

Minutes Of COFE's Meeting Held On July 2 And Continued On July 7&9 2009

COFE held its fourth meeting in 2009 on the above stated dates in July and reviewed the items on the agenda of the IAMB meeting scheduled for July 22-23 in Vienna and as follows:

- 1) Final reports of KPMG on the 2008 DFI audits.
- 2) Report of the works team from BSA assigned with the task of examining and clearing as much as possible observations raised in previous DFI audit reports.
- 3) Report to IAMB on COFE's activities in 2009 so far.
- 4) COFE's recommendation to IAMB concerning appointment of an independent DFI auditor for the year 2009..
- 5) BSA's report on its activities and efforts to enhance internal control capacities in Government ministries and departments.
- 6) Oil sales from Kurdistan province and the recent awards of oil service contracts to international oil companies.

Audit reports on the DFI for 2008

The cash receipts and payment statement was examined in detail and the auditor's comments and observations there on were noted .In this regard it was decided to take the following actions;

- 1) Investigate the reasons for the differences between the figures shown in the R&P statement and the corresponding amounts shown in the MOF and CBI books.The preliminary probing indicate that the differences are due to misallocations.
- 2) Follow up the progress on reviewing organization structures and the write up of job descriptions in the various ministries and as instructed by the council of ministers.
- 3) Analyze and examine in detail the amounts allocated to the spending ministries by the MOF to ensure that they are in line with budget allocations and for the purposes intended.
- 4) Inquire from the ministry of communications the reasons for not collecting the debts due from cell phone companies.
- 5) Emphasize on all ministries that they must carry out bank reconciliations regularly and frequently
- 6) COFE will follow up closely the cash position of the DFI and whether there was a cash surplus or deficit at June 30 2009.

Report of the BSA works team

COFE reviewed the report and asked the team to continue their efforts with focus on :

- 1) Application of a more vigorous approach on debt collections .bank reconciliations and strict adherence to proper contracting procedures.
- 2) Sending separate letters to the ministries about whose work the DFI auditor has raised important comments .and in particular ministries of oil ,trade ,finance and the CBI.

Committee Of Financial Experts
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