

- The crucial position of Accountant is currently vacant.

11.4 We advise the APRM to consider obtaining guidance from consultants in order to ensure that they have the correct organisational structure in place prior to their planned separation from the DBSA.

11.5 Furthermore, we recommend that the APRM second an experienced financial management resource from an accounting and auditing firm for a six month period whilst it is without any financial skills/resources and to assist in the process of its separation from the DBSA.

11.6 In the event that the separation of the APRM from the DBSA does not take place, we would strongly recommend that a detailed agreement covering the role and responsibilities of the two parties be drafted that could be used to resolve any disputes that may arise from time to time.

11.7 We understand there is a dispute between the APRM and Dr Kouassi regarding unpaid claims owing to him. We understand that these claims emanate from funds obtained from the UNDP and not from DBSA funds.

11.8 In light of the above-mentioned dispute between the APRM and Dr Kouassi, we recommend that Dr Kouassi's travel claims that emanated from the UNDP should be independently reconciled. This may assist the APRM in resolving this dispute.

11.9 Furthermore, the review of S&T expenditure as contained in this report does not include the review of S&T transactions relating to UNDP funds. For completion purposes, and in light of the dispute with Dr Kouassi, we recommend that the APRM consider instituting a forensic review of S&T expenditure relating specifically to UNDP funds.

11.10 We set out in Table 15 below the control weaknesses identified during our review. We have further identified the risks caused by the control weaknesses and our recommendations to mitigate these risks:

**Table 15: Control Weaknesses, Risks and Recommendations**

Control Weakness	Risk	Recommendation
The APRM CEO approves and authorises all S&T transactions, including his own. The APRM does not have a Delegations of Authority document in place that limits the value of transactions that the CEO may approve	The risk is that the CEO could commit the organisation to payments that are not business related and/or not necessary	The APRM should consider implementing a Delegation of Authority document that covers expenditure incurred by the CEO
APRM does not have an internal audit function.	Non-compliance with policies and regulations could go undetected and may lead to errors and fraudulent transactions that are neither prevented nor detected, ultimately resulting in financial loss	An internal audit function should be established, either in-house or outsourced. This function should report directly to the Panel.
Advances are expensed instead of being capitalised as a debtor	The APRM does not have accurate records of amounts owing to it by employees	The APRM should consider creating staff debtor accounts, in line with the suggested approach in the Financial Rules and Procedures Manual
No formal policy regarding handover of APRM assets on termination of contracts	Employees could leave without surrendering all APRM assets and without settling amounts owing to the APRM	The APRM should consider creating an exit form to be used to check whether all assets have been returned