



REPUBLIC OF VANUATU

DECENTRALIZATION ACT [CAP 230]

Instrument of Appointment of persons to inquire into certain matters of the Sanma Local Government Council Order No. 34 of 2012

In exercise of the powers conferred on me by paragraph 18L(1)(c) of the Decentralization Act [CAP 230], I, the Honourable GEORGE WELLS, Minister of Internal Affairs make the following Order:

1 Appointment

Pierro Willie and Ronald Kalorib are appointed as persons to inquire into certain matters of the Sanma Local Government Council for a period of 1 week commencing from the date on which this Order is made.

2 Terms of Reference

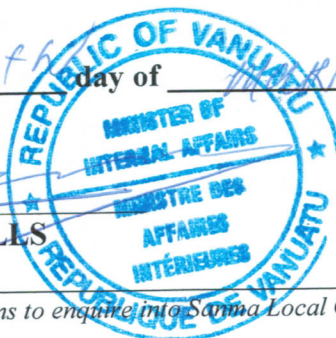
The Terms of Reference of the persons appointed under clause 1 are set out in the Schedule.

3 Commencement

This Instrument of Appointment comes into force on the day on which it is made.

Made at Port Vila this 8th day of March, 2012


Honourable GEORGE WELLS
Minister of Internal Affairs



SCHEDULE

TERMS OF REFERENCE OF PERSONS WHO ARE TO INQUIRE INTO CERTAIN MATTERS OF THE SANMA LOCAL GOVERNMENT COUNCIL

1 Objective

To inquire into and report and ascertain whether the financial transactions of the SANMA Local Government Council (the "Council") have been carried out in accordance with:

- (a) the Decentralization Act [CAP 230] and the Provincial Council's Financial Regulations;
- (b) Ministerial instructions;
- (c) relevant accounting standards.

2 Inquiry Report

The inquirers are to prepare a report of the results of this inquiry to the Minister of Internal Affairs on or before 16th March 2012.

3 Extension of inquiry

Where the results of the inquiry indicate that the inquiry should be expanded to areas other than financial transactions, the inquirers may request that the inquiry be extended into such areas.

4 Scope of inquiry

- (1) The inquiry is to be carried out in accordance with the relevant standards of accounting and will include such tests and controls as the inquirers consider necessary under the circumstances.
- (2) The inquiry is to cover the activities carried out in all of the Council's premises.

5 Procedure when conducting inquiry

While conducting the inquiry, special attention must be made to the following:

- (a) Whether Dividend paid by NISCOL has been received by the Council for the past ten (10) years.
- (b) Whether cheques/cash drawn for payments are fully supported by the relevant documentation and are correctly checked and signed by the appointed signatories in accordance with the Financial Regulations;
- (c) Whether any payment made to any Councilor is in accordance with the Financial Regulations guidelines and Ministerial instructions.

6 Coverage

The inquirers are to have free and uninhibited access to all documents within the Council including areas under the jurisdiction of the Council in order to assist the inquirers in verifying the following:

- (a) Whether the necessary supporting documents, records, invoices etc. have been kept with Books of Accounts;
- (b) whether the Standard Books of Accounts such as Cash Book, Bank Book, Journal, Ledger, stock register, fixed assets register etc are maintained;
- (c) Whether the physical verification of the Council assets has been carried out and reconciled at least once in each year;
- (d) Whether the verification that the valuations of properties on which the Council levies Business License are regularly updated and that record keeping and invoicing of the Business Licence is carried out in an efficient and timely manner;
- (e) whether the cash and Bank payments to suppliers, contractors, various institutes etc. and receipt of funds from various sources are properly made and that discounts given are given with the appropriate authority and are correctly recorded;
- (f) Whether the adjustment of suppliers part supply against their bills, if any have been correctly controlled and accounted for;
- (g) Whether the expenditure limits are documented and adhered to at all times;
- (h) Whether the process of tender evaluation and award of work to Contractors, Consultants or other parties are as per prescribed in the procedures.
- (i) whether the supervision of the work awarded to contractors, consultants or other parties is carried out and assessed on a continuing basis, and at the completion of the work an evaluation is carried out and recorded by the person responsible for overseeing the work;