



PERFORMANCE AUDIT REPORT

ON

**FUND FOR IMPROVEMENT OF
GOVERNMENT OWNED BUILDINGS (FIGOB)
MINISTRY OF FOREIGN AFFAIRS
ISLAMABAD
AUDIT YEAR 2017-18**

AUDITOR GENERAL OF PAKISTAN

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ABBREVIATIONS AND ACRONYMS

Admn	Administration
AIR	Audit and Inspection Report
AMC	Annual Maintenance Contract
DAC	Departmental Accounts Committee
FIGOB	Fund for Improvement of Govt. Owned Buildings
FMMA	Financial Management at Mission Abroad
FS	Foreign Secretary
FSA	Foreign Services Affairs
GOVT.	Government
GS	General Section
HOM	Head of Mission
HQ	Head Quarter
INTOSAI	International Organization of Supreme Audit Institutions
MB	Mission Buildings
MOFA	Ministry of Foreign Affairs
NICOP	National Identity Card for Overseas Pakistanis
PAR	Performance Audit Report
PAC	Public Accounts Committee
PAO	Principal Accounting Officer
PCW&EF	Pakistan Community Welfare & Education Fund
PD	Project Director
PPRA	Public Procurement Regularity Authority
Rs.	Rupees
SP	Special Project
VFM	Value for Money

Abbreviations of foreign currencies

£	British Pound
€	Euro
PKR	Pakistani Rupees
SR	Saudi Riyal
US\$	United States Dollar
LD	Libiyan Dinar

PREFACE

Articles 169 & 170 of the Constitution of the Islamic Republic of Pakistan 1973, read with Sections 8 and 12 of the Auditor-General (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, require the Auditor-General of Pakistan to conduct audit of receipts and expenditure from the Federal Consolidated Fund and Public Account.

The report is based on Performance Audit of the accounts of “Fund for Improvement of Government Owned Buildings, Ministry of Foreign Affairs, Islamabad” for the period 2014-16. The Directorate General of Audit (Foreign & International), Islamabad conducted audit during 2015-16, on test check basis, with a view to reporting significant findings to the relevant stakeholders. The Audit examined the economy, efficiency and effectiveness aspects of the Fund for Improvement of Government Owned Buildings (FIGOB). Audit also assessed, on test check basis, whether the management complied with applicable laws, rules, and regulations in maintenance and up keep of buildings owned by the Government of Pakistan in foreign countries. In all cases where the PAO does not initiate appropriate action, the audit observation will be brought to the notice of Public Accounts Committee.

Audit findings indicate the need for adherence to the 3Es i.e. Economy, Efficiency and Effectiveness besides instituting and strengthening internal controls to avoid recurrence of similar violations and irregularities.

The Audit Report is submitted to the President in pursuance of the Article 171 of the Constitution of Islamic Republic of Pakistan, 1973, to be laid before both houses of Majlis-e-Shoora [Parliament].

Sd/

Islamabad
Dated: 30.08.2018

JavaidJehangir
Auditor General of Pakistan

EXECUTIVE SUMMARY

Directorate General Audit (Foreign & International) conducts audit of the Ministry of Foreign Affairs and its Missions abroad, besides audit of the allied wings of other ministries and PIA sales offices located abroad. It conducts Financial Attest, Regularity & Compliance with Authority Audit, Performance Audit and Special Audit of expenditure including programs / projects & receipts of the Ministry of Foreign Affairs.

The Fund for Improvement of Government Owned Buildings (FIGOB) was created by MOFA under the approval of the Prime Minister of Pakistan and notified vide Ministry of Foreign Affairs O.M. No. 1978-AS(A)/93 dated 18-04-1993. FIGOB is collected by all Missions abroad, as a surcharge @ 10% of the Counselor Fee (Visa Fee, Passport Fee, Attestation Fee, NICOP Fee etc). The purpose of this fund is to generate resources for maintenance and up keep of buildings owned by the Government of Pakistan. A separate bank account is required to be maintained for the fund and accounted for separately.

Performance Audit of the “Fund for Improvement of Government Owned Buildings” for the financial years 2014-2016, was carried out in accordance with the INTOSAI Auditing Standards. Main objectives of Performance Audit were to evaluate utilization of the Fund towards achievement of the objectives approved by the Government, verify compliance of the applicable laws and rules and adherence to 3 Es.

FINDINGS

Significant audit findings of the report are:

1. Levy of 10% surcharge for FIGOB was not got endorsed from the Parliament by MOFA, as was done in the case of PCW&EF (also maintained by MOFA).
2. Accounting procedure of the Fund was not approved by the Auditor General of Pakistan which was a contravention of the Para-8 (1) of Rules of Business, Part B-Consultation Divisions.
3. Scope of FIGOB was extended by the Ministry of Foreign Affairs without concurrence of the Finance Division in violation of Para 12 (1&2) of the Rules of Business, 1973
4. A Mission unauthorizedly retained the FIGOB funds in cash instead of depositing them in the bank account.

5. Surplus FIGOB funds were kept idle instead of investing them in profit earning schemes / securities.
6. In a large number of cases, Missions incurred expenditure for the purposes which were not covered under the approved scope of FIGOB.
7. Certain Missions incurred expenditure without observing codal formalities regarding tendering.

RECOMMENDATIONS

Audit recommends following measures for improved performance of FIGOB:-

1. The executive approval of the FIGOB may please be presented before the parliament for endorsement of the levy of 10% additional surcharge on the consular services.
2. The accounting procedure of FIGOB may be got vetted by the Auditor General of Pakistan and approved from the Finance Division.
3. Ministry may design a system of budgetary provisions for improvement of Government Owned Buildings.
4. Instructions regarding maintaining separate bank account for collection and utilization of FIGOB should be complied with.
5. Surplus FIGOB funds may not be kept idle and may be invested in profit earning schemes / securities.
6. Payment of fund for unauthorized purposes should be stopped forthwith and such expenditure should be met out of regular budget allocations.
7. All codal formalities including procurement rules, tendering etc. should be strictly observed.

1. INTRODUCTION

The Fund for Improvement of Government Owned Buildings (FIGOB) was approved by the Prime Minister of Pakistan and introduced vide Ministry of Foreign Affairs O.M. No. 1978-AS(A)/93 dated 18-04-1993. It is collected as a surcharge applicable @ 10% of the Counselor Fee. The purpose of this fund is to generate resources for maintenance and up keep of buildings owned by the Government of Pakistan. Following are the salient provisions governing the maintenance of the fund. Details of Government Owned Buildings abroad is at Annex-A.

1.2 Responsible Authorities

Authority to sanction expenditure from the fund rests with the Foreign Secretary. However, Foreign Secretary has authorized the Heads of Mission(s) to sanction expenditure not exceeding US\$1,500 per occasion (which was enhanced up to US\$ 3,000 vide MOFA letter No.Cash-1/1/2005 dated 22.10.2005) for essential repairs maintenance of Government Owned Buildings after completing all codal formalities (MOFA No. MB-5/42/99, dated 28.01.2003).It was further specified that;

- Under no circumstances funds from FIGOB may be utilized for undertaking renovations, modifications and redesigning of Government Owned Building without seeking prior approval of the Ministry.
- Any breach of these instructions will constitute financial irregularity for which the Head of Mission will be held solely responsible.
- The Ministry will not accord Ex-Post Facto approval of any expenditure incurred by the Mission out of FIGOB which is not in accordance with the relevant rules.

A committee under the Chairmanship of Additional Secretary (Admn) was also constituted vide MOFA Circular No. Dir (MS)-1/2006, dated 23.11.2006 to process the requests received from the Missions abroad for approval of the Foreign Secretary.

1.3 Scope of the FIGOB

The enhanced scope of the FIGOB, as notified vide Ministry's letter No. cash-(1)-Policy/2009 dated 31.07.2009 and vide No. DG(SP)/PD, dated 23.05.2014 includes:

- a. Upgrading, constructing additional facilities and maintaining consular/attestation offices at the headquarters and provincial camp offices.

- b. Upgrading and maintaining office facilities at headquarters, camp offices and affiliated institutions including Foreign Service Academy inclusive of the civil works, renovations and refurbishment.
- c. Up-gradation and maintenance of residential buildings for officers and staff.
- d. Upgrade, construct additional facilities and maintain dispensary in the Ministry.
- e. Up-gradation, construction and maintenance of all Foreign Office Welfare projects including nursery, school and vocational training facilities.
- f. Projects of an emergent nature for enhancing public services and welfare activities.

1.4 Accounting

1.4.1 A separate bank account for “Fund for Improvement of Government Owned Buildings” should be opened.

1.4.2 The amount should be shown as distinct from Pakistan Community Welfare and Education Fund (PCW&EF) in the Cash Book as well as the main statement of monthly Cash Account, under the Head of Account G10102-35 Other Receipts- Other Surcharge-10% Community Welfare Surcharge.

1.4.3 A separate cash book for “Fund for Improvement of Government Owned Buildings” should be maintained on the pattern of Cash Book for PCW&EF.

1.4.4 Monthly statement of Income and Expenditure should be prepared on the same format as that of PCW&EF [P.M’s Secretariat U.O. No. 252/40 (FA), dated 14-4-1993. [Ministry of Foreign Affairs letter No. Gen 1/4/93, dated 26-06-1993]

1.4.5 The surplus funds should be invested in the light of instructions given in MOFA O.M No. Rules-4/6/95 dated 30-8-1995

1.5 Procedure for expenditure to be charged to FIGOB

1.5.1 The following instructions regarding the utilization of funds under FIGOB were issued for implementation in the Missions accordingly:

- i. The authority competent to approve any expenditure beyond the competency of the HOM from FIGOB will continue to be the Foreign Secretary.
- ii. Ministry will have the sole discretion to issue instruction/s regarding the transfer of funds from both (FIGOB and PCW& EF) or any of the heads of accounts, from the Mission to another.
- iii. In case the amount from FIGOB is taken for the purpose of purchase of a building for any of the Mission Abroad, Chancery Building or residence, the amount will be repaid by the borrowing Mission from its annual rental provisions, allocated by the Finance Division.
- iv. The borrowing Mission will repay the actual amount, received on transfer from the lending Mission, without any mark up until and unless any such clear directions are given from the Ministry in this regard.
- v. No repayment will take place, in case the funds are transferred from one mission to another to undertake repair and maintenance of the Government Owned Building.

1.6 Data availability

All the Missions abroad prepare their income/expenditure statements on account of FIGOB and forward the same to the Missions Building (MB) section on monthly basis, which is reconciled by the MB Section. As per reconciled statement by Missions Buildings (MB) Section, the balance of FIGOB as on 30.06.2015 was PKR. 1,149,821,630. Total expenditure incurred up to 30.06.2015 was PKR. 422,176,535.

For the purpose of performance evaluation of the FIGOB, relevant data was collected through a specifically designed questionnaire which was handed over to the visiting mission audit teams. Data was compiled and analyzed to frame audit findings and conclusions.

1.7 Risk assessment

During audit planning, following areas were considered as High Risk Areas:-

- i. Expenditure incurred in line with laid down procedure.
- ii. Expenditure incurred on hired buildings.

- iii. Expenditure not incurred but for repair and renovation of government owned buildings.
- iv. Following of PPRA rules.
- v. Compliance of all codal formalities.
- vi. Expenditure approved by HOM within the prescribed limit of US\$ 3,000 per occasion.
- vii. Expenditure exceeding prescribed limit examined by the committee and approved by the Foreign Secretary.

1.8 Issues of potential significance

- (a) Expenditure incurred without prior approval of the Secretary Foreign Affairs.
- (b) Expenditure incurred on hired buildings.
- (c) Monthly statement showing receipts, expenditure and balance in local currency as well as Pak Rupees prepared and sent to MOFA, Islamabad.
- (d) All codal formalities including PPRA rules observed.

2. AUDIT OBJECTIVES

Performance audit of the FIGOB was undertaken by the Directorate General Audit (Foreign & International) during 2015-16. Audit was conducted in accordance with the INTOSAI Auditing Standards.

The main objectives of the audit were to see whether:

- MOFA has achieved the goals as per spirit of the commencement of 10% surcharge levied to raise FIGOB.
- Rules, regulations, procedures and government/management's instructions were followed in letter & spirit.
- Due care and prudence was applied at all levels.
- Required standards of financial propriety were observed.
- Internal controls were in place and working effectively.
- 3Es i.e. Economy, Efficiency and Effectiveness were observed during execution of the project.

3. AUDIT SCOPE AND METHODOLOGY

3.1 Scope

The main scope of audit was to examine whether:

- FIGOB was utilized for repairs/renovation of the chancery and other government owned properties in the Missions abroad only.
- Procedures were determined in accordance with the standard financial reporting framework.
- Applicable rules and regulations, including General Financial Rules, CPWA Code, CPWD Code, Public Procurement Rules 2004, System of Financial Control and Budgeting, provisions of the Contract Agreement, etc. were followed.

3.2 Methodology

Audit methodology included data collection, determination of objectives and audit criteria, analysis/consultation of record, and discussion with the concerned officers / officials, etc.

a) Eligibility of expenditure incurred

The expenditures were reviewed to check whether they were in line with the provisions of the FIGOB and were expended for the authorized purposes only.

b) Assessment of procurement of civil works and consultancy services

Audit reviewed the process / procedure adopted by the Management for procurement of civil works and consultancy services as per Public Procurement Rules.

c) Verification of expenditure trail with the relevant supporting documents / record

Expenditure trail was reviewed and verified with the help of supporting vouchers.

d) Assessing effectiveness of monitoring and evaluation mechanism

The system of monitoring and utilization of funds through progress reports and IPCs was reviewed.

e) Maintenance of books of accounts

Audit determined the quality and completeness of books of accounts and other available record.

4. AUDIT FINDINGS AND RECOMMENDATIONS

4.1 Organization and Management

4.1.1 Non production of record – PKR 441.046 million

According to clause 14-C (2&3) of the Auditor-General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001, it is obligatory for all government departments to provide record to audit on demand. Public Accounts Committee also issued directives on June 3, 2004 to make available all information / record to audit as and when required by them, otherwise disciplinary action be initiated against persons responsible for the delay under above provisions of the Auditor-General's Ordinance 2001.

In violation of above constitutional provisions following Missions did not produce auditable record pertaining to FIGOB. Details are as under:

Sl. No.	Name of the Missions	Amount (PKR)
1	Embassy of Pakistan Brussels	1,460,477
2	Pakistan High Commission London	132,634,040
3	Embassy of Pakistan Oslo	539,208
4	Consulate of Pakistan Mashhad	145,258
5	Embassy of Pakistan Abu Dhabi	305,947
6	Embassy of Pakistan Dubai	278,179,743
7	Embassy of Pakistan Doha	445,952
8	Embassy of Pakistan Jeddah	465,839
9	Embassy of Pakistan Kuwait	14,119,650
10	Embassy of Pakistan Muscat	138,924
11	Embassy of Pakistan Ankara	45,355
12	Embassy of Pakistan Zahidan	559,168
13	Embassy of Pakistan Tehran	191,855
14	Embassy of Pakistan Istanbul	5,105
15	Embassy of Pakistan Stockholm	11,781,336
16	Embassy of Pakistan Paris	27,826
	TOTAL	441,045,683

Violation of above mentioned constitutional provisions and directives of PAC needs to be explained.

Audit holds that non production of record is a gross violation of statutory provisions and reflects weak internal controls and negligence.

The matter was reported to the Ministry at the conclusion of audit and again in June 2017. Ministry informed that almost all the Missions have provided relevant records of FIGOB to the visiting audit teams. Reply of the Ministry was not tenable as complete record was not produced to the audit teams. Audit pointed out that a specifically designed proforma was not filled in and requisite supporting record was not provided by Pakistan Missions abroad.

DAC in its meeting held on 15.02.2018 directed the Ministry to provide the record, as per detail/specific requirements of Audit for verification. DAC deferred the para for provision of record and its verification. However, no record was produced till finalization of the Audit Report.

Audit recommends to investigate the matter for fixing responsibility besides production of auditable record.

4.2 FINANCIAL MANAGEMENT

4.2.1 Irregular maintenance of FIGOB.

The 10% surcharge on consular fees in the Missions abroad was introduced as PCW&EF on Presidential orders vide No.57/1/CMLA, dated 18.07.1981. The same was endorsed through the 8th amendment by the Parliament of Pakistan and notified by the MOFA vide OM No.4/11/81.Con.I, dated 08.10.1981. However, the Fund for improvement of Government Owned Buildings (FIGOB), to be funded through 10% additional surcharge on consular fees, was approved through an Executive order and notified vide MOFA O.M.No.1978-AS(A)/93, dated 18.04.1993.

The MOFA did not follow the procedure and the executive approval was not presented before the parliament for endorsement of the levy of 10% additional surcharge on the consular fees for the Fund for Improvement of Government Owned Buildings (FIGOB). Further, payments and withdrawals from FIGOB were also made without making it a part of annual budget statement.

Audit holds that Ministry of Foreign Affairs did not follow the procedure to submit the matter before parliament, which is a serious lapse on the part of the Ministry and reflects weak internal controls.

The matter was reported to the Ministry in June 2017 for furnishing its comments. Ministry responded that FIGOB was generated with the specific approval of the Executive. Reply of the Ministry was not tenable as Executive orders were not endorsed by the competent forum i.e. Parliament as was done in the case of PCW&EF, maintained by the MOFA.

DAC meeting was held on 15.02.2018, however, matter remained inconclusive.

Audit recommends that:

- i- Levy of 10% surcharge for FIGOB may be got endorsed from the Parliament.
- ii- MOFA may design a system for budgetary provision for maintenance of Government owned buildings.

4.2.2 Non approval of accounting procedure from the Auditor General of Pakistan

The Article 170 of the Constitution of Islamic Republic of Pakistan, 1973 specifically provides that “the accounts of the Federation and the Provinces be kept in such form and in accordance with such methods and procedure as the Auditor-General may with the approval of the President prescribe”.

According to Para 8(1) of Part-B of Rules of Business, 1973, when the subject of a case concerns more than one Division, the Division in charge shall be responsible for consulting the other Division concerned and no orders shall issue, nor shall the case be submitted to the Cabinet or the Prime Minister, until it has been considered by all the Divisions concerned, and their views obtained. Such consultation shall take place as early as may be practicable: Provided that in cases of urgency and with the approval of the Prime Minister, this requirement may be dispensed with, but the case shall at the earliest opportunity thereafter be brought to the notice of the other Divisions concerned.

FIGOB was introduced by the MOFA on the basis of a summary approved by the Prime Minister on 20.02.1993. However, in violation of the above provision, the accounting procedure of FIGOB was not prepared with the concurrence of the Auditor General of Pakistan. Besides operation and maintenance of FIGOB was also found in contravention of Para-8 (1) of Rules of Business Part B-Consultation Divisions.

Audit holds that non approval of accounting procedure of FIGOB is a serious lapse on the part of the Ministry and reflects weak internal controls besides negligence.

The matter was reported to the Ministry in June 2017 for furnishing its comments. Ministry responded that FIGOB was generated with the specific approval of the Prime Minister. Reply of the Ministry was not tenable as approval of the accounting procedure is specific requirement of the Rules of Business of the Government of Pakistan.

DAC meeting was held on 15.02.2018. Ministry agreed to get the accounting procedure approved from the Finance Division. No further progress was reported till finalization of the Audit Report.

Audit recommends to get the accounting procedure of FIGOB vetted by the Auditor General of Pakistan and approved from the Finance Division.

4.2.3 Approval of extended scope of FIGOB without concurrence of the Finance Division

Para-12(1) of the Rules of Business, 1973 describes that no Division shall, without previous consultation with the Finance Division, be authorized to issue any orders, other than orders in pursuance of any general or special delegation made by the Finance Division, which will affect directly or indirectly the finances of the Federation.

Further, Para-12(2) *ibid*, no proposal to which the previous concurrence of the Finance Division is required shall, so long as concurrence is refused, be proceeded with. If a Minister cannot reach at agreement with the Minister for Finance and desires to press the proposal, he shall submit it to the Prime Minister or, if the Prime Minister so desires to the Cabinet. Formal orders shall not be issued until the Finance Division has given its scrutiny to the details of the proposal, where no such details have been supplied with the proposal.

Ministry of Foreign Affairs submitted a summary to the Prime Minister for enhancement of PCW&EF from 10% to 20% and additional 10% be directed towards FIGOB. In violation of the above mentioned Rules of Business, the said summary was not routed through the Finance Division. However, it was approved by the Prime Minister on 14.04.1993.

Furthermore, on 07.10.2008 the MOFA again routed a summary through the Finance Division to extend the scope of utilization of PCW&EF and FIGOB. The Finance Division objected the summary. Contrary to the remarks of the Finance Division Prime Minister approved the proposal. Rather extended scope of FIGOB conveyed to MOFA included its utilization for internship program and for undertaking comprehensive welfare activities for Ministry's staff which were not originally requested. Further, approval of the extended scope was not conveyed through Principal Secretary to the Prime Minister but by Additional Secretary (FSA).

Audit holds that scope of FIGOB was approved in violation of Rules of Business 1973, without consulting the Finance Division. This is a serious lapse on the part of the Ministry and reflects weak internal controls.

The matter was reported to the Ministry in June 2017 for furnishing its comments. Ministry responded that FIGOB was generated with the specific approval of the Prime Minister. Reply of the Ministry was not tenable as approval of the extended scope of FIGOB was accorded in violation of the Rules of Business.

DAC meeting was held on 15.02.2018, however, matter remained inconclusive due to difference of opinion.

Audit recommends to comply with the constitutional provisions and Rules of Business for management of FIGOB.

4.2.4 Unauthorized retention of money in cash without opening the bank account- PKR 3.619 million

According to Para-11.3.1 of FMMA Vol-I, a separate saving bank account of “Fund for Improvement of Government Owned Buildings” should be opened.

Contrary to the above provision, the Embassy of Pakistan, Tripoli collected LD 44,351 in cash, during 01.07.2014 to 30.06.2016 on account of FIGOB. The Mission did not open a separate bank account rather retained the collected funds in hand.

The matter was reported to the Ministry in June 2017. Mission replied that due to civil war banking facilities were not available in Libya. The contention of the Mission was not acceptable as it was operating its other bank accounts in Tunis.

DAC in its meeting held on 15.02.2018 directed the Ministry to open a separate bank account of FIGOB in Tunis and report to Audit within one month. No compliance was reported till finalization of the Audit Report.

Audit recommends that responsibility be fixed against the person(s) at fault besides, opening a separate bank account for maintenance of FIGOB.

(PAR FIGOB Para No. 4.2.1- 2015-16)

4.2.5 Irregular expenditure beyond approved scope of FIGOB

FIGOB was introduced vide Ministry’s O.M No. 1978-AS(A)/93 dated 18.04.1993. The purpose of this fund was to generate resources for the maintenance and up keep of buildings owned by the Government of Pakistan in foreign countries.

Further, Ministry of Foreign Affairs, vide its circular No. MB-5/42/99, dated 28.01.2003, elaborated following procedure for utilization of FIGOB;

Para-3 states that under no circumstances funds from FIGOB may be utilized for undertaking renovations, modification and redesigning of Government Owned Building without seeking prior approval of the Ministry.

Para-4 mentions that any breach of these instructions will constitute financial irregularity for which the Head of Mission will be held solely responsible. The Ministry will not accord Ex-Post Facto approval of any expenditure incurred by the Mission out of FIGOB which is not in accordance with the relevant rules.

4.2.5.1 Irregular payment to the security firms – PKR 8.483 million.

Contrary to the provisions as mentioned in para-4.2.5, the Embassy of Pakistan, Bahrain made payments amounting to US\$ 76,392.27 to the security firms for provision of services of security guards. The expenditure was held irregular as it was not covered under the approved scope of the FIGOB. Details are at Annex-B.

Audit is of the view that the expenditure incurred by the Mission was not covered under the scope of the FIGOB and was required to be met out of regular budget grant of the Mission.

The matter was reported to the Ministry in June 2017. Ministry informed that the Foreign Secretary being the competent authority, granted permission to incur the essential expenditure. The contention of the Ministry was not tenable as the Foreign Secretary was only competent to grant sanctions for the expenditure from FIGOB which was covered under the approved scope of FIGOB.

DAC in its meeting held on 15.02.2018 directed the Ministry to get the expenditure regularized from the Finance Division. No compliance was reported till finalization of the Audit Report.

Audit recommends that:

- i. Irregular expenditure be got regularized from the Finance Division.
- ii. Fix responsibility against the person(s) at fault.
- iii. Ensure compliance of the approved scope of FIGOB.
- iv. Irregular expenditure be met from the available budget grant and FIGOB be recouped accordingly.

(PAR FIGOB Para No. 4.2.2.1- 2015-16)

4.2.5.2 Irregular payment of cleaning charges – PKR 29.571 million

Contrary to the provisions as mentioned in para 4.2.5, certain Missions abroad made payments amounting to € 29,600, £ 2,899, SR 856,000 & US\$ 531 to different firms on account of cleaning charges. The expenditure was held irregular as it was not covered under the approved scope of the FIGOB. Details are at Annex-C.

Audit is of the view that the expenditure incurred by the Mission was not covered under the approved scope of FIGOB and was required to be met from regular budget grant of the Missions.

The matter was reported to the Ministry in June 2017. Ministry informed that the cleaning charges were paid for general cleaning and maintenance of Government Owned Buildings. The contention of the Ministry was not tenable as the sanctioned expenditure was not covered under the approved scope of FIGOB.

DAC in its meeting held on 15.02.2018 directed the Ministry to get the expenditure regularized from the Finance Division. No compliance was reported till finalization of the Audit Report.

Audit recommends that:

- i. Irregular expenditure be got regularized from the Finance Division.
- ii. Fix responsibility against the person(s) at fault.
- iii. Ensure compliance of the approved scope of FIGOB.
- iv. Irregular expenditure be met from the available budget grant and FIGOB be recouped accordingly.

(PAR FIGOB Para No. 4.2.221- 2015-16)

4.2.5.3 Irregular payment for pest control and spray – PKR 1.753 million

Contrary to the provisions as mentioned in para 4.2.5, certain Missions abroad made payments amounting to US\$ 1,804, SR 13,200 & £ 7,800 to different firms on account of pest control and spray etc. The expenditure was held irregular as it was not covered under the approved scope of the FIGOB. Details are at Annex-D.

Audit is of the view that the expenditure incurred by the Mission was not covered under the approved scope of FIGOB and was required to be met from regular budget grant of the Missions.

The matter was reported to the Ministry in June 2017. Ministry informed that in order to eliminate household pests i.e. cockroaches; mosquitoes etc. periodic pest control services were hired with the approval of HOM. The contention of the Ministry was not tenable as the sanctioned expenditure was not covered under the approved scope of FIGOB.

DAC in its meeting held on 15.02.2018 directed the Ministry to get the expenditure regularized from the Finance Division. No compliance was reported till finalization of the Audit Report.

Audit recommends that:

- i. Irregular expenditure be got regularized from the Finance Division.
- ii. Fix responsibility against the person(s) at fault.
- iii. Ensure compliance of the approved scope of FIGOB.
- iv. Irregular expenditure be met from the available budget grant and FIGOB be recouped accordingly.

(PAR FIGOB Para No. 4.2.2.3- 2015-16)

4.2.5.4 Irregular payment of legal fee, designer fee, architect fee and law charges etc – PKR 13.145 million

Contrary to the provisions as mentioned in para 4.2.5, certain Missions abroad made payments amounting to £ 1,000 & € 98,301 to different firms on account of legal fee, design fee, architect fee and law charges etc. The expenditure was held irregular as it was not covered under the approved scope of the FIGOB. Details are at Annex-E.

Audit is of the view that the expenditure incurred by the Missions was not covered under the approved scope of FIGOB and was required to be met from regular budget grant of the Missions.

The matter was reported to the Ministry in June 2017. Ministry informed that payments were made after seeking the approval from the Foreign Secretary. Besides, expenditure was within the approved scope of FIGOB. The contention of the Ministry was not tenable as the sanctioned expenditure was not covered under the approved scope of FIGOB.

DAC in its meeting held on 15.02.2018 directed the Ministry to get the expenditure regularized from the Finance Division. No compliance was reported till finalization of the Audit Report.

Audit recommends that:

- i. Irregular expenditure be got regularized from the Finance Division.
- ii. Fix responsibility against the person(s) at fault.
- iii. Ensure compliance of the approved scope of FIGOB.

- iv. Irregular expenditure be met from the available budget grant and FIGOB be recouped accordingly.

(PAR FIGOB Para No. 4.2.2.4- 2015-16)

4.2.5.5 Irregular payment for annual maintenance contract of air conditioning - PKR 3.243 million

Contrary to the provisions as mentioned in para 4.2.5, Embassy of Pakistan, Bahrain & Riyadh made payments amounting to SR 88,500 & US\$ 5,769.18 to a firm on account of annual maintenance contract for air conditioning. The expenditure was held irregular as it was not covered under the approved scope of the FIGOB. Details are at Annex-F.

Audit is of the view that the expenditure incurred by the Mission was not covered under the approved scope of FIGOB and was required to be met from regular budget grant of the Missions.

The matter was reported to the Ministry in June 2017. Ministry informed that the Foreign Secretary, being the competent authority, sanctioned payment of annual maintenance contract for air conditioning. Further, air conditioning system is the part & parcel of the building. The contention of the Ministry was not tenable as the sanctioned expenditure was not covered under the approved scope of FIGOB.

DAC in its meeting held on 15.02.2018 directed the Ministry to get the expenditure regularized from the Finance Division. No compliance was reported till finalization of the Audit Report.

Audit recommends that:

- i. Irregular expenditure be got regularized from the Finance Division.
- ii. Fix responsibility against the person(s) at fault.
- iii. Ensure compliance of the approved scope of FIGOB.
- iv. Irregular expenditure be met from the available budget grant and FIGOB be recouped accordingly.

(PAR FIGOB Para No. 4.2.2.5&4.2.2.12- 2015-16)

4.2.5.6 Irregular payment of security systems – PKR 0.233 million

Contrary to the provisions as mentioned in para 4.2.5, Missions of Pakistan, Bahrain and Manchester made payments amounting to US\$ 1,284 & £ 608 to security

firms on account of security systems charges. The expenditure was held irregular as it was not covered under the approved scope of the FIGOB. Details are at Annex-G.

Audit is of the view that the expenditure incurred by the Mission was not covered under the approved scope of FIGOB and was required to be met from regular budget grant of the Missions.

The matter was reported to the Ministry in June 2017. Ministry informed that the Foreign Secretary being the competent authority sanctioned expenditure in view of volatile security situation. The contention of the Ministry was not tenable as the sanctioned expenditure was not covered under the approved scope of FIGOB.

DAC in its meeting held on 15.02.2018 directed the Ministry to get the expenditure regularized from the Finance Division. No compliance was reported till finalization of the Audit Report.

Audit recommends that:

- i. Irregular expenditure be got regularized from the Finance Division.
- ii. Fix responsibility against the person(s) at fault.
- iii. Ensure compliance of the approved scope of FIGOB.
- iv. Irregular expenditure be met from the available budget grant and FIGOB be recouped accordingly.

(PAR FIGOB Para No. 4.2.2.6- 2015-16)

4.2.5.7 Irregular expenditure on fire extinguishers and smoke alarms- PKR 0.370 million

Contrary to the provisions as mentioned in para 4.2.5, Pakistan Mission at Manchester and Riyadh made payments amounting to SR 7,750 & £ 955 to different firms on account of service of fire extinguishers and installation of smoke alarms. The expenditure was held irregular as it was not covered under the approved scope of the FIGOB. Details are at Annex-H.

Audit is of the view that the expenditure incurred by the Mission was not covered under the approved scope of FIGOB and was required to be met from regular budget grant of the Missions.

The matter was reported to the Ministry in June 2017. Ministry informed that service of fire extinguishers and installation of smoke alarms were part of the major repairs in the Mission buildings and could not be met from the regular budget. The

contention of the Ministry was not tenable as the sanctioned expenditure was not covered under the approved scope of FIGOB.

DAC in its meeting held on 15.02.2018 directed the Ministry to get the expenditure regularized from the Finance Division. No compliance was reported till finalization of the Audit Report.

Audit recommends that:

- i. Irregular expenditure be got regularized from the Finance Division.
- ii. Fix responsibility against the person(s) at fault.
- iii. Ensure compliance of the approved scope of FIGOB.
- iv. Irregular expenditure be met from the available budget grant and FIGOB be recouped accordingly.

(PAR FIGOB Para No. 4.2.2.7- 2015-16)

4.2.5.8 Irregular payment of building insurance – PKR 0.265 million

Contrary to the provisions as mentioned in para 4.2.5, Pakistan Mission at Bahrain made payment amounting to US\$ 2,387.26 to a firm on account of building insurance. The expenditure was held irregular as it was not covered under the approved scope of the FIGOB. Details are at Annex-I.

Audit is of the view that the expenditure incurred by the Mission was not covered under the approved scope of FIGOB and was required to be met from regular budget grant of the Missions.

The matter was reported to the Ministry in June 2017. Ministry informed that Foreign Secretary, being the Competent Authority, granted permission for the payment of annual insurance of Mission buildings. The contention of the Ministry was not tenable as the sanctioned expenditure was not covered under the approved scope of FIGOB.

DAC in its meeting held on 15.02.2018 directed the Ministry to get the expenditure regularized from the Finance Division. No compliance was reported till finalization of the Audit Report.

Audit recommends that:

- i. Irregular expenditure be got regularized from the Finance Division.
- ii. Fix responsibility against the person(s) at fault.
- iii. Ensure compliance of the approved scope of FIGOB.

- iv. Irregular expenditure be met from the available budget grant and FIGOB be recouped accordingly.

(PAR FIGOB Para No. 4.2.2.8- 2015-16)

4.2.5.9 Irregular payment of annual maintenance contract of lifts/elevators – PKR 0.683 million

Contrary to the provisions as mentioned in para 4.2.5, Pakistan Mission at Bahrain and Riyadh made payments amounting to US\$ 2,653 & SR 13,200 to two firms on account of annual maintenance charges of lifts / elevators. The expenditure was held irregular as it was not covered under the approved scope of the FIGOB. Details are at Annex-J.

Audit is of the view that the expenditure incurred by the Mission was not covered under the approved scope of FIGOB and was required to be met from regular budget grant of the Missions.

The matter was reported to the Ministry in June 2017. Ministry informed that Foreign Secretary, being the competent authority, sanctioned the payment of annual service and maintenance charges of lifts. The contention of the Ministry was not tenable as the sanctioned expenditure was not covered under the approved scope of FIGOB.

DAC in its meeting held on 15.02.2018 directed the Ministry to get the expenditure regularized from the Finance Division. No compliance was reported till finalization of the Audit Report.

Audit recommends that:

- i. Irregular expenditure be got regularized from the Finance Division.
- ii. Fix responsibility against the person(s) at fault.
- iii. Ensure compliance of the approved scope of FIGOB.
- iv. Irregular expenditure be met from the available budget grant and FIGOB be recouped accordingly.

(PAR FIGOB Para No. 4.2.2.9- 2015-16)

4.2.5.10 Irregular expenditure incurred on purchase/installation of notice boards – PKR 0.277 million.

Contrary to the provisions as mentioned in para 4.2.5, Pakistan Mission at Manchester and Riyadh made payments amounting to £ 1,647 & SR 1,050 on account of purchase/installation of notice boards, name plates etc. The expenditure was held

irregular as it was not covered under the approved scope of the FIGOB. Details are at Annex-K.

Audit is of the view that the expenditure incurred by the Missions was not covered under the approved scope of FIGOB and was required to be met from regular budget grant of the Missions.

The matter was reported to the Ministry in June 2017. Ministry informed that all payments in respect of installation of different sign boards were made during the repair and maintenance of the Chancery Buildings, hence within the approved scope of the FIGOB. The contention of the Ministry was not tenable as the sanctioned expenditure was not covered under the approved scope of FIGOB.

DAC in its meeting held on 15.02.2018 directed the Ministry to get the expenditure regularized from the Finance Division. No compliance was reported till finalization of the Audit Report.

Audit recommends that:

- i. Irregular expenditure be got regularized from the Finance Division.
- ii. Fix responsibility against the person(s) at fault.
- iii. Ensure compliance of the approved scope of FIGOB.
- iv. Irregular expenditure be met from the available budget grant and FIGOB be recouped accordingly.

(PAR FIGOB Para No. 4.2.2.10- 2015-16)

4.2.5.11 Irregular expenditure incurred on advertisement – PKR 0.161 million

Contrary to the provisions as mentioned in para 4.2.5, Pakistan Mission at Riyadh made payment amounting to SR 5,469 on account of advertisement. The expenditure was held irregular as it was not covered under the approved scope of the FIGOB. Details are at Annex-L.

Audit is of the view that the expenditure incurred by the Missions was not covered under the approved scope of FIGOB and was required to be met from regular budget grant of the Missions.

The matter was reported to the Ministry in June 2017. Ministry informed that expenditure was incurred on installation of CCTV surveillance system and its advertisement from FIGOB with the approval of HOM. The contention of the

Ministry was not tenable as the sanctioned expenditure was not covered under the approved scope of FIGOB.

DAC in its meeting held on 15.02.2018 directed the Ministry to get the expenditure regularized from the Finance Division. No compliance was reported till finalization of the Audit Report.

Audit recommends that:

- i. Irregular expenditure be got regularized from the Finance Division.
- ii. Fix responsibility against the person(s) at fault.
- iii. Ensure compliance of the approved scope of FIGOB.
- iv. Irregular expenditure be met from the available budget grant and FIGOB be recouped accordingly.

(PAR FIGOB Para No. 4.2.2.11- 2015-16)

4.2.5.12 Irregular expenditure incurred on miscellaneous items – PKR 0.694 million

Contrary to the provisions as mentioned in para 4.2.5, Pakistan Missions at Athens, Manchester and Riyadh made payments amounting to SR 10,638, € 600 & £ 2,026 on account of purchase of misc. items. The expenditure was held irregular as it was not covered under the approved scope of the FIGOB. Details are at Annex-M.

Audit is of the view that the expenditure incurred by the Missions was not covered under the approved scope of FIGOB and was required to be met from regular budget grant of the Missions.

The matter was reported to the Ministry in June 2017. Ministry informed that a large number of visitors come to Missions every day and wear and tear is frequent, hence all expenditure incurred was unavoidable. The contention of the Ministry was not tenable as the sanctioned expenditure was not covered under the approved scope of FIGOB.

DAC in its meeting held on 15.02.2018 directed the Ministry to get the expenditure regularized from the Finance Division. No compliance was reported till finalization of the Audit Report.

Audit recommends that:

- i. Irregular expenditure be got regularized from the Finance Division.
- ii. Fix responsibility against the person(s) at fault.

- iii. Ensure compliance of the approved scope of FIGOB.
- iv. Irregular expenditure be met from the available budget grant and FIGOB be recouped accordingly.

(PAR FIGOB Para No. 4.2.2.13- 2015-16)

4.3 Procurement and Contract Management

4.3.1 Irregular expenditure on renovation without tendering– PKR 7.627 million

As per Rules-12(1&2) of the Public Procurement Rules 2004, purchases over Rs. 100,000 and up to the limit of Rs. two million shall be advertised on Public Procurement Regularity Authority’s website and other print media, as deemed necessary by the procuring agency.

Further, as per Cabinet Division’s O.M. No. 4/1/2008 dated 09-04-2008, financial limits for open tender(s) for Pakistan’s Missions abroad have been fixed as under:

Sl. No.	Kind of Tender	Monetary Limits.
1.	Open tender	US\$ 4,000 or Euro 3,000 & above
2.	Limited tender	Less than US\$ 4,000 or Euro 3,000 & above US\$ 2,000 & Euro 1,500
3.	Single tender	Up to US\$ 2,000 or Euro 1,500

High Commission of Pakistan, London incurred an expenditure of £ 51,105 during 2015-16, on repair and renovation of Government Owned Buildings and acquiring consultancy services. Expenditure was held irregular as it was incurred without observing PPRA Rules. Details are at Annex-N.

Audit is of the view that the due to weak internal controls, irregular expenditure was incurred in violation of PPRA Rules 2004.

The matter was reported to the Ministry in June 2017. Ministry informed that expenditure was incurred with the approval of Foreign Secretary being competent authority. The contention of the Ministry was not tenable as the expenditure was incurred without observing PPRA Rules.

DAC directed the Ministry to provide a copy of Contract Agreement and compliance of PPRA Rules, for verification by Audit. No compliance was reported till finalization of the Audit Report.

Audit recommends that irregular expenditure be got regularized from the Cabinet Division.

(PAR FIGOB Para No. 4.2.2.14- 2015-16)

4.4 Overall Assessment

4.4.1 Directorate General Audit (F&I) conducted audit of 56 Pakistan Missions abroad during the year 2016-17. The audit teams were also assigned the task to collect data regarding utilization of FIGOB by the Missions. Out of them, 16 Missions did not produce the requisite record. The main objective of the Performance Audit was to review the maintenance and utilization of FIGOB for the purposes, it was established besides, compliance of relevant rules and regulations. Further, FIGOB was also evaluated with reference to economy, efficiency and effectiveness. By convention these concepts are termed as 3 Es' of performance auditing.

- i. Efficiency** means optimum utilization of resources, keeping in view the objectives of the organization. It implies maximizing output from the given resources or minimizing input for the given output. Analysis of efficiency presumes that standards of input and output are available or so determined by the auditor in consultation with the management.

In this perspective it was observed that the Ministry intended to improve the condition of the Government Owned Buildings. Out of 124 Missions abroad, only 50 Missions have their own buildings. The fund was collected by all Missions where as its utilization was confined to 49 Missions only. It was also observed that Missions did not prepare any plan to efficiently utilize the available FIGOB funds. It was also noticed that the Missions did not invest the surplus FIGOB Funds as per Government instructions, which resulted in to substantial loss to the government exchequer.

- ii. Economy** refers to acquisition of resources at the lowest cost keeping in view the objectives of the organization. It implies that the resources should be acquired at the right cost, at right time, at right place, in right quantity and of right quality. The 'economy' means spending only that much which is barely essential to achieve the goal. Methods for measuring economy include comparison with benchmark costs, such as private sector charges, historical costs, costs incurred by a similar public sector organization or budget allocation.

Public Procurement Rules 2004, have been designed to ensure transparency and economy in government transactions through open competitive bidding/tendering. During audit it was observed that in two cases, FIGOB funds were utilized without resorting to competitive bidding/tendering, as required under PPRA Rules 2004. Thus performance of FIGOB viz "Economy" cannot be termed as satisfactory. Non compliance of PPRA Rules 2004 by the Missions has raised question marks on the utilization of FIGOB in economical manner.

iii. Effectiveness refers to the extent the objectives have been achieved. In auditing effectiveness, the auditors distinguish among outputs, outcomes and impacts. The outputs pertain to results of certain inputs produced by the organization. The outcome relates to the results, external to the organization. Impact refers to the effect of the outcomes on the society in the long run. In performance auditing, the auditors are supposed to audit all these elements but its possible in long run only.

The Ministry of Foreign Affairs has clearly defined the scope and objectives of the FIGOB. Ministry has also strictly prohibited the misuse of FIGOB. However, it was observed that certain Pakistan Missions abroad, frequently misused the FIGOB on the objects beyond the approved scope.(details at Annex-B to Annex-N). Audit is therefore, of the view that effectiveness of FIGOB was compromised.

iv. Compliance with Rules: Scrutiny of the record pertaining to the FIGOB revealed that certain rules, regulations, procedures and instructions were not followed.

v. Performance Rating of Project: Moderately Satisfactory

vi. Risk Rating of Project: High

5. CONCLUSION

The performance audit of the fund for improvement of government owned building was conducted on test check basis by analyzing the data of the 40 Missions abroad. Overall performance of FIGOB viz 3 E's i.e. economy, efficiency and effectiveness cannot be termed as indicative of achievement of any of the above parameters. The purpose of this fund was to generate resources for the maintenance and up keep of the Government Owned Buildings in foreign countries. The Ministry could not manage and utilize the funds properly according to its defined scope. In this regard following observations are highlighted:-

1. Levy of 10% surcharge for FIGOB was not got endorsed from the Parliament by MOFA.
2. Accounting procedure of the Fund was not approved by the Auditor General of Pakistan which was a contravention of the Para-8 (1) of Rules of Business, Part B-Consultation Divisions.
3. Scope of FIGOB was extended by the Ministry of Foreign Affairs without concrescence of the Finance Division in violation of Para 12 (1&2) of the Rules of Business, 1973
4. A Mission unauthorzedly retained the FIGOB funds in cash instead of depositing them in the bank account.
5. Surplus FIGOB funds were kept idle instead investing them in profit earning schemes / securities.
6. In a large number of cases, Missions incurred expenditure for the purposes which were not covered under the approved scope of FIGOB.
7. Certain Missions incurred expenditure without observing codal formalities regarding tendering.

RECOMMENDATIONS

Audit recommends following measures for improved performance of FIGOB:-

1. Available balance in FIGOB may be deposited into Federal Consolidated Fund and Ministry may design a system of budgetary provisions for improvement of Government Owned Buildings.
2. The accounting procedure of FIGOB may be got vetted by the Auditor General of Pakistan and approved from the Finance Division.

3. Ministry may comply with the constitutional provisions and Rules of Business for determining utilization of FIGOB.
4. In case the fund is desired to be operated then a separate bank account for collection and utilization of FIGOB should be maintained.
5. Surplus FIGOB funds may not be kept idle and suitable investment plan should be in place.
6. Payment of fund for unauthorized purposes should be stopped forthwith and such expenditure should be met out of regular budget allocations.
7. All codal formalities including procurement rules, tendering etc. should be strictly observed.
8. Regular budgetary provisions should be made for upkeep and improvement of Government Owned Buildings abroad.

ACKNOWLEDGEMENT

We wish to express our appreciation to the management and staff of the Pakistan Missions abroad for the assistance and cooperation extended to the auditors during this assignment.

ANNEXES

Annex-A

List of Government Owned Buildings

Sl. No.	Name of Mission	Description of Property
1.	Abu Dhabi	Chancery and Residence
2.	Abuja	Embassy Residence completed Chancery under construction
3.	Ankara	Chancery and Embassy Residence
4.	Athens	Chancery
5.	Bangkok	Chancery completed, Emb. officers Residences under construction
6.	Baku	Chancery
7.	Beijing	Chancery, Residence, Housing Block (2) School, Mosque, Dispensary.
8.	Belgrade	Chancery cum Residence
9.	Bishkek	Chancery cum Residence
10.	Berlin	Chancery and Residence
11.	Brussels	Chancery and Residence
12.	Cairo	Chancery and Residence
13.	Copenhagen	Chancery
14.	Damascus	Chancery
15.	Dubai	Chancery and Consul General's Residence
16.	Doha	Chancery cum Residence
17.	Frankfurt	Chancery and CG Residence
18.	Glasgow	Chancery cum Residence
19.	Geneva	Embassy Residence
20.	Harare	Chancery, Embassy & 4 staff residence
21.	Jalalabad	Consulate Building
22.	Jeddah	Chancery
23.	Jakarta	Embassy Complex
24.	Kabul	Chancery cum Residence
25.	Karbala	Dispensary Building
26.	Kuala Lumpur	Chancery and Residence
27.	London	Chancery, Residence, Chesham Place, Youth Hostel (being Converted into officer's residence) & 2 garages
28.	Manila	Chancery and Residence
29.	Manchester	Consulate Building
30.	Meshed	Consulate, Consul's Residence and staff quarters

Sl. No.	Name of Mission	Description of Property
31	Montreal	Consulate Building
32	Nairobi	Chancery, Residence and two houses
33	New Dehli	Chancery, Residence and Housing complex and 6 acre empty piece of land in HC Complex
34	New York(CG)	Chancery and Residence and one apartment for officer
35	New York(UN)	Chancery and Residence
36	Ottawa	Chancery and Residence
37	Pretoria	Chancery
38	Rabat	Chancery, Residence and 1 Officer's apartment
39	Riyadh	Embassy Complex
40	Rome	Chancery
41	Tehran	Chancery and Residence
42	Toronto	Consulate General
43	The Hague	Chancery and Residence
44	Vienna	Chancery and Embassy Residence
45	Washington	Residence, Annexes, Residences of DHM and Minister (E), Chancery
46	Zahidan	Consulate cum Residence
47	Warsaw	Chancery
48	Budapest	Chancery
49	Tokyo	Embassy complex
50	Paris	Chancery & Residence

Annex-B (Para 4.2.5.1)**Unauthorized payment to the security firms**

Sl. No.	Description	Bahrain	
		Month	US\$
1	Payment on provision of 04 security guards	Jul-14	6,366.05
2	Payment on provision of 04 security guards	Sep-14	3,183.02
3	Payment on provision of 04 security guards	Oct-14	3,183.02
4	Payment on provision of 04 security guards	Nov-14	3,183.02
5	Payment on provision of 04 security guards	Jan-15	6,366.05
6	Payment on provision of 04 security guards	Mar-15	6,366.05
7	Payment on provision of 04 security guards	Apr-15	3,183.02
8	Payment on provision of 04 security guards	May-15	3,183.02
9	Payment on provision of 04 security guards	Jun-15	3,183.02
10	Payment on provision of 04 security guards	Jul-15	3,183.00
11	Payment on provision of 04 security guards	Aug-15	3,183.00
12	Payment on provision of 04 security guards	Sep-15	3,183.00
13	Payment on provision of 04 security guards	Oct-15	3,183.00
14	Payment on provision of 04 security guards	Nov-15	3,183.00
15	Payment on provision of 04 security guards	Dec-15	3,183.00
16	Payment on provision of 04 security guards	Jan-16	3,183.00
17	Payment on provision of 04 security guards	Mar-16	3,183.00
18	Payment on provision of 04 security guards	Mar-16	3,183.00
19	Payment on provision of 04 security guards	Apr-16	3,183.00
20	Payment on provision of 04 security guards	May-16	3,183.00
21	Payment on provision of 04 security guards	Jun-16	3,183.00
	Total		76,392.27

Annex-C (Para 4.2.5.2)

Unauthorized payment of cleaning charges

		Manchester	
Sl. No.	Description	Month	£
1	Hiring of 2 skips for rubbish	Jul-15	360
2	Hiring of 2 skips for rubbish	Dec-15	229.14
	Sub total		589.14
		Rome	
Sl. No.	Description	Month	€
1	Paid to SIPAV for cleaning May, June, July,2015	Sep-15	4,350
2	Paid to SIPAV for cleaning August, Sept. Oct,2015	Nov-15	4,350
3	Paid to SIPAV for cleaning Nov, Dec,2015	Mar-16	2,900
	Sub total		11,600
		Athens	
Sl. No.	Description	Month	€
1	Payment of cleaner during the period 2014-15, 2015-16	Jan-16	18,000
			18,000
		Bahrain	
Sl. No.	Description	Month	US\$
1	Payment to M/s Rauf Contracting Est. for general cleaning	Mar-16	530.5
			530.5
		Riyadh	
Sl. No.	Description	Month	SR
1	Monthly payment to M/s Global Horizon contracting comp. for cleaning	Jul-14	40,000
2	Monthly payment to M/s Global Horizon contracting comp. for cleaning	Aug-14	40,000
3	Monthly payment to M/s Mohammad Awad Al-Sairi for cleaning	Sep-14	40,000
4	Monthly payment to M/s Mohammad Awad Al-Sairi for cleaning	Oct-14	40,000
5	Monthly payment to M/s Mohammad Awad Al-Sairi for cleaning	Nov-14	40,000
Sl. No.	Description	Month	SR
6	Monthly payment to M/s Mohammad Awad Al-Sairi for cleaning	Nov-14	40,000
7	Monthly payment to M/s Mohammad Awad Al-Sairi for cleaning	Jan-15	40,000
8	Monthly payment to M/s Mohammad Awad Al-Sairi for cleaning	Mar-15	40,000
9	Monthly payment to M/s Mohammad Awad Al-Sairi for cleaning	Mar-15	40,000
10	Monthly payment to M/s Mohammad Awad Al-Sairi for cleaning	Apr-15	40,000

Sl. No.	Description	Month	SR
11	Monthly payment to M/s Arabian Gulf Company for cleaning	May-15	38,000
12	Monthly payment to M/s Arabian Gulf Company for cleaning	Jun-15	38,000
13	Monthly payment to M/s Arabian Gulf Company for cleaning	Jul-15	38,000
14	Monthly payment to M/s Arabian Gulf Company for cleaning	Sep-15	38,000
15	Monthly payment to M/s Arabian Gulf Company for cleaning	Oct-15	38,000
16	Monthly payment to M/s Arabian Gulf Company for cleaning	Nov-15	38,000
17	Monthly payment to M/s Arabian Gulf Company for cleaning	Dec-15	38,000
18	Monthly payment to M/s Arabian Gulf Company for cleaning	Jan-16	38,000
19	Monthly payment to M/s Arabian Gulf Company for cleaning	Feb-16	38,000
20	Monthly payment to M/s Arabian Gulf Company for cleaning	Mar-16	38,000
21	Monthly payment to M/s Arabian Gulf Company for cleaning	Apr-16	38,000
22	Monthly payment to M/s Arabian Gulf Company for cleaning	May-16	38,000
	Sub total		856,000
		London	
Sl.No.	Description	Month	£
1	Paid to cleaning services	-	2,310
	Total		2,310
	Grand Total		£ 2,899,€ 29,600,U S\$ 531& SR 856,000

Annex-D (Para 4.2.5.3)

Unauthorized payment for pest control and spray

		Bahrain	
Sl.No	Description	Month	US\$
1	Payment to M/s iFix for renewal of AMC of Embassy complex	May-15	901.86
2	Payment to M/s iFix for renewal of AMC of Embassy complex	May-16	901.86
	Sub total		1803.72
		Riyadh	
Sl.No	Description	Month	SR
1	Payment for pest control for six months to M/s Trap Pest control	Jul-14	3,300
2	Paid to M/s Pest Control for pest spray	Dec-14	3,300
3	Paid to M/s Pest Control for pest spray	Oct-15	3,300
4	payment for pest control services	Apr-16	3,300
	Sub total		13,200
		London	
Sl.No	Description	Month	£
1	Paid to terminex for pest control treatment at chesham palace	-	7,800
	Total		7,800
	Grand Total		US\$ 1,804, SR 13,200 & £ 7,800

Annex-E (Para 4.2.5.4)

Unauthorized payment of legal fee, designer fee, architect fee and law charges etc

		Manchester	
Sl. No.	Description	Month	£
1	Designer fee for construction of new block	May-15	1,000
		Athens	
Sl. No.	Description	Month	€
1	Architect Fee	Apr-16	2,778
2	National Geographic reference fee	Apr-16	1,722
3	Payment of law firm M/s P.N. Karytinis and Partener	Jan-16	19,680
4	Notary Public	Jan-16	32,124.5 5
5	Payment of civil engineer firm M/s Ioanis Hip stampouloglou and theodoros Hip	Jan-16	6,996
6	Payment of property dealer commission	Jan-16	35,000
	Sub total		98,300.5 5
	Total		£ 1,000,& € 98,301

Annex-F (Para 4.2.5.5)**Unauthorized payment for annual contract of air conditioning**

		Bahrain	
Sl. No.	Description	Month	US\$
1	Payment to M/s Almoayyed air-conditioning, 50% payment for renewal of contract	Sep-14	1,923.08
2		Jun-15	1,923.08
3		Dec-15	1,923.02
		Sub total	5,769.18
		Riyadh	
Sl. No.	Description	Month	SR
1	Annual payment to M/s Carrier Saudi Services company for maintenance of plant	May-15	88,500
			US\$
			5,769.18 &
			SR 88,500

Annex-G (Para 4.2.5.6)

Unauthorized annual payment of security systems

		Manchester	
Sl. No.	Description	Month	£
1	Annual payment of security system	Jan-15	498
2	Installation of censors in Con hall	Jan-15	110
		Sub Total	608
		Bahrain	
Sl. No.	Description	Month	US\$
1	payment to M/s Hashmi Gate consultancy for repair/maintenance of CCTV	Feb-15	265.25
2	Payment to M/s Creative technology for servicing of CCTV camera and installation of 1 new camera	Aug-15	742.71
3	Payment to M/s Creative technology for repair of CCTV cameras	Nov-15	275.86
		Sub Total	1,283.82
		Grand Total	£ 608 &US\$ 1,284

Annex-H (Para 4.2.5.7)

Unjustified expenditure on fire extinguishers and smoke alarms

		Manchester	
Sl. No.	Description	Month	£
1	Service of fire extinguisher	Oct-15	55.2
2	Installation of smoke alarms	Nov-15	900
	Sub-total		955.2
		Riyadh	
Sl. No.	Description	Month	SR
1	Payment for replacement of five fire hose cabinets and ten carbon dioxide extinguishers	May-16	7,750
	Total		7,750
	Grant Total		£ 955 & SR 7,750

Annex-I (Para 4.2.5.8)**Unauthorized payment of insurance out of FIGOB**

Sl. No.	Description	Bahrain	
		Month	US\$
1	payment to M/s crescent insurance for renewal of chancery complex insurance	Apr-15	1,193.63
2	payment to M/s Ahlia Insurance for renewal of Embassy complex insurance	Jan-16	1,193.63
	Total		2,387.26

Annex-J (Para 4.2.5.9)

Unjustified payment of annual maintenance contract of lifts/elevators

		Bahrain	
Sl. No.	Description	Month	US\$
1	Payment to M/s Jalal Schindler Lifts & Escalators for renewal of AMC of the lift	Jun-15	1,326.26
2	Payment to M/s Jalal Schindler Lifts & Escalators for renewal of AMC of the lift	May-16	1,326.26
		Sub-total	2,652.52
		Riyadh	
Sl. No.	Description	Month	SR
1	Payment of Annual Contract to M/s Schnider Elevator Co	Nov-14	6,600
2	Payment of Annual Contract to M/s Schnider Elevator Co	Sep-15	6,600
		Sub-total	13,200
Grand Total			US\$ 2,653&SR 13,200

Annex-K (Para 4.2.5.10)**Unauthorized expenditure incurred on purchase/installation of notice boards out of FIGOB**

		Manchester	
Sl. No.	Description	Month	£
1	installation of notice board at boundary wall	Oct-14	96
2	Main sign board of consulate	Feb-16	560
3	Purchase of sign boards	May-16	756
4	Preparation of main urdu sign board	Jun-15	235
	Sub-total		1,647
		Riyadh	
Sl. No.	Description	Month	SR
1	Payment of three name plates of main public area for instructions	Mar-16	1,050
	Sub-total		1,050
	Grand Total		£ 1,647 &SR 1,050

Annex-L (Para 4.2.6.11)**Unjustified expenditure on advertisement out of FIGOB**

Sl. No.	Description	Riyadh	
		Month	SR
1	Advertisement charges for publication in newspaper	Feb-15	2,170
2	Paid for advertisement charges for the publication of AD for security equipment	Oct-15	2,128
3	Paid for advertisement charges for the publication of AD for security equipment	Oct-15	1,171
	Total		5,469

Annex-M (Para 4.2.5.12

Unauthorized expenditure incurred on misc. items out of FIGOB

		Manchester	
Sl. No.	Description	Month	£
1	Installation of lights in consular hall	Jun-15	180
2	New wooden wall cabinet in Acctt. Office	Sep-15	1,250
3	Maintenance of garden of A area	Apr-16	596.4
	Sub total		2,026.
		Athens	
Sl. No.	Description	Month	€
1	Installation of flag pool	Mar-16	599.8
2			
		Riyadh	
Sl. No.	Description	Month	SR
1	payment for carpets cleaning road marking	Jun-15	2,770
2	Payment for replacement of electric pump	Dec-15	1,770
3	payment for replacement of electric motor	Mar-16	700
4	Provision of air fresheners for complex	Apr-16	298
5	payment for electric motors	Apr-16	5,000
6	Payment for water filter at kitchen	May-16	100
	Sub total		10,638
	Grand Total		£ 2,026, € 600 & SR 10,638

Annex-N (Para 4.3.1)

Irregular expenditure for repair and renovation work

Sl. No.	Description	£
1	Paid for replacement of flat roof at HC residence	7,800
2	Paid to Burys investment for renovation work of Chesham palace	43,305
	TOTAL	51,105

Annex-O CURRENCY WISE DETAILS

No of Paras	Nature	Total PKR In millions	PKR	US\$	Euro	SRLs	Pound	LD
14	Weak Financial Mgt - F. Currency		441,045,683.000	90,820.530	128,501.000	995,807.000	16,935.000	44,351.000
	Weak Financial Mgt -PKR in million	503.542	441.046	10.086	16.988	29.277	2.528	3.619
1	Violation of PPR Rules - F. Currency		-	-	-	-	51,105.000	-
	Violation of PPR Rules -PKR in million	7.627	-	-	-	-	7.627	-
15	Grand Total - F. Currency		441,045,683.000	90,820.530	128,501.000	995,807.000	68,040.000	44,351.000
	Grand Total -PKR in million	511.170	441.046	10.086	16.988	29.277	10.155	3.619
	Conversion Rates as on 31.12.2017		1.00	111.05	132.20	29.40	149.25	81.60