759	7,569,659	17%
3533	Accounting Group (Financial Controller)	-	865,290	865,290	865,290	865,290	2,949,592	2,949,592	0%
3540	Line Agency Accounting Section	1,065,290	1,257,732	192,442	1,257,732	192,442	6,035,607	4,970,317	18%
3541	Finance Services Bureau Malampa Province	967,893	1,754,640	786,747	1,754,640	786,747	7,390,944	6,423,051	13%
3542	Finance Services Bureau Torba Province	1,024,666	1,558,659	533,993	1,558,659	533,993	6,616,024	5,591,358	15%
3543	Finance Services Bureau Sanma Province	3,848,243	4,434,258	586,015	4,434,258	586,015	18,708,656	14,860,413	21%
3544	Finance Services Bureau Tafea Province	1,198,189	1,866,837	668,648	2,016,837	818,648	7,877,144	6,678,955	15%
3545	Finance Services Bureau Penama Province	828,987	1,531,098	702,111	1,531,098	702,111	6,488,104	5,659,117	13%
35E1	VBTC	45,048,329	15,048,329	(30,000,000)	45,048,329	-	302,193,317	257,144,988	15%
35E2	Grant to CCI	5,804,718	5,804,718	-	5,804,718	-	31,918,961	26,114,243	18%
35E3	Grant to VTO	47,531,236	47,531,236	-	47,531,236	-	225,124,942	177,593,706	21%
35E4	Grant to Maritime College	11,889,100	11,889,100	-	11,889,100	-	47,556,400	35,667,300	25%
35E5	Grant to VARTC	13,758,090	13,758,090	-	13,758,090	-	70,032,584	56,274,494	20%
35E6	Vanuatu Cultural Centre	11,873,782	9,014,502	(2,859,280)	11,873,782	-	65,358,152	53,484,370	18%
35E7	Grant to VMA	-	3,749,985	3,749,985	3,749,985	3,749,985	15,000,000	15,000,000	0%
35E8	Grant to USP & SPBEA	34,356,300	33,549,867	(806,433)	39,947,944	5,591,644	141,003,972	106,647,672	24%
35E9	Utility Regulatory Authority	15,556,464	15,556,464	-	15,556,464	-	72,226,099	56,669,635	22%
35ED	Contingency Liabilities	-	-	-	-	-	30,000,000	30,000,000	0%
35F1	Grants to Agriculture College	21,581,397	21,581,397	-	21,581,397	-	86,325,933	64,744,536	25%
35F3	Former Leaders Payment	5,509,035	2,500,000	(3,009,035)	2,500,000	(3,009,035)	20,000,000	14,490,965	28%
35F6	Vanuatu Investment Promotion Authority (VIPA)	12,278,892	12,278,892	-	12,278,892	-	49,115,761	36,836,869	25%
35F8	Vanuatu National Archives (VNA)	2,786,703	2,786,703	-	2,786,703	-	11,146,856	8,360,153	25%
35F9	Vanuatu Scholarship Grant	326,207,634	127,378,245	(198,829,389)	350,564,143	24,356,509	809,515,006	483,307,372	40%
35G1	Vanuatu Government International Contributions	11,194,838	-	(11,194,838)	11,315,774	120,936	48,000,000	36,805,162	23%
35	Department of Finance & Treasury	1,455,495,071	472,942,876	-982,552,195	1,293,856,449	-161,638,622	4,272,024,373	2,816,529,302	34%

36	Department of Customs and Inland Revenue								
3601	Director - Customs	2,066,798	3,746,433	1,679,635	3,746,433	1,679,635	38,987,469	36,920,671	5%
3602	Taxpayer Services	9,120,320	9,572,283	451,963	10,572,283	1,451,963	70,544,843	61,424,523	13%
3603	Return & Debt Collection	6,900,094	7,711,266	811,172	7,711,266	811,172	34,155,554	27,255,460	20%
3604	Inland Revenue Audit	6,674,861	9,879,138	3,204,277	9,879,138	3,204,277	39,578,126	32,903,265	17%
3605	Customs Revenue. Trades, Tariff & Compliance	13,581,096	13,680,378	99,282	13,680,378	99,282	60,767,066	47,185,970	22%
3606	Customs Post Clearance & Excise Audit	6,270,898	6,275,481	4,583	6,275,481	4,583	26,601,694	20,330,796	24%
3607	Customs Border Control	17,732,685	17,747,382	14,697	17,747,382	14,697	76,156,783	58,424,098	23%
3608	Customs Revenue - Santo	5,830,620	6,057,999	227,379	6,057,999	227,379	30,519,497	24,688,877	19%
3609	Customs Border Control - Santo	4,485,640	4,236,168	(249,472)	4,236,168	(249,472)	18,701,200	14,215,560	24%
3610	Customs Information Services	19,677,179	20,774,189	1,097,010	20,774,189	1,097,010	51,487,060	31,809,881	38%
3612	Customs Corporate Services	9,022,522	9,198,741	176,219	9,198,741	176,219	41,440,494	32,417,972	22%
3613	Taxpayer Services Santo	2,072,240	2,057,340	(14,900)	2,057,340	(14,900)	8,799,558	6,727,318	24%
3614	Revenue & Debt Collection Santo	2,452,391	2,978,460	526,069	2,978,460	526,069	12,679,351	10,226,960	19%
3615	Customs Office TORBA	-	495,891	495,891	495,891	495,891	2,114,297	2,114,297	0%
3616	Customs Office Malampa	-	625,734	625,734	625,734	625,734	2,672,242	2,672,242	0%
3617	Customs Office TAFEA	57,496	452,058	394,562	452,058	394,562	1,958,918	1,901,422	3%
36	Department of Customs and Inland Revenue	105,944,840	115,488,941	9,544,101	116,488,941	10,544,101	517,164,152	411,219,312	20%
M05	Ministry of Finance and Economic Management	1,638,467,460	658,584,336	-979,883,124	1,500,752,734	-137,714,726	5,172,047,690	3,533,580,230	32%
	REPORT TOTAL	1,638,467,460	658,584,336	-979,883,124	1,500,752,734	-137,714,726	5,172,047,690	3,533,580,230	32%

Source: Finance and Treasury

**TABLE 2: MINISTRY OF FINANCE EXPENDITURE BY CHART OF ACCOUNTS FOR
THE FIRST QUARTER, 2019**

Account	Description	Total	Budget	Under/(Over)
	Personnel Expenses			
8AAA	Acting Allowances	6,800,847	1,879,581	(4,921,266)
8AAB	Responsibility Allowance	4,048,865	198,459	(3,850,406)
8AAF	Family Allowance	1,352,650	2,211,363	858,713
8AAG	Gratuitie Allowances	52,521	-	(52,521)
8AAH	Housing Allowances	12,311,075	13,032,855	721,780
8AAO	Other Allowances	366,500	253,845	(112,655)
8AAP	Home Island Passage Allowances	1,712,692	936,126	(776,566)
8AAS	Special Allowances	642,954	-	(642,954)
8ASP	Provident Fund	5,699,732	6,665,310	965,578
8AWC	Contract Wages	396,592	-	(396,592)
8AWD	Daily Rated Wages	2,797,571	-	(2,797,571)
8AWL	Leave expense	5,131,928	-	(5,131,928)
8AWO	Overtime Wages	7,938,233	3,490,074	(4,448,159)
8AWP	Permanent Wages	120,898,740	158,599,404	37,700,664
PAYR	Payroll expenses	-	(176,626,176)	(176,626,176)
	Personnel Expenses	170,150,900	10,640,841	(159,510,059)
	Operating Expenses			
8CAB	Subsistence Allowances	13,240,709	6,361,474	(6,879,235)
8CAS	Sitting Allowances	80,000	7,500	(72,500)
8CBI	International Accommodation	2,209,939	2,903,309	693,370
8CBL	Local Accommodation	606,300	1,493,275	886,975
8CCI	International Courses	-	698,598	698,598
8CCL	Local Courses	805,510	436,239	(369,271)
8CEC	Consultants Fees	1,000,000	-	(1,000,000)
8CEM	Software Maintenance Fees	(3,409,269)	2,500,000	5,909,269
8CES	Security Services	445,654	509,997	64,343
8CET	Other Fees	8,343,314	2,500,000	(5,843,314)
8CFS	Ship and Boat Fuel	1,961,120	-	(1,961,120)
8CFV	Vehicles Fuel	5,038,240	2,434,191	(2,604,049)
8CGM	Mail Carriage Freight	(13,157)	83,493	96,650
8CGO	Other Charges - Freight	174,836	178,968	4,132
8CGR	Transport - Freight	903,505	638,556	(264,949)
8CHI	International Medical Treatment	2,230,288	-	(2,230,288)
8CHL	Local Medical Treatment	53,213	343,693	290,480
8CHT	Other Medical Treatment	166,674	3,750	(162,924)
8CIE	Equipment Hire	514,535	163,749	(350,786)
8CIF	Facilities Hire	272,548	417,984	145,436
8CIV	Vehicles Hire	273,130	176,589	(96,541)

8CJO	Office Cleaning	971,945	784,642	(187,303)
8CKD	Advertising - Communications	1,530,334	1,734,030	203,696
8CKL	Translation Communications	498,714	494,501	(4,213)
8CKM	Advertising and Marketing	-	-	-
8CKP	Postage - Communications	6,000	164,661	158,661
8CKR	Printing - Communications	2,248,114	2,483,898	235,784
8CKS	Stationery - Communications	5,504,232	3,150,291	(2,353,941)
8CKT	Telephone / Fax - Communications	2,435,286	2,934,801	499,515
8CLC	Compensation Land	40,000,000	48,499,806	8,499,806
8CLR	Rates - Land	8,091,539	-	(8,091,539)
8CMG	General - Materials	3,025,670	125,085	(2,900,585)
8CMO	Office - Materials	437,560	345,600	(91,960)
8CNO	Office Rental	8,487,622	2,820,003	(5,667,619)
8CNT	Other Rental	115,000	75,000	(40,000)
8COA	Audit Fees	55,000	-	(55,000)
8COC	Court Costs	-	874,995	874,995
8COF	Refunds	7,664,366	9,999	(7,654,367)
8COI	Incidentals	7,936,880	1,931,855	(6,005,025)
8COO	International Organisation Fees	21,408,001	11,624,999	(9,783,002)
8COP	Official Entertainment	10,931,031	1,840,586	(9,090,445)
8COS	Insurance	-	30,000	30,000
8COT	Termination Payment	381,632,642	-	(381,632,642)
8COU	Uniforms	785,627	1,052,387	266,760
8CPA	Allowances - Scholarships	255,945,003	74,301,885	(181,643,118)
8CPE	Fees - Scholarships	30,766,593	45,772,287	15,005,694
8CRB	Buildings Repairs & Maintenance	394,222	322,238	(71,984)
8CRE	Equipment Repairs & Maintenance	669,149	1,588,993	919,844
8CRH	Houses Repairs & Maintenance	-	79,998	79,998
8CRM	Maintenance Contract	1,087,665	1,751,025	663,360
8CRV	Vehicles Repairs & Maintenance	1,521,510	1,518,213	(3,297)
8CRW	Vehicle Servicing	-	324,999	324,999
8CSF	Food - Suppliers	634,170	-	(634,170)
8CSM	Medicines Suppliers	-	38,751	38,751
8CSO	Other Suppliers	42,997,564	-	(42,997,564)
8CTI	International Travel	33,417,884	9,417,566	(24,000,318)
8CTL	Local Travel	4,405,946	3,288,815	(1,117,131)
8CUC	Gas - Cooking Utilities	32,086	-	(32,086)
8CUE	Electricity Utilities	4,741,068	4,050,558	(690,510)
8CUL	Lighting Utilities	-	87,498	87,498
8CUW	Water Utilities	246,724	395,721	148,997
8CVB	Food Rations/Relief Supplies	19,893,037	-	(19,893,037)
8CVC	Sea Logistical Costs	21,374,988	-	(21,374,988)
8CVD	Land Logistical Costs	5,264,600	-	(5,264,600)
8CVE	Air Logistical Costs	2,566,835	-	(2,566,835)
8CVG	Volunteers Expenses	327,000	-	(327,000)
8CWI	International Workshops	-	24,999	24,999

8CWL	Local Workshops	143,480	429,345	285,865
8CXO	Other	26,086	-	(26,086)
8CZV	Value Added Tax	24,511,747	5,036,799	(19,474,948)
8DAI	International Organisations	-	108,696	108,696
8DGO	Operating Grant	106,950,820	107,600,566	649,746
8DGS	Stationery Grant	-	-	-
8DGT	Other Grant	106,850,193	79,793,745	(27,056,448)
8DNC	Chamber Of Commerce Non Profit Institution	5,804,718	5,804,718	-
8DSC	Copra Subsidy	26,982,940	-	(26,982,940)
8EBN	Buildings - New	4,672,873	2,878,332	(1,794,541)
8EBR	Buildings - Renovation	-	-	-
8EEA	Equipment - Additional General	6,635,889	712,886	(5,923,003)
8EEC	Equipment - Computer	1,024,965	3,287,741	2,262,776
8EER	Equipment - Replacement General	1,370,440	770,232	(600,208)
8EES	Equipment - Specialised	109,432	-	(109,432)
8EET	Equipment - Computer Software Purchases	-	211,953	211,953
8EFH	Furniture - Housing Furniture	-	-	-
8EFO	Furniture - Office Furniture	950,495	1,567,870	617,375
8EIE	Infrastructure - Electricity	-	-	-
8EIW	Infrastructure - Water Supply	-	-	-
8EVR	Vehicle - Replacement	1,782,610	-	(1,782,610)
8FCA	Agents Commissions	12,000	-	(12,000)
8FCB	Bank Charges	39,677	136,224	96,547
8FIB	Interest - Bonds	23,123,606	-	(23,123,606)
8FIG	Interest - Government Loans	192,282,824	-	(192,282,824)
8FSG	Service Charges - Government Loans	93,069	-	(93,069)
OVER	Overhead expenses	-	193,812,338	193,812,338
	Operating Expenses	1,468,316,560	647,943,495	(820,373,065)
	Capital Payments			
2421	Advances to Other GBUs	-	-	-
	Capital Payments	-	-	-
	Debt Principal Repayments			
4322	Repayment - ADB Loans	103,957,728	-	(103,957,728)
4352	Repayment - China Loans	109,549,086	-	(109,549,086)
	Debt Principal Repayments	213,506,814	-	(213,506,814)
	Total Expenditure	1,851,974,274	658,584,336	(1,193,389,938)

Source: Finance & Treasury

TABLE 3: MINISTRY OF FINANCE REVENUE FOR THE FIRST QUARTER, 2019

Account	Description	Revenue	Budget	Over/(Under)
	Revenue			
7LSO	Other Sales	568,200	316,374	251,826
7NDF	Furniture & Fittings Disposal	158,750	0	158,750
7NFO	Other Fees	3,936,802	6,840,597	(2,903,795)
7NFU	Third Party Lending Fees	13,607,250	11,932,125	1,675,125
7NIO	Other Fines	1,801,200	5,724,003	(3,922,803)
7NOA	Application Charges Recoveries	12,830,975	15,397,563	(2,566,588)
7NOF	Currency Gain/Loss Recoveries	(260,857)	0	(260,857)
7NOM	Commissions Recoveries	16,661,228	20,358,849	(3,697,621)
7NOO	Other Recoveries	8,875,982	4,144,476	4,731,506
7TBR	Rent Tax	1,446,749	18,201,327	(16,754,578)
7TBT	Turnover Tax	370,994,097	110,895,855	260,098,242
7TCF	Fees - Taxes on Companies	4,831,500	1,865,925	2,965,575
7TCO	Registration - Offshore Companies	16,279,167	12,500,001	3,779,166
7TCS	Company Stamp Duties	40,440,237	45,849,999	(5,409,762)
7TDB	Excise Domestic Beer	36,714,255	57,599,445	(20,885,190)
7TDN	Excise Other Domestic Products	0	104,499	(104,499)
7TDW	Excise Domestic Wine	4,651,000	5,325,303	(674,303)
7TEB	Excise Beer Imports	17,956,077	20,719,893	(2,763,816)
7TEE	Live Fish Export	0	5,008,629	(5,008,629)
7TEM	Excise Motor Spirit	167,472,245	188,478,495	(21,006,250)
7TEN	Excise Other Imports	150,723,446	161,822,202	(11,098,756)
7TET	Excise Tobacco Products	162,921,390	202,793,265	(39,871,875)
7TEW	Excise Wines and Spirits	71,701,615	85,616,409	(13,914,794)
7TGG	Gaming Duty	62,043,647	59,854,161	2,189,486
7THS	Merchant Charges	13,755,701	8,425,416	5,330,285
7TIB	Beer Import Duties	14,846,850	17,776,329	(2,929,479)
7TIF	Asycuda Fee Import Duties	2,369,431	3,077,388	(707,957)
7TIM	Motor Spirit Import Duties	127,352,470	153,895,734	(26,543,264)
7TIN	Not Elsewhere Specified Import Duties	506,144,284	658,370,892	(152,226,608)
7TIS	Service Fees Import Duties	2,450,826	2,690,790	(239,964)
7TIT	Tobacco & Tobacco P Import Duties	26,814,135	33,048,993	(6,234,858)
7TIV	Vehicles Import Duties	69,358,858	84,907,611	(15,548,753)
7TIW	Wines And Spirits Import Duties	28,446,285	44,685,972	(16,239,687)
7TLB	Business Licences & Registration	240,938,199	73,492,605	167,445,594
7TLL	Liquor Licences & Registration	10,918,451	4,045,860	6,872,591
7TLS	Shipping Registration Fees	30,327,565	35,941,575	(5,614,010)
7TLV	Vehicle Licences	87,923,397	103,160,061	(15,236,664)
7TOA	Interactive Gaming Taxes	230,686	4,050,210	(3,819,524)
7TOR	Road Tax	155,304,504	57,018,948	98,285,556
7TVA	Value Added Tax	2,266,069,536	2,249,991,000	16,078,536
7UIB	Interest from Bank Deposits	41,133,190	19,636,824	21,496,366
7VCC	Interchange Ltd Dividends	73,200,000	11,004,000	62,196,000
7VCI	Ifira Wharf & Stevedoring Dividends	0	2,499,990	(2,499,990)
7VCP	Postal Services Ltd Dividends	0	7,500,000	(7,500,000)
7VCS	Northern Island Stevedoring Company Ltd - Dividend	0	4,099,833	(4,099,833)
7VSR	Reserve Bank	0	5,000,001	(5,000,001)
	Revenue	4,863,939,323	4,625,669,427	238,269,896
	Total Revenue and Receipts	4,863,939,323	4,625,669,427	238,269,896

Source: Finance & Treasury

TABLE 4: VIREMENT FOR THE MINISTRY OF FINANCE AND ECONOMIC MANAGEMENT IN THE FIRST QUARTER OF 2019

Date	fund_Out	dept_Out	activity_Out	account_Out	fund_In	dept_In	activity_In	account_In	trans_amt_In
21-Mar-19	2	3401	MFAA	PAYR	2	3406	MFAA	PAYR	4,641,753
27-Feb-19	2	3511	MFBB	OVER	2	3530	MFCC	OVER	4,935,268
27-Feb-19	2	3530	MFCC	PAYR	2	3530	MFCC	OVER	3,145,167
8-Feb-19	2	3401	MFAA	PAYR	2	3406	MFAA	PAYR	4,641,573
23-Jan-19	2	3512	MFEC	PAYR	2	3512	MFEC	OVER	185,986,208
Total Virement									203,349,969

Source: Finance & Treasury

TABLE 5: DETAILED EXPENDITURE CHART OF ACCOUNTS REPORT BY DEPARTMENT FOR THE MINISTRY OF FINANCE AND ECONOMIC MANGEMENT IN THE FIRST QUARTER, 2019.

TABLE 5.1: VANUATU NATIONAL STATISTICS OFFICE

Account	Description	Total	Budget	Under/(Over)
	Personnel Expenses			
8AAA	Acting Allowances	870,321	-	(870,321)
8AAF	Family Allowance	97,704	193,200	95,496
8AAH	Housing Allowances	757,206	500,670	(256,536)
8AAP	Home Island Passage Allowances	38,595	-	(38,595)
8ASP	Provident Fund	402,113	483,264	81,151
8AWL	Leave expense	384,813	-	(384,813)
8AWP	Permanent Wages	10,100,461	11,888,313	1,787,852
PAYR	Payroll expenses	-	-	-
	Personnel Expenses	12,651,213	13,065,447	414,234
	Operating Expenses			
8CAB	Subsistence Allowances	235,000	546,195	311,195
8CAS	Sitting Allowances	-	7,500	7,500
8CBI	International Accommodation	-	97,827	97,827
8CBL	Local Accommodation	-	54,348	54,348
8CCL	Local Courses	55,925	-	(55,925)
8CFV	Vehicles Fuel	17,392	91,305	73,913
8CGR	Transport - Freight	23,020	40,218	17,198
8CHL	Local Medical Treatment	4,980	-	(4,980)
8CIF	Facilities Hire	-	21,738	21,738
8CJO	Office Cleaning	-	47,826	47,826
8CKD	Advertising - Communications	-	46,956	46,956
8CKP	Postage - Communications	-	2,142	2,142
8CKR	Printing - Communications	-	463,476	463,476
8CKS	Stationery - Communications	130,896	71,739	(59,157)
8CKT	Telephone / Fax - Communications	69,321	83,478	14,157

8CMO	Office - Materials	229,796	229,350	(446)
8CNO	Office Rental	-	210,000	210,000
8COI	Incidentals	205,510	384,783	179,273
8COP	Official Entertainment	-	190,434	190,434
8COT	Termination Payment	2,272,091	-	(2,272,091)
8COU	Uniforms	-	217,389	217,389
8CRE	Equipment Repairs & Maintenance	41,219	156,522	115,303
8CRM	Maintenance Contract	-	34,782	34,782
8CRV	Vehicles Repairs & Maintenance	81,133	167,391	86,258
8CSO	Other Suppliers	26,237	-	(26,237)
8CTI	International Travel	49,765	489,129	439,364
8CTL	Local Travel	58,192	371,739	313,547
8CUE	Electricity Utilities	179,404	370,431	191,027
8CUW	Water Utilities	21,265	43,476	22,211
8CWL	Local Workshops	143,480	104,349	(39,131)
8CXO	Other	26,086	-	(26,086)
8CZV	Value Added Tax	208,588	744,546	535,958
8DAI	International Organisations	-	108,696	108,696
8DGS	Stationery Grant	-	-	-
8EEA	Equipment - Additional General	-	126,087	126,087
8EEC	Equipment - Computer	-	542,394	542,394
8EES	Equipment - Specialised	-	-	-
8EET	Equipment - Computer Software Purchases	-	86,955	86,955
8EFO	Furniture - Office Furniture	174,264	-	(174,264)
OVER	Overhead expenses	-	-	-
	Operating Expenses	4,253,564	6,153,201	1,899,637
	Total Expenditure	16,904,777	19,218,648	2,313,871

Source: Finance and Treasury

TABLE 5.2: MFEM CORPORATE SERVICES UNIT

Account	Description	Total	Budget	Under/(Over)
	Personnel Expenses			
8AAA	Acting Allowances	106,088	355,407	249,319
8AAB	Responsibility Allowance	80,730	-	(80,730)
8AAF	Family Allowance	71,484	209,160	137,676
8AAH	Housing Allowances	731,974	1,292,997	561,023
8AAO	Other Allowances	35,000	230,769	195,769
8AAP	Home Island Passage Allowances	163,435	224,112	60,677
8ASP	Provident Fund	280,376	529,905	249,529
8AWO	Overtime Wages	-	69,231	69,231
8AWP	Permanent Wages	6,822,896	12,383,082	5,560,186
PAYR	Payroll expenses	-	-	-
	Personnel Expenses	8,291,983	15,294,663	7,002,680
	Operating Expenses			
8CAB	Subsistence Allowances	1,559,348	1,099,398	(459,950)
8CAS	Sitting Allowances	80,000	-	(80,000)
8CBI	International Accommodation	1,769,427	1,261,746	(507,681)
8CBL	Local Accommodation	(21,879)	304,878	326,757
8CCI	International Courses	-	423,600	423,600
8CCL	Local Courses	-	19,920	19,920
8CES	Security Services	445,654	509,997	64,343
8CET	Other Fees	33,001	-	(33,001)
8CFV	Vehicles Fuel	231,804	235,998	4,194
8CGM	Mail Carriage Freight	(13,157)	4,491	17,648
8CGR	Transport - Freight	-	102,090	102,090
8CHI	International Medical Treatment	1,000,000	-	(1,000,000)
8CHL	Local Medical Treatment	32,458	14,991	(17,467)
8CHT	Other Medical Treatment	52,174	-	(52,174)
8CIE	Equipment Hire	-	12,501	12,501
8CIF	Facilities Hire	18,261	12,501	(5,760)
8CJO	Office Cleaning	330,789	45,000	(285,789)
8CKD	Advertising - Communications	-	32,472	32,472
8CKP	Postage - Communications	-	2,499	2,499
8CKR	Printing - Communications	10,435	-	(10,435)
8CKS	Stationery - Communications	150,361	309,957	159,596
8CKT	Telephone / Fax - Communications	334,189	327,285	(6,904)
8CMG	General - Materials	-	50,085	50,085
8CMO	Office - Materials	85,470	-	(85,470)
8CNO	Office Rental	6,723,091	-	(6,723,091)
8CNT	Other Rental	115,000	-	(115,000)
8COF	Refunds	428,914	9,999	(418,915)
8COI	Incidentals	801,437	112,254	(689,183)
8COP	Official Entertainment	126,074	99,999	(26,075)
8COU	Uniforms	103,496	87,501	(15,995)
8CRB	Buildings Repairs & Maintenance	-	22,500	22,500
8CRE	Equipment Repairs & Maintenance	93,152	149,898	56,746
8CRM	Maintenance Contract	-	50,001	50,001
8CRV	Vehicles Repairs & Maintenance	46,518	45,000	(1,518)
8CRW	Vehicle Servicing	-	249,999	249,999
8CSM	Medicines Suppliers	-	12,501	12,501

8CTI	International Travel	3,251,007	804,678	(2,446,329)
8CTL	Local Travel	459,395	330,870	(128,525)
8CUE	Electricity Utilities	1,862,485	-	(1,862,485)
8CUW	Water Utilities	66,094	124,998	58,904
8CWI	International Workshops	-	24,999	24,999
8CZV	Value Added Tax	3,058,040	1,747,566	(1,310,474)
8EBN	Buildings - New	4,672,873	2,878,332	(1,794,541)
8EBR	Buildings - Renovation	-	-	-
8EEA	Equipment - Additional General	9,043	24,999	15,956
8EEC	Equipment - Computer	416,491	176,091	(240,400)
8EFH	Furniture - Housing Furniture	-	-	-
8EFO	Furniture - Office Furniture	80,526	24,999	(55,527)
8EIE	Infrastructure - Electricity	-	-	-
8EIW	Infrastructure - Water Supply	-	-	-
OVER	Overhead expenses	-	-	-
	Operating Expenses	28,411,971	11,746,593	(16,665,378)
	Total Expenditure	36,703,954	27,041,256	(9,662,698)

Source: Finance and Treasury

TABLE 5.3: MFEM CABINET

Account	Description	Total	Budget	Under/(Over)
	Personnel Expenses			
8AAA	Acting Allowances	174,288	-	(174,288)
8AAF	Family Allowance	16,284	-	(16,284)
8AAG	Gratuitie Allowances	52,521	-	(52,521)
8AAH	Housing Allowances	2,355,020	-	(2,355,020)
8ASP	Provident Fund	633,440	528,354	(105,086)
8AWL	Leave expense	3,415,333	-	(3,415,333)
8AWO	Overtime Wages	88,500	-	(88,500)
8AWP	Permanent Wages	12,863,931	13,208,847	344,916
PAYR	Payroll expenses	-	7,034,907	7,034,907
	Personnel Expenses	19,599,317	20,772,108	1,172,791
	Operating Expenses			
8CAB	Subsistence Allowances	60,000	795,864	735,864
8CBI	International Accommodation	-	637,497	637,497
8CBL	Local Accommodation	130,000	-	(130,000)
8CFV	Vehicles Fuel	-	174,999	174,999
8CKS	Stationery - Communications	-	124,998	124,998
8CKT	Telephone / Fax - Communications	10,000	99,999	89,999
8COF	Refunds	295,428	-	(295,428)
8COI	Incidentals	260,000	24,999	(235,001)
8COP	Official Entertainment	-	124,998	124,998
8CRV	Vehicles Repairs & Maintenance	-	20,001	20,001
8CTI	International Travel	141,740	570,963	429,223
8CTL	Local Travel	779,796	149,997	(629,799)
8CZV	Value Added Tax	359,927	271,194	(88,733)
8EEC	Equipment - Computer	-	124,998	124,998
8EVR	Vehicle - Replacement	1,782,610	-	(1,782,610)
OVER	Overhead expenses	-	-	-
	Operating Expenses	3,819,501	3,120,507	(698,994)
	Total Expenditure	23,418,818	23,892,615	473,797

Source: Finance and Treasury

TABLE 5.4: DEPARTMENT OF FINANCE AND TREASURY

Account	Description	Total	Budget	Under/(Over)
	Personnel Expenses			
8AAA	Acting Allowances	4,150,336	1,216,350	(2,933,986)
8AAB	Responsibility Allowance	3,571,653	198,459	(3,373,194)
8AAF	Family Allowance	535,624	1,059,243	523,619
8AAH	Housing Allowances	4,173,862	5,852,337	1,678,475
8AAO	Other Allowances	315,831	23,076	(292,755)
8AAP	Home Island Passage Allowances	782,389	525,090	(257,299)
8ASP	Provident Fund	2,087,557	2,427,570	340,013
8AWC	Contract Wages	396,592	-	(396,592)
8AWD	Daily Rated Wages	56,000	-	(56,000)
8AWL	Leave expense	651,817	-	(651,817)
8AWO	Overtime Wages	1,193,802	519,234	(674,568)
8AWP	Permanent Wages	41,800,242	57,673,032	15,872,790

PAYR	Payroll expenses	-	(183,661,083)	(183,661,083)
	Personnel Expenses	59,715,705	(114,166,692)	(173,882,397)
	Operating Expenses			
8CAB	Subsistence Allowances	9,834,541	2,123,803	(7,710,738)
8CBI	International Accommodation	440,512	568,742	128,230
8CBL	Local Accommodation	314,526	615,304	300,778
8CCI	International Courses	-	212,499	212,499
8CCL	Local Courses	-	162,501	162,501
8CEC	Consultants Fees	-	-	-
8CEM	Software Maintenance Fees	(3,409,269)	2,500,000	5,909,269
8CET	Other Fees	8,238,354	2,500,000	(5,738,354)
8CFS	Ship and Boat Fuel	1,961,120	-	(1,961,120)
8CFV	Vehicles Fuel	3,923,713	552,498	(3,371,215)
8CGM	Mail Carriage Freight	-	79,002	79,002
8CGO	Other Charges - Freight	73,313	5,385	(67,928)
8CGR	Transport - Freight	872,242	487,497	(384,745)
8CHI	International Medical Treatment	1,230,288	-	(1,230,288)
8CHL	Local Medical Treatment	15,775	124,999	109,224
8CHT	Other Medical Treatment	112,500	-	(112,500)
8CIE	Equipment Hire	270,279	50,001	(220,278)
8CIF	Facilities Hire	155,200	102,501	(52,699)
8CIV	Vehicles Hire	234,000	75,000	(159,000)
8CJO	Office Cleaning	417,312	312,502	(104,810)
8CKD	Advertising - Communications	1,248,233	949,998	(298,235)
8CKL	Translation Communications	498,714	275,000	(223,714)
8CKM	Advertising and Marketing	-	-	-
8CKP	Postage - Communications	6,000	-	(6,000)
8CKR	Printing - Communications	653,554	924,999	271,445
8CKS	Stationery - Communications	3,266,436	1,149,999	(2,116,437)
8CKT	Telephone / Fax - Communications	943,592	853,662	(89,930)
8CLC	Compensation Land	40,000,000	48,499,806	8,499,806
8CLR	Rates - Land	8,091,539	-	(8,091,539)
8CMG	General - Materials	2,995,287	75,000	(2,920,287)
8CMO	Office - Materials	-	50,001	50,001
8CNO	Office Rental	522,000	375,000	(147,000)
8CNT	Other Rental	-	75,000	75,000
8COA	Audit Fees	55,000	-	(55,000)
8COC	Court Costs	-	874,995	874,995
8COF	Refunds	6,940,024	-	(6,940,024)
8COI	Incidentals	4,716,827	698,747	(4,018,080)
8COO	International Organisation Fees	11,194,838	375,000	(10,819,838)
8COP	Official Entertainment	9,235,053	502,784	(8,732,269)
8COT	Termination Payment	379,360,551	-	(379,360,551)
8COU	Uniforms	578,781	125,000	(453,781)
8CPA	Allowances - Scholarships	255,945,003	74,301,885	(181,643,118)
8CPE	Fees - Scholarships	30,766,593	45,772,287	15,005,694
8CRB	Buildings Repairs & Maintenance	233,919	175,001	(58,918)
8CRE	Equipment Repairs & Maintenance	144,776	182,500	37,724
8CRH	Houses Repairs & Maintenance	-	54,999	54,999
8CRV	Vehicles Repairs & Maintenance	486,888	186,393	(300,495)
8CRW	Vehicle Servicing	-	75,000	75,000
8CSF	Food - Suppliers	634,170	-	(634,170)
8CSO	Other Suppliers	42,971,327	-	(42,971,327)
8CTI	International Travel	29,869,857	6,552,068	(23,317,789)
8CTL	Local Travel	2,181,157	1,218,665	(962,492)

8CUC	Gas - Cooking Utilities	32,086	-	(32,086)
8CUE	Electricity Utilities	410,943	350,001	(60,942)
8CUL	Lighting Utilities	-	87,498	87,498
8CUW	Water Utilities	159,365	199,998	40,633
8CVB	Food Rations/Relief Supplies	19,893,037	-	(19,893,037)
8CVC	Sea Logistical Costs	21,374,988	-	(21,374,988)
8CVD	Land Logistical Costs	5,264,600	-	(5,264,600)
8CVE	Air Logistical Costs	2,566,835	-	(2,566,835)
8CVG	Volunteers Expenses	327,000	-	(327,000)
8CWL	Local Workshops	-	324,996	324,996
8CZV	Value Added Tax	18,401,028	2,273,493	(16,127,535)
8DGO	Operating Grant	106,950,820	107,600,566	649,746
8DGT	Other Grant	106,850,193	79,793,745	(27,056,448)
8DNC	Chamber Of Commerce Non Profit Institution	5,804,718	5,804,718	-
8DSC	Copra Subsidy	26,982,940	-	(26,982,940)
8EEA	Equipment - Additional General	6,507,224	150,002	(6,357,222)
8EEC	Equipment - Computer	-	1,304,969	1,304,969
8EER	Equipment - Replacement General	13,909	-	(13,909)
8EES	Equipment - Specialised	74,654	-	(74,654)
8EFO	Furniture - Office Furniture	390,625	474,997	84,372
8FCA	Agents Commissions	12,000	-	(12,000)
8FCB	Bank Charges	38,377	136,224	97,847
8FIB	Interest - Bonds	23,123,606	-	(23,123,606)
8FIG	Interest - Government Loans	192,282,824	-	(192,282,824)
8FSG	Service Charges - Government Loans	93,069	-	(93,069)
OVER	Overhead expenses	-	193,812,338	193,812,338
	Operating Expenses	1,395,779,366	587,109,568	(808,669,798)
	Capital Payments			
2421	Advances to Other GBUs	-	-	-
	Capital Payments	-	-	-
	Debt Principal Repayments			
4322	Repayment - ADB Loans	103,957,728	-	(103,957,728)
4352	Repayment - China Loans	109,549,086	-	(109,549,086)
	Debt Principal Repayments	213,506,814	-	(213,506,814)
	Total Expenditure	1,669,001,885	472,942,876	(1,196,059,009)

Source: Finance and Treasury

TABLE 5.4: DEPARTMENT OF CUSTOMS AND INLAND REVENUE

Account	Description	Total	Budget	Under/(Over)
	Personnel Expenses			
8AAA	Acting Allowances	1,499,814	307,824	(1,191,990)
8AAB	Responsibility Allowance	396,482	-	(396,482)
8AAF	Family Allowance	631,554	749,760	118,206
8AAH	Housing Allowances	4,293,013	5,386,851	1,093,838
8AAO	Other Allowances	15,669	-	(15,669)
8AAP	Home Island Passage Allowances	728,273	186,924	(541,349)
8AAS	Special Allowances	642,954	-	(642,954)
8ASP	Provident Fund	2,296,246	2,696,217	399,971
8AWD	Daily Rated Wages	2,741,571	-	(2,741,571)
8AWL	Leave expense	679,965	-	(679,965)
8AWO	Overtime Wages	6,655,931	2,901,609	(3,754,322)
8AWP	Permanent Wages	49,311,210	63,446,130	14,134,920
PAYR	Payroll expenses	-	-	-
	Personnel Expenses	69,892,682	75,675,315	5,782,633
	Operating Expenses			
8CAB	Subsistence Allowances	1,551,820	1,796,214	244,394
8CBI	International Accommodation	-	337,497	337,497
8CBL	Local Accommodation	183,653	518,745	335,092
8CCI	International Courses	-	62,499	62,499
8CCL	Local Courses	749,585	253,818	(495,767)
8CEC	Consultants Fees	1,000,000	-	(1,000,000)
8CET	Other Fees	71,959	-	(71,959)
8CFV	Vehicles Fuel	865,331	1,379,391	514,060
8CGO	Other Charges - Freight	101,523	173,583	72,060
8CGR	Transport - Freight	8,243	8,751	508
8CHL	Local Medical Treatment	-	203,703	203,703
8CHT	Other Medical Treatment	2,000	3,750	1,750
8CIE	Equipment Hire	244,256	101,247	(143,009)
8CIF	Facilities Hire	99,087	281,244	182,157
8CIV	Vehicles Hire	39,130	101,589	62,459
8CJO	Office Cleaning	223,844	379,314	155,470
8CKD	Advertising - Communications	282,101	704,604	422,503
8CKL	Translation Communications	-	219,501	219,501
8CKP	Postage - Communications	-	160,020	160,020
8CKR	Printing - Communications	1,584,125	1,095,423	(488,702)
8CKS	Stationery - Communications	1,956,539	1,493,598	(462,941)
8CKT	Telephone / Fax - Communications	1,078,184	1,570,377	492,193
8CMG	General - Materials	30,383	-	(30,383)
8CMO	Office - Materials	122,294	66,249	(56,045)
8CNO	Office Rental	1,242,531	2,235,003	992,472
8COI	Incidentals	1,953,106	711,072	(1,242,034)
8COO	International Organisation Fees	10,213,163	11,249,999	1,036,836
8COP	Official Entertainment	1,569,904	922,371	(647,533)
8COS	Insurance	-	30,000	30,000
8COU	Uniforms	103,350	622,497	519,147
8CRB	Buildings Repairs & Maintenance	160,303	124,737	(35,566)
8CRE	Equipment Repairs & Maintenance	390,002	1,100,073	710,071
8CRH	Houses Repairs & Maintenance	-	24,999	24,999
8CRM	Maintenance Contract	1,087,665	1,666,242	578,577
8CRV	Vehicles Repairs & Maintenance	906,971	1,099,428	192,457

8CSM	Medicines Suppliers	-	26,250	26,250
8CTI	International Travel	105,515	1,000,728	895,213
8CTL	Local Travel	927,406	1,217,544	290,138
8CUE	Electricity Utilities	2,288,236	3,330,126	1,041,890
8CUW	Water Utilities	-	27,249	27,249
8CZV	Value Added Tax	2,484,164	-	(2,484,164)
8EEA	Equipment - Additional General	119,622	411,798	292,176
8EEC	Equipment - Computer	608,474	1,139,289	530,815
8EER	Equipment - Replacement General	1,356,531	770,232	(586,299)
8EES	Equipment - Specialised	34,778	-	(34,778)
8EET	Equipment - Computer Software Purchases	-	124,998	124,998
8EFO	Furniture - Office Furniture	305,080	1,067,874	762,794
8FCB	Bank Charges	1,300	-	(1,300)
OVER	Overhead expenses	-	-	-
	Operating Expenses	36,052,158	39,813,626	3,761,468
	Total Expenditure	105,944,840	115,488,941	9,544,101

Source: Finance and Treasury