



# ANNUAL REPORT

2016 & 2017



OFFICE *of the* AUDITOR GENERAL  
*Republic of Fiji*

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# OFFICE OF THE AUDITOR GENERAL

The Office of the Auditor General is an independent public office established and mandated by the Fijian Constitution to inspect, audit and report on the public accounts, property and transactions of the State.

## Vision

Excellence in Public Sector Auditing

## Mission

- To provide world class, independent and objective value adding services;
- To provide a working environment that allows our people to excel.

## Our Values

- Impartiality, objectivity and fairness in our reports;
- Due diligence and 3Es in all facets of our auditing which encompasses reducing costs of inputs (economy), the right effort allocation (efficiency) and to achieve the goals (effectiveness);
- Continuously align all processes and procedures to international best practices; and
- Utmost of honesty and integrity displayed by our people.

## Our Logo



OFFICE *of the* AUDITOR GENERAL  
*Republic of Fiji*

### LOGO MESSAGE

**MAGNIFYING GLASS:** The magnifying glass is an icon of detective fiction, here it represents our identity and describes our role as an Auditor, to cross examine, scrutinize transaction and activities pertaining to any public funds utilized by the public sector entities

**MAP OF FIJI:** The map of Fiji represents our Audit Jurisdictions include the whole of Fiji.

**GREEN TICK:** The tick has been used to depict our Audit Mandate, which is to give an assurance to Parliament on all transactions with or concerning the public money or public property of the State.

**GLOBE:** The globe represents our Methodology on adoption and implementation of international standards and association with the international organisation we are affiliated with

### OAG corporate colors

-  Navy Blue
-  Ocean Blue
-  Green
-  Black

LOGO color dominated by the color BLUE and is the color of trust and responsibility.

1. **Navy Blue** - are thought of as strength, associated with success. It reflects traits as an Auditor and these symbolizes trust, loyalty, wisdom, confidence, intelligence, faith and truth.
2. **Ocean Blue** - is linked to consciousness and intellect capability of the Auditor Generals office.
3. **Green** - suggests stability and endurance and also commonly associated with money.
4. **Black** - or any other black hues denotes strength and authority and it is considered to be a very formal, elegant, and prestigious status of the Office of the Auditor General in Fiji.

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## 1.0 AUDITOR-GENERAL'S FOREWORD

The period 1 January 2016 to 16 January 2017 prior to my appointment as Auditor-General have been eventful for the Office of the Auditor General (OAG) for a number of reasons. The Twinning Project with the Tasmanian Audit Office (TAO) for which work commenced in 2013 was brought to finalization and the financial audit manual, aligned to the international standards on auditing was formally adopted.

I commend Management and staffs for all the good work done for OAG during the period the position of the Auditor General was vacant.

The months following my appointment have been very challenging in view of the significant back log of audits which existed due to varying reasons, operational issues and low staff morale. Consequently, resource allocation was revised, projects were re-prioritized and a performance management system which was open and transparent and designed to recognise and reward high performers was introduced. A new Management team was also appointed and established.

With the strong support of the new Management team and staffs, the audit of accounts of Whole of Government for financial years 2015 and 2016 was completed and reported to Parliament.

I also commend the audit service providers who are an integral part in our delivery of audit services to our clients.

I thank Parliament, Permanent Secretaries, Chief Executive Officers and their staffs and other stakeholders for their active interaction with OAG during the year.

The existing OAG Strategic Plan was revised following extensive consultations with all staffs. A revised Strategic Plan for the period FY 2018-FY 2020 with plans for achievement, regular monitoring and evaluation has been approved. The coming years present both opportunities and challenges for us.

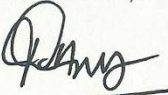
I remain committed to working with OAG Management and staffs and our stakeholders to achieve our strategic intent which include the following:

- improving audit service delivery and reporting.
- creating awareness on our roles and responsibilities and how we deliver them.
- achieving operational efficiency.
- implementing and improving the performance management system put into place.
- achieving high employee satisfaction and by creating equal opportunities for our people to excel.

Other opportunities which exist include OAG moving towards full autonomy by bringing in-house, functions such as, processing of staff payroll, accounting and email and internet services, office accommodation and vehicles which currently provided by government, opening an office in the Western Division, review of the Audit Act 1969, and hosting of international public sector audit forums.

Our major challenges include loss of key employees, managing information security and business continuity risks. However, measures have been put into place to address these challenges.

As your Auditor-General, I remain strongly committed to the delivery of my roles and responsibilities required by the Constitution, Audit Act 1969 and other legislation by active interaction with our clients and stakeholders.

  
Ajay Nand  
**AUDITOR GENERAL**



## 2.0 REPORTING BY FINANCIAL YEAR (FY)

This annual report covers both financial years 2016 and 2017.

For the purpose of reporting for the financial year 2016, Section 84 of the Financial Management (Amendment) Act 2016 outlined that the 2016 financial year commenced from 1 January 2016 to 31 July 2016.

The activities for financial year 2017 is from 1 August 2016 to 31 July 2017.

## 3.0 ACHIEVEMENTS AND REFLECTIONS FOR FY 2016 & 2017

Progress of initiatives by financial year are reflected in the tables below:

Financial Year (FY) 2017

Strategic Initiatives	Achievements & Reflections - FY 2017
<b>Our Stakeholders</b>	
Impartial reports circulated within stipulated timeframes	<ul style="list-style-type: none"> <li>Feedback through Client Survey Questionnaires highlighted the need to improve content and tone of the report for clarity;</li> <li>Awareness to clients on how audits are carried out and in the understanding on our audit processes is still work in progress;</li> <li>Initial work on developing policy for Quality Control and Quality Assurance began as part of the Twinning program<sup>1</sup> with Tasmania Audit Office. To be fully implemented from FY 2017-2018.</li> </ul>
Reports are completed within stipulated timeframes	<ul style="list-style-type: none"> <li>Office faces challenges of financial statements not being submitted for audit on time resulting in back log of audits</li> </ul>
Regular meetings and interactive engagement with PAC, Media & General Public	<ul style="list-style-type: none"> <li>Meetings with Public Accounts Committee were held when requested by the Committee for FY 2017;</li> <li>A presentation was made to the Committee in April 2017 highlighting Key findings in 2015 Auditor-General's Report and planned initiatives for OAG.</li> <li>Planned revamping of OAG website and development of communication strategy and plan in FY 2017 - 2018.</li> </ul>
<b>Our Customers</b>	
Internal QA review process conducted on audits whilst QARC is conducted on high risk audits	<ul style="list-style-type: none"> <li>Policies and procedures for Quality Assurance to be fully implemented from FY 2018</li> </ul>
Audits to be completed within stipulated timeframe;	<ul style="list-style-type: none"> <li>A total of 37 and 38 audits were completed and reported during FY 2016 and 2017, respectively. These related to Volumes 1 to 4 on the Reports on Whole of Government Financial Statements and audit of Ministries &amp; Departments which were presented to Parliament in March and July 2017;</li> </ul>
Regular provision of value adding service to customers	<ul style="list-style-type: none"> <li>Provision of value adding service was not the form of audits carried out in FY 2016 &amp; 2017 but would be pursued in 2017/2018.</li> </ul>

<sup>1</sup> Refer to page 11 of the report

Strategic Initiatives		Achievements & Reflections - FY 2017	
Interactive engagement with Permanent Secretary/Chief Executive Officer.		<ul style="list-style-type: none"><li>Regular interactions with Permanent Secretaries/Chief Executive Officers is an area to be improved.</li></ul>	
Our Processes			
Review and enhance policies and procedures with assistance of Twinning partner Tasmanian Audit Office (TAO)		<ul style="list-style-type: none"><li>Numerous policies were developed and approved during FY 2017.</li></ul>	
Biennial self-assessment through available tools		<ul style="list-style-type: none"><li>No self-assessment done during FY 2016</li><li>Self-assessment using Supreme Audit Institutions (SAI) Performance Management Framework facilitated by PASAI 2 was completed during 2017;</li></ul>	
Financial Audit manual documents are uploaded into automated audit management system, TeamMate		<ul style="list-style-type: none"><li>Working Papers for audit manuals have been uploaded into TeamMate</li></ul>	
Annual review on ISSAI <sup>3</sup> compliance.		<ul style="list-style-type: none"><li>This is work in progress</li></ul>	
Our People			
Working with Twinning partner to develop human resource and performance management framework;		<ul style="list-style-type: none"><li>Work in progress and rolled over to FY 2018;</li><li>Policies developed during FY 2017:</li><li></li><li>Conflict of Interest Policy</li><li>Mobile Policy</li><li>OAG Performance Management System (Policy &amp; Procedures)</li><li>Flexi Time Policy</li><li>Salary Increment Policy upon (Renewal of Contract)</li><li>Motor Vehicle Policy</li><li>Travel Policy</li><li>Materiality Policy</li><li>Medical Insurance Benefit Policy</li><li>Bond Administration Policy</li><li>Staff Innovation Policy</li><li>Team Building Policy</li><li>Registry Policy</li><li>Quality Assurance Policy</li><li>Attaché Policy</li><li>Staff Disciplinary Policy</li></ul>	
Wider consultations to protect government's interest		<ul style="list-style-type: none"><li>All contract of services is vetted by Solicitor General's Office;</li><li>Terms of Conditions under the General Orders used in the civil service were still being complied with during FY 2017 and would be discontinued once OAG develops its own policies as an independent office in FY 2017/2018.</li></ul>	
Collate needs analysis for professional development at each occupational level and match with available trainings;		<ul style="list-style-type: none"><li>Development staff development plan at each occupational level was in progress during FY 2017.</li><li>A comprehensive training plan based on INTOSAI competency framework is targeted to be completed in FY 2018</li></ul>	
Facilitate a mentor/mentee program in-house for all staff to have a mentor for professional development;		<ul style="list-style-type: none"><li>Succession planning policy was approved on 20 July 2017</li></ul>	
Individual Work Plans (IWP) to include a commitment from staff on areas requiring professional and personal development;		<ul style="list-style-type: none"><li>IWP were introduced to staffs from 1 April 2017</li></ul>	

<sup>2</sup> Pacific Association of Supreme Audit Institutions

<sup>3</sup> International Standards of Supreme Audit Institutions

Strategic Initiatives	Achievements & Reflections - FY 2017
Working with Twinning partner to develop human resource and performance management framework;	<ul style="list-style-type: none"> <li>Performance Management System (Policy &amp; Procedure) was approved in March 2017</li> <li>Development of Human Resource framework to be rolled over to FY 2017/2018</li> </ul>
Staff consultations on development of Communication policy;	<ul style="list-style-type: none"> <li>Communication Policy was in place by end of FY 2017</li> <li>Awareness sessions have been conducted with staff</li> </ul>
Timely dissemination of decision taken.	<ul style="list-style-type: none"> <li>Dissemination of information is done during Staff Meetings</li> <li>Staff Communique issued after the monthly Management Committee Meetings</li> </ul>

## Financial Year (FY) 2016

Strategic Initiatives	Achievements & Reflections - FY 2016
<b>Our Stakeholders</b>	
Development & timely implementation of stakeholder engagement	<ul style="list-style-type: none"> <li>Development of Communication Strategy &amp; Plan in process</li> <li>Website to be fully revamped in FY 2017- 2018</li> </ul>
Interactive engagement with parliamentary committees & other stakeholders	<ul style="list-style-type: none"> <li>Meeting with Standing Committee on Public Accounts were held as and when required by Committee</li> </ul>
Facilitate advocacy initiatives on the role and responsibilities of the Auditor General	<ul style="list-style-type: none"> <li>Not much progress made during the financial year</li> </ul>
<b>Our Customers</b>	
Focus audit on risk exposures and issues of public interest	<ul style="list-style-type: none"> <li>Work in progress</li> </ul>
Complete audits within the acceptable timeframe	<ul style="list-style-type: none"> <li>About 40% of audits were completed during first 7 months for 2016 FY in comparison to 138 audits planned for the 12 months;</li> </ul>
Provide value adding services to auditee	<ul style="list-style-type: none"> <li>Rolled over to FY 2017/ 2018</li> </ul>
Ensure professionalism and quality in the service provided	<ul style="list-style-type: none"> <li>Officers are required to comply with ethics as required by International Federation for Accountants Code of Ethics, International Organization of Supreme Audit Institutions (INTOSAI) and Fiji Institute of Accountants Code of ethics</li> </ul>
<b>Our Process</b>	
Prioritize strategies for the adoption of the core principles of independence (International Standards of Supreme Audit Institutions 10 & 11)	<ul style="list-style-type: none"> <li>Not completed</li> </ul>
Continuous self-assessment and peer – review of best practices	<ul style="list-style-type: none"> <li>Full report on the SAI Performance Measurement Framework assessments was work in progress in FY 2016 and completed during FY 2017</li> </ul>
Encourage Innovation and technological enhancements	<ul style="list-style-type: none"> <li>Policy on innovation was yet to be developed.</li> </ul>
<b>Our People</b>	
Development & Implementation of employee relations & Performance Management Framework	<ul style="list-style-type: none"> <li>Not in place during FY 2016</li> </ul>
Empower ownership of tasks and professional & personal development	<ul style="list-style-type: none"> <li>Individual Work Plans not completed</li> </ul>

Strategic Initiatives	Achievements & Reflections – FY 2016
Interactive & participatory decision making process	<ul style="list-style-type: none"> <li>▪ Staff Communique was compiled and circulated to staffs following Management Committee meetings</li> <li>▪ Concerns raised by staffs were discussed and clarified during Staff Meeting in the course of the financial year</li> </ul>
Facilitate continuous learning & development programs for all levels	<ul style="list-style-type: none"> <li>▪ Office continued to support staffs to continue with their professional development to meet minimum qualification requirement with the support of the Reimbursement Policy which allowed reimbursement of 50% fees of tuition fees which was met by the Office.</li> <li>▪ Comprehensive training plan at each occupational level not in place</li> </ul>

## 4.0 GOVERNANCE

- Committees
- External and Internal Review
- Funding of OAG operations
- Our Outcome and Outputs
- Legislative and other framework



Auditor General & Management Team (Deputy Auditor General & Director of Audit)

Back (L-R) Director Mr Kuruwara Tunisalevu, Director Mr Moshin Ali, Director Mr Abele Saunivalu, Director Mr Dinesh Prasad

Sitting (L-R) Auditor General Mr Ajay Nand, Director Ms Finau Nagera, Deputy Auditor General Mr Sairusi Dukuno

## 4.0 GOVERNANCE

OAG's governance arrangements during the FY 2016 & 2017 were facilitated by the following committees:

- Management Committee (MC); and
- Audit Qualification Committee.

Objectives and composition of each committee is detailed below.

The committees are supplemented by various working groups that may be established for specific purposes from time to time.

### Management Committee (MC)

The Management Committee meets once every month and is responsible for reviewing and taking effective actions on the management and general operations of the Office.

The committee consists of the following members:

Chairman: Auditor General (AG)

Members: Deputy Auditor General & Directors of Audit

During the FY 2016, the post of Auditor General was vacant, and the Deputy Auditor General chaired the Committee. The Auditor General took Office from January 2017.

The MC's primary purpose is to work in the best interests of the Office for the long-term benefit of staff, clients and Parliament by:

- developing in consultation with staff, the Office's strategic plan including organisational values;
- developing processes and monitoring arrangements to implement the strategic plan aimed at achieving the Office's strategic objectives, including the development of annual corporate and business plans;
- developing processes and monitoring arrangements aimed at identifying, mitigating and managing Office's strategic, operational and emerging risks;
- implementing processes and monitoring arrangements aimed at achieving Office's corporate objectives, compliance with agreed values and satisfying our external responsibilities; and
- providing a safe working environment for our staff and contractors, including advice from the OHS committee.

### Audit Qualification Committee (AQC)

The Audit Qualification Committee (AQC) is responsible for reviewing Audit Reports with proposed modified audit opinions.

During FY 2016, the membership of the AQC included:

Chairperson: Director of Audit in the absence of the Auditor-General until January 2017

Members: Directors of Audit

The Auditor-General issued a total of 64 audit opinions on financial statements during the FY 2016 of which 25 were modified.

During the FY 2017, there were 75 audit opinions issued out of which 29 were modified audit opinion.

The following is a summary of the number of audit opinions for the financial years 2016 & 2017 for various types of entities:

## Financial Year 2016

Entity	Total Issued	Modified	Percentage Modified
Ministry/Department	37	17	46
Statutory Authority	12	1	8
Government Commercial Company/Commercial Statutory Authority & Off Budget State Entity	11	4	36
Municipal Council	3	3	100
Project Audit	1	0	0
<b>TOTAL</b>	<b>64</b>	<b>25</b>	<b>39</b>

## Financial Year 2017

Entity	Total Issued	Modified	Percentage Modified
Ministry/Department	36	13	36
Statutory Authority	19	5	26
Government Commercial Company/Commercial Statutory Authority & Off Budget State Entity	12	5	42
Municipal Council	7	6	86
Project Audit	1	0	0
<b>TOTAL</b>	<b>75</b>	<b>29</b>	<b>39</b>

## EXTERNAL AND INTERNAL REVIEW

The Office engaged internal and external reviewers to improve our business processes. The key elements of external/internal review are:

## Internal Audit

During FY 2015/2016, the Good Governance and Internal Audit Division of Ministry of Economy carried out internal audit. The internal audit for FY 2017 would be facilitated by Ministry of Economy during FY2017/2018.

## External Audit

The Office engaged Ernst & Young (EY) to carry out audit of its financial statements for FY 2014 to 2016. The Chartered Accounting firm BDO has been appointed to audit the 2017-2019 financial reports.

The audit reports for FY 2016 and 2017 are in **Part 7 – Our Finance** of this report.

## Benchmarking - Twinning Project

The Twinning Project with the Tasmanian Audit Office (TAO) commenced in 2013. Subsequently an initial review was carried out for which OAG was rated at Level 1<sup>4</sup>. Australasian Council of Auditors-General's (ACAG) Governance and Audit Framework for self-assessment and external review was the main framework used in the initial assessment.

A report containing recommendations which would allow OAG to move to Level 3<sup>5</sup> by 2019 was submitted for consideration and action by management.

<sup>4</sup> Meaning that OAG recognizes and follows requirements in some instances, but it does not have formal policies and procedures in place.

<sup>5</sup> Meaning associated procedures and guidance for all aspects of its operations and functioning system to monitor their effectiveness and compliance

## CLIENT SURVEY

Clients' survey regarding the services offered by the Office of the Auditor General (OAG) under six categories that are rated on a five point scale [with 1 being "totally disagree" and 5 being "totally agree"]. The 6 categories are:

- A. Characteristics of the OAG
- B. Services of the OAG
- C. Staff of the OAG
- D. Most Recent Audit
- E. Audit Report
- F. Audit Recommendations

During the FY 2016 & 2017, responses was a challenge to be obtained from our clients who have been audited. The average overall ratings for each category are stated in the Table below:

Category	Description	Average Rating
A	Characteristics of OAG	4.41
B	Services of OAG	4.33
C	Staff of OAG	4.3
D	Most Recent Audit	4.28
E	Audit Report	4.37
F	Audit Recommendations	4.41

The outcomes from the client survey indicators for FY 2016 & 2017 are reported in **Appendix 2**.

## ORGANISATIONAL STRUCTURE

During the FY 2016, the position of Auditor General continued to be vacant until January 2017. The Deputy Auditor General was at the helm of heading the organisation prior to Auditor General taking Office.

The organisation structure for FY 2016 & 2017 is provided as **Appendix 3**.

## FUNDING OF OAG OPERATIONS

The Office is funded by an annual appropriation from government to undertake audits of public sector entities which are mandated financial audits, performance audits and special investigations.

The OAG was allocated a budget of \$2.56 and \$4.33 million for FY 2016 and 2017 respectively.

Outcomes of our financial performance against budget are comprehensively dealt with in the audited financial statements in the **Our Finances (Section 7)** of this report.

Operational costs include salaries, wages and other benefits, travel accommodation and communication, maintenance of office equipment, vehicle, books and publications, professional development electricity, international subscriptions, OHS, stationery and printing, training and directory expenses,. Moreover, funds were also provided for outsourcing of audit services, where required.

## OUR OUTPUTS

The output that must be delivered are specified in Audit Act 1969 and the Audit (Amendment) Act 2006. Subsidiary legislations of individual entities further provide for the mandate for the Auditor General to carry out other audits.

Annual audits are performed across the various state-owned entities which include Ministries, Departments and the Whole of Government Financial Statements and Annual Appropriation Statements, Statutory Authorities, Government Commercial Companies, Commercial Statutory Authorities, Provincial Councils, Municipal councils, Rural Local Authorities and for loan funded projects.

This output include our reporting function to the Parliament of the Republic of Fiji on all audits completed within the year. Details of audit reports completed and tabled to Parliament during the financial year 2016 and 2017 are discussed in **Report to Parliament Section (Section 5 of the report)**.

## LEGISLATIVE AND OTHER FRAMEWORK

### Legal Framework

The Office of the Auditor General (OAG) is established under section 151 of the Constitution of the Republic of Fiji whilst section 152 requires that at least once every year the Auditor General must inspect, audit and report to Parliament on the public accounts of the State, the control of public money and public property of the State; and on all transactions with or concerning public or public property of the State.

Moreover, the Audit Act 1969 further specifies the powers of the Auditor General to audit the whole of government financial statements and the reports of all entities of government. It also empowers the Auditor General to conduct performance audit of government entities to assure Parliament that the entities are achieving their objectives effectively and doing so economically and in compliance with all relevant legislation.

The Act also extends the scope of audits to include those that are specified under the Public Enterprise Act, comprising Government Commercial Companies (GCCs) and Commercial Statutory Authorities (CSAs); and agencies specified as Off-budget State Entities (OBSEs) in the Financial Management Act.

The Environment Management Act requires the Auditor General to conduct a sustainable development assurance audit on natural resources managed by ministries, departments, authorities or local authorities.

### Professional Framework

The audit practices of the Office of the Auditor General are aligned with the International Standards for Supreme Audit Institutions/International Standards on Auditing. These standards guide the OAG in the conduct of its professional work.

In February 2017, the AFROSAI E Financial Audit Manual used by OAG for its financial audits was officially launched by the President of the Republic of Fiji Major-General (Retired) Jioji Konrote in the presence of Chargé d' Affaires of the South African High Commission in Fiji His Excellency Velelo Kwepile.



The President of Fiji Major-General (Ret'd) Jioji Konrote sitting with Auditor General, Chargé d' Affaires of the South African High Commission in Fiji Velelo Kwepile, AFROSAI-E Representative flanked by OAG Staff.

## 5.0 REPORTS TO PARLIAMENT

- Reports to Parliament
- Management of Financial Audits
- Performance Audit



## 5.0 REPORTS TO PARLIAMENT

Section 152(13) of the Constitution of the Republic of Fiji provides that the Auditor General must submit a report to the Speaker of Parliament and a copy to the Minister responsible for Finance.

Section 152(14) of the Constitution of the Republic of Fiji states that within 30 days of receipt, or if Parliament is not sitting, on the first day after the end of that period, the Minister responsible for Finance must lay the report before Parliament.

These reports can be viewed and/or downloaded from: [www.oag.gov.fj](http://www.oag.gov.fj)

### Reports to Parliament on the Outcomes of Financial Audits

The audits for Whole of Government Financial Statements and Government Ministry/Departments for FY 2015 were tabled in March 2017 whilst audits carried out for FY 2016 were tabled during July 2017.

The Minister for Economy as required under Section 152(13) of the Constitution of the Republic of Fiji tabled the following reports:

#### March 2017

- Volume 1- Audit Report on Whole of Government Financial Statements and Annual Appropriation Statements 2015;
- Volume 2 – Audit Report on General Administration Sector 2015;
- Volume 3 – Audit Report on Social Services Sector 2015;
- Volume 4 – Audit Report on Economic & Infrastructure Sector 2015.

#### July 2017:

- Volume 1- Audit Report on Whole of Government Financial Statements and Annual Appropriation Statements 2016;
- Volume 2 – Audit Report on General Administration Sector 2016;
- Volume 3 – Audit Report on Social Services Sector 2016;
- Volume 4 – Audit Report on Economic & Infrastructure Sector 2016.

#### September 2017:

- Supplementary report to the Audit Report on the Whole of Government Financial Statements & Annual Appropriation Statement of the Republic of Fiji for the year ended 31 July 2016

These volumes are prepared by Financial Audit Groups which manage the audit of Government Ministry/Departments.

### Management of Financial Audits

Under Section 13(1) of the Audit Act [Cap 70], the Auditor General may authorize any person publicly carrying on the profession of accountant to audit the books of accounts of a body corporate or other body established by the law which he is legally empowered to audit.

The selected firm will carry out the audit work. However, the Auditor General retains responsibility for forming the audit opinion and issuing the audit report.

During the 2016 and 2017 financial year, the Office outsourced financial audits to the private sector. Details of the outsourced audits to external audit service providers are provided in **Appendix 1**.

The Office has adopted a new strategic direction to reduce its reliance on contract audit service providers by FY 2020.

## Performance Audits

Section 6A of the Audit Amendment Act 2006 allows the Auditor- General to carry out performance audit.

The objectives of a performance audit are to determine whether a state entity was achieving its objectives effectively, economically and efficiently and in compliance with relevant Act. .

During the FY 2016, the Performance Audits Group was de-established and staffs were assigned to carry out financial audits and other work. The Office decided to re-establish the Group in August 2017.

The Office are in the process to review the current Performance Audit Manual to be compliant with the requirements of standard, ISSAI 3000 Standard for Performance Auditing.

## 6.0 OUR PEOPLE

- Human Resources
- Professional Development
- Staff Training & Development
- Performance Management
- Staff Ethics
- Full time Studies
- Employee Profile
- Workplace Health, Safety and Welfare
- Internal Grievance Procedure
- Employee Participation
- Social Information
- Invitation or Speeches



**Directors & Deputy Auditor General with Team Corporate with Civil Service Ministry Trainers after the Open Merit Recruitment & Selection Guideline Training**

## 6.0 OUR PEOPLE

### HUMAN RESOURCES (HR)

Investment in our people is of significant importance with a strategic objective to nurture a conducive environment to motivate personnel towards professional and personal growth that will allow them to excel.

The strategic approach to the management of our people is achieved through:

- Facilitating continuous learning and development programs for all levels;
- Empower ownership of tasks and professional development initiatives
- Implementation of a performance measurement framework.

The Corporate Services Group was responsible for ensuring our strategic initiatives are implemented with the outcomes measured.

### PROFESSIONAL DEVELOPMENT

The Office is committed to providing high quality learning and development opportunities for all our employees.

#### Meetings & Congress

During the financial years 2016 and 2017, there were various local/overseas training and meetings that were attended by the staff.

Meetings were attended by members of the Management team which were organised by institutions such as International Organisation of Supreme Audit Institution (INTOSAI), Pacific Association of Supreme Audit Institution (PASAI) and Australasian Council of Auditor General (ACAG).

The table below provides details of the local and overseas trainings/meetings by financial years attended by staff and Management.

#### Financial Year 2016

##### Local Training/Workshops

DATES	VENUE	TOPICS	PARTICIPANTS
21/4-22/04/16	Sheraton Hotel	FIA Congress 2016	2 Audit Directors 1 Senior Auditor
22/07-23/07/16	Shangri – La Fijian Hotel	FIA Technical Workshop	1 Audit Manager 1 Senior Auditor 2 Auditor
5/12-09/12/16	Ro Lalabalavu House, Suva	PASAI Workshop on "Communicating and Promoting Value and Benefits of Supreme Audit Institutions (SAIs)	All Directors, Audit Managers & Senior Auditors

## Overseas Training/meetings

Name	Programme	Duration	Country	Funded by Whom
Sairusi Bulai	ITEC Training in India	05/03-27/03/2016	Delhi – India	India Technical and Economic Cooperation (ITEC)
Atunaisa Nadakuitavuki	Head of Financial Audit meeting	19/04-24/04/16	Melbourne, Australia	<a href="#">OAG</a>
Elina Lomaloma	TeamMate Workshop	02/05-06/05/2016	Auckland , New Zealand	<a href="#">OAG</a>
Krishneel Lal	IT Audits	16/05-27/05/16	National Audit Academy – Malaysia.	Malaysian Technical Cooperation Programme
Sairusi Dukuno	Pacific Association of Supreme Audit Institution (PASAI) meeting	14/06-18/06/16	Auckland New Zealand	<a href="#">OAG</a>
Atunaisa Nadakuitavuki	PASAI meeting	14/06-18/06/16	Auckland – New Zealand	<a href="#">OAG</a>
Apenisa Korodrau	Australasian Council of Auditor General (ACAG) information system meeting	15/06-18/06/2016	Sydney- Australia	<a href="#">OAG</a>
Tomasi Daunabuna	ACAG information system meeting	15/06-18/06/2016	Sydney – Australia	<a href="#">OAG</a>
Kuruwara Tunisalevu	Working Group on Public Debt (WGPD) meeting	04/07-07/07/16	Nanjing – China	<a href="#">OAG</a>
Mohammed Firoz	JICA training on Public Construction work	19/06-09/07/16	Japan	Japan International Cooperation Agency (JICA)
Angeleen Prasad	JICA training on Public Construction	19/06-09/07/16	Japan	Japan International Cooperation Agency (JICA)
Sairusi Dukuno	11th Technical Update & Update of FAM	1/11/16 - 8/11/2016	Pretoria, South Africa	<a href="#">OAG</a>
Apenisa Korodrau	Teammate User Conference	6/11/2016- 10/11/2016	Brisbane, Australia	<a href="#">OAG</a>
Tomasi Daunabuna	Queensland Audit Office Visit	6/11/2016- 10/11/2016	Brisbane, Australia	<a href="#">OAG</a>
Abele Saunivalu	PASAI PFTAC Regional Workshop on Strengthening Oversight Function of PFM	5/12/2016- 9/12/2016	Solomon Islands	<a href="#">OAG</a>
Ilaitia Varani	PASAI PFTAC Regional Workshop on Strengthening Oversight Function of PFM	5/12/2016- 9/12/2016	Solomon Islands	<a href="#">OAG</a>

## Financial Year 2017

### Attendance of Local & In-house Training and Meetings by Staff funded by the Office

DATES	VENUE	TOPICS	PARTICIPANTS
13/02/2017-17/02/2017	Novotel, Lami	AFROSAI-E Manual Training	Ajay Nand, Atunaisa Nadakuitavuki, Sairusi Dukuno, Finau Nagera, Kuruwara T, Dinesh P, Raveena Kumar, Abele Saunivalu, Ilaitia Varani, Mosese Kanisewe, Moshin Ali, Firoz Mohammed, Unaisi Namositava, Seremaia Delana, Niraj Kumar, Jayant Ram, Nunia M, Krishneel Lal, Manish Dewan, Samuela T, Lowata Y. Kelemedi Tuione, Meresimani Vosawale, Sulueti Cakau, Emosi Rokoleakai, Apenisa Korodrau, Mitieli Nawaqavou, Ashika Chand, Farisha Bi, Angeleen Prasad, Amalaini Tikoduadua, Alani Draunidalo
20/04/2017 - 21/04/2017	Novotel, Lami	National Asset Management Framework	Atish Singh
21/04/2017 - 22/04/2017	Fijian Hotel	FIA Congress 2017	Sairusi Dukuno, Finau Nagera, Dineshwar Prasad, Moshin Ali
05/05/2017 - 06/05/2017	Marriott Hotel, Nadi	IIA Congress 2017	Kuruwara Tunisalevu, Sairusi Dukuno, Ajay Nand
29/05/2017-31/05/2017	Tanoa International Hotel, Nadi	PASAI Regional Leadership Program	Ajay Nand
23/06/2017-24/06/2017	Warwick, Fiji	FIA Technical Workshop	Shadab Ali, Makereta Dyer, Krishneel Lal, Krithneel Singh, Sheetal Chand & Amit Pal
27/06/2017-28/06/2017	Holiday Inn, Suva	ADB - Forensic Auditing Workshop	Seremaia Delana, Emosi Q. Rokoleakai, Aminiasi Koroi, Krishneel Pal, Angeleen Prasad, Jane L. Motufaga, Anisa T. Nasome, Sairusi Bulai, Kelemedi Tuione, Sonam Prasad, Priya Priyashni Devi, Risiata Baba, Asish Chand, Saagrika Singh, Salaseini Naidrodro, Amit Singh, Anupriya Sharma, Sitiveni Naivota, Priyanka Prasad, Alani Draunidalo, Meresimani Vosawale, Manish Dewan, Vincent Daveta, Ama Gavid, Ashika p Chand
11/07/2017-12/07/2017	USP	Investigating Fraud in the Public Sector	Sulueti D. Cakau Rehnuma Khan, Ilaitia Varani
13/07/2017-14/07/2017	USP	Tax Treatment of CGT SRT & VAT	Krithneel Singh
26/07/17-28/07/2017	Ministry of Civil Service	OHS Training	Firoz, Moshin, Shavneet Kumar, Makereta Sailo, Seremaia Delana, Ilaitia Varani, Sairusi B, Asish Chand, Rehnuma Khan, Manish Dewan, Samuela Tupou, Nai Tuiteci, Shadab Ali, Savneet Lal, Lote Naicavu

## Online Trainings

DATES	TOPICS	PARTICIPANTS
10/05- 4/07/ 2017	Invitation for IDI/PASAI LMS Administration course - Enhancing eLearning Capacity program	Apenisa K
01/05 - 16/6/2017	PASAI/USP Online Course on IPSAS Cash Basis	Sulueti Cakau, Manish Dewan, Abele Saunivalu, Samuela Tupou

## Overseas Trainings and Meeting

DURATION	COUNTRY	PROGRAMME	PARTICIPANTS
23/02/2017-24/02/2017	Auckland, NZ	PASAI Governing Body Meeting	Ajay Nand
21/03/2017-23/03/2017	New Delhi, India	23rd Commonwealth Auditor Generals Conference	Ajay Nand
04/04/2017 - 07/04/2017	Auckland, NZ	PASAI Young Leaders Symposium	Samuela Tupou
19/04/2017-21/04/2017	Brisbane ,Australia	ACAG Business Meeting	Ajay Nand
22/05/2017 -24/05/2017	Seoul, South Korea	Working Group on IT Audit	Ajay Nand
30/05/2017 - 02/06/2017	Vienna, Austria	UN/INTOSAI SYMPOSIUM "Digitization, open data and data mining	Sairusi Dukuno
24/05/2017-25/05/2017	Australia	Head of financial audit & FRAC	Finau Nagera
16/06/2017-07/07/2017	Japan	Government Audit on Public Construction Works	Farisha Bi



OAG Staffs and PASAI Trainers during the "Communicating and Promoting Value and Benefits of Supreme Audit Institutions Workshop in December 5-9, 2016, Suva, Fiji with Permanent Secretary for Economy officially opening the Workshop

## STAFF TRAINING & DEVELOPMENT

Part-time Studies and Reimbursement of Tuition Fees Policy (PSRFTP) was approved in 2015 for staff to upgrade their professional qualifications and meeting minimum qualification requirements for positions held or for career aspirations.

The Office reimbursed 50% of tuition fees upon successful completion of each unit towards their program of studies.

This policy was withdrawn in February 2017 since staffs were rewarded (salary increments) upon achievement of the qualification which was partially funded by the Office, instead of performance.

A Performance Measurement Framework was introduced to ensure that high performing employees were recognised and rewarded in an open and transparent manner.

The following table summarises the costs incurred from 2015 to 2017 under the PSRTPF.

Reimbursement Cost Profiling	2015	2016 (7 Months)	2017
Reimbursements of part time studies by years	\$22,771	\$6,531	\$9,435
Number of Officers	23	12	18

In addition to the above, the following officers were approved to undertake full-time studies with full pay during FY 2016.

OFFICERS NAME	POST	PROGRAM	INSTITUTION
Nacanieli Lilidamu	Clerical Officer	Bachelor of Commerce	USP
Elina Lomaloma	Manager Audit	Masters of Auditing	Nanjing University, China
Esala Niubalavu	Manager Audit	Masters of Auditing	Nanjing University, China

These Officers have been bonded and are anticipated to complete their studies in FY 2018 and re-join the Office.

## PERFORMANCE MANAGEMENT

A Performance Management System was introduced in April 2017. Individual Work Plans (IWP) were also prepared for all staffs.

This IWP provides the following:

- Sets clear expectations of work required.
- Shows direct correlation between the individual's role and Office's strategic direction.
- Rewards and recognises accomplishments and achievements.
- Addresses issues of any weaknesses.
- Gives weight and relevance to individual development.

Additional focus was placed on individual learning and development on plans for all employees in FY 2018.

Accomplishments of tasks stated in respective Staff IWP would be rewarded in accordance with the Performance Management Framework.

The reward payment for accomplishment of task for FY 2017 from 1 April 2017 to 31 July 2017 would be paid by the Office in December 2017 from funding provided by government in the 2017/2018 Budget.

## STAFF ETHICS

All our employees must adhere to the values and principles of State Services as provided under section 123 of the Constitution of the Republic of Fiji. In FY 2016 and 2017, the Office continued to comply with the General Orders which are the terms and condition of employment for Fiji public service.

Formal procedures require disclosure of any real or apparent conflict of interest and in this regard employees are required to take no part in decisions or audits where real or apparent conflicts of interest may arise.

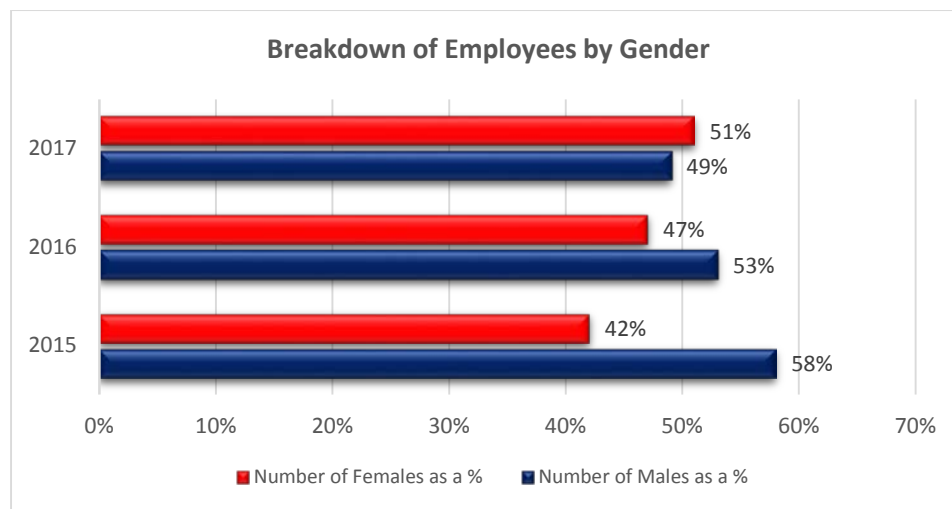
All employees must sign an annual declaration stating that they will conduct their work in accordance with codes, policies and values and must state real or apparent conflicts of interest.

Conflicts are also documented and assessed prior to the commencement of each audit. Our annual performance appraisal process also includes an assessment of performance against our values.

## EMPLOYEE PROFILE

Financial Year	2015	2016	2017
Size of the workforce	76	85	81
Number of employees who left during the year	7	3	10
Number of employees who were recruited during the year	8	11	8
Number of permanent staff	12	10	8
Number of contracted employees	64	75	73

A breakdown of our employees by gender is set out in the table below:



The gender profile continued to reflect an increasing trend of recruiting more females over the 3 years and by FY 2017, the number of females by percentage was 51% compared to 47% during FY 2016.

During FY 2016, 8 of the 11 officers recruited were females whilst during FY 2017, 5 from the 8 that were recruited were females.

## WORKPLACE HEALTH, SAFETY

OHS Representative are required to undergo training before becoming a OHS Committee member as a requirement of Health and Safety at Work (HASAW) Act which states that training of the health and safety representatives and committee members is a legal requirement.

First-aid training which is imperative for our first aid officers was held in August 2017.

Workplace health, safety and welfare is paramount and it is the Office's responsibility to continue to be active in managing workplace health and safety by identifying risks and addressing them promptly.

The Office's Health and Wellbeing program was not fully implemented during FY 2016 and 2017. However, from FY2017/2018 this has been included in the Key Performance Indicators for all staffs to improve work-life balance & team building.

Staffs are encouraged to participate in team building activities to improve team bonding as well as to engage in more physical activity.

Other initiatives like six-monthly in-house health screenings continue to be offered to all staff.

## INTERNAL GRIEVANCE PROCEDURE

During FY 2016 & 2017, the Office used the grievance procedure as outlined in the General Orders. These procedures encourage that grievances be addressed at the earliest possible opportunity to avoid escalation to a formal grievance process.

It is hoped that through consultation, co-operation, mediation and amicable resolutions can be achieved. The policies and procedures relating to grievance are currently being developed and will be formally adopted in FY 2018.

No internal grievance complaints were lodged during FY 2016 and 2017.

## EMPLOYEE PARTICIPATION

The recognition of involving employees in decisions that may affect them is of primary importance to us.

The Office promotes a culture based on mutual respect and trust, facilitating innovation, customer focus and continuous improvement.

There were various ways during FY 2016 & 2017 through which the Office engaged employee participation. This included staff meetings/discussions, meetings with respective Group Directors and the release of staff communiques which are decisions approved during Management committee that affects all staff.

The Office newsletter which promotes office news, policies, procedures, staff profile and general information is an important forum which would be re-introduced in FY 2018.

During July 2017, the Office engaged all employees to participate towards the revision of strategic plan which resulted in a new OAG Strategic Plan for FY 2018-2021. The plan was finalised in September 2017.

## SOCIAL INFORMATION

### Workforce and Community Committees and Bodies

The Office encourages our employees to actively participate in all aspects of their work and professional lives. The OAG Sports and Social Club Committee assists and facilitates the organizing of sporting and social activities.

The activities organised by the Committee give employees an opportunity to relax with colleagues and peers. During the FY 2016 & 2017, the following activities were organised:

- Celebrating religious events like Easter, Diwali, and Eid Celebrations;
- Medical check-up;
- Celebrating 100 years of Girit;
- Fiji Institute of Accountants (FIA) Games;
- Year End Christmas Party; and
- Traditional welcome of the Auditor General.



OAG Staff during Diwali Celebration



Social Club Activity - Rio Olympics Competition



Traditional Welcome of Auditor-General



Fiji Institute of Accountants Games Participation



Medical Check of Staff

## INVITATION TO FORUMS OR COMMITTEES

During FY 2016, there were no invitations to participate in forums or committees. However, the Office participated in the following events and committees relevant to the objectives of the Office during FY 2017.

Date	Event	Presenter
April 2017	Briefing for Standing Committee on Public Accounts	Mr Ajay Nand & Mr Sairusi Dukuno
5 May 2017	Institute of Internal Audit Congress-Guest Speaker	Mr Ajay Nand
10 May 2017	Presentation to the Standing Committee on Foreign Affairs & Defence	Mr Ajay Nand
20 June 2017	Presentation – Standing Committee on Natural Resources	Mr Sairusi Dukuno & Mr Kuruwara Tunisalevu
27 June 2017	Presentation – Standing Committee on Natural Resources	Mr Sairusi Dukuno & Mr Abele Saunivalu
27 June 2017	Forensic Auditing Workshop - Guest Speaker	Mr Ajay Nand
3 July 2017	Topic :Public Sector Accounting – USP Guest Speaker	Mr Ajay Nand

## 7.0 OUR FINANCE

- Financial Summary
- Financial Performance
- Audited Financial Statements – FY 2016
- Audited Financial Statements - FY 2017



## 7.0 OUR FINANCES

The Office is an Independent Office established under the Constitution and is funded through annual appropriation by Parliament.

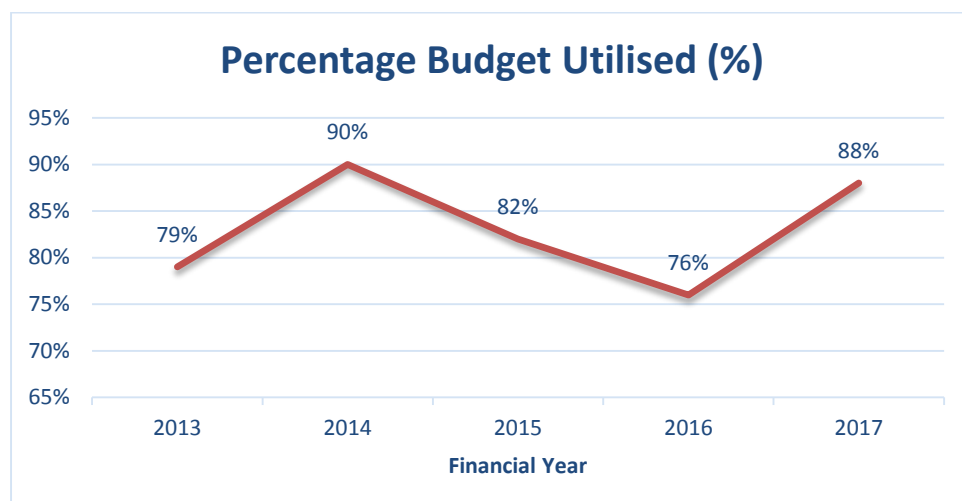
The current financial objective of the Office is to move towards operational efficiencies and aim at recovering costs.

### FINANCIAL SUMMARY

The OAG was allocated a budget of \$2.56 million for FY 2016 and a sum \$4.33 million for FY 2017.

Tabulated below are the budget appropriation and actual expenditures incurred by the Office for the past 5 years:

Financial Year	2013	2014	2015	2016	2017
Budget Appropriation (\$)	4,492,200	4,020,859	4,082,574	2,564,712	4,331,018
Total Expenditure (\$)	3,538,195	3,613,591	3,329,803	1,957,050	3,819,777
Percentage Budget Utilised (%)	79	90	82	76	88



### FINANCIAL PERFORMANCE

Key highlights of our financial performance and position for the FY 2017 included:

- The total revenue collected for the financial period ended 31 July 2017 was \$549,965;
- Arrears of Revenue for the period was only \$51,532. The reduction of arrears of revenue by 52% was due to introduction of proper debt recovery mechanisms and audited clients paying the audit fees charged on time.

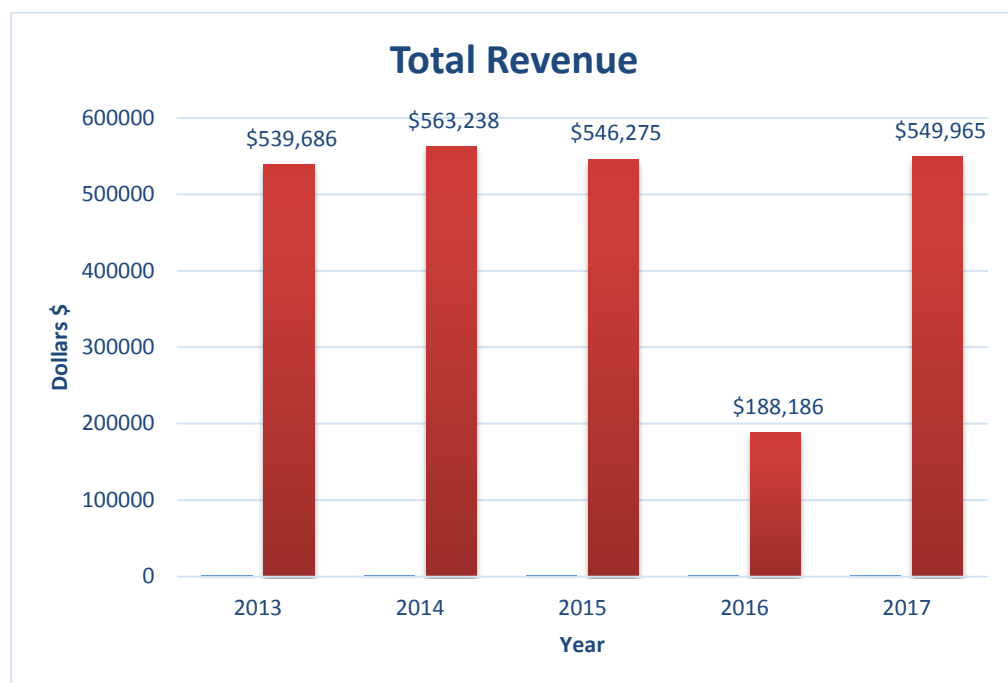
Key highlights of our financial performance and position for the FY 2016 included:

- The Statement of Financial operation presents information for the 7 months ended 31 July 2016 as a result of changes in the financial reporting period;
- The Office also collects revenue in respect of audit services provided during the year. These revenues are collected and deposited into Consolidated Fund Account of the government, controlled by Ministry of Economy. For the FY 2016, the total revenue collected was \$188,186 compared to arrears of revenue of \$107,746.

## AUDIT FEES REVENUE & TREND OVER 5 YEARS

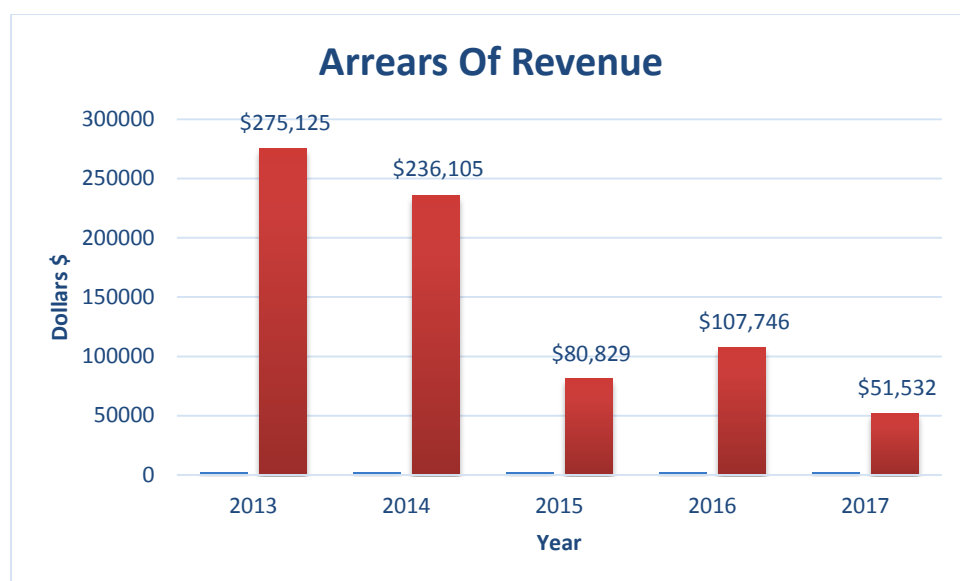
The total revenue collected for FY 2016 was \$188,186 compared to \$546,275 in year 2015, a decrease by \$358,089 or 65.55%.

The decrease during FY 2016 was attributed to change in financial year 2016 which was for a period of 7 months.



## ARREARS OF REVENUE – AUDIT FEES TREND OVER THE 5 YEARS

The arrears of revenue have been reflecting a decreasing trend which indicate the existence of effective debt recovery mechanism.



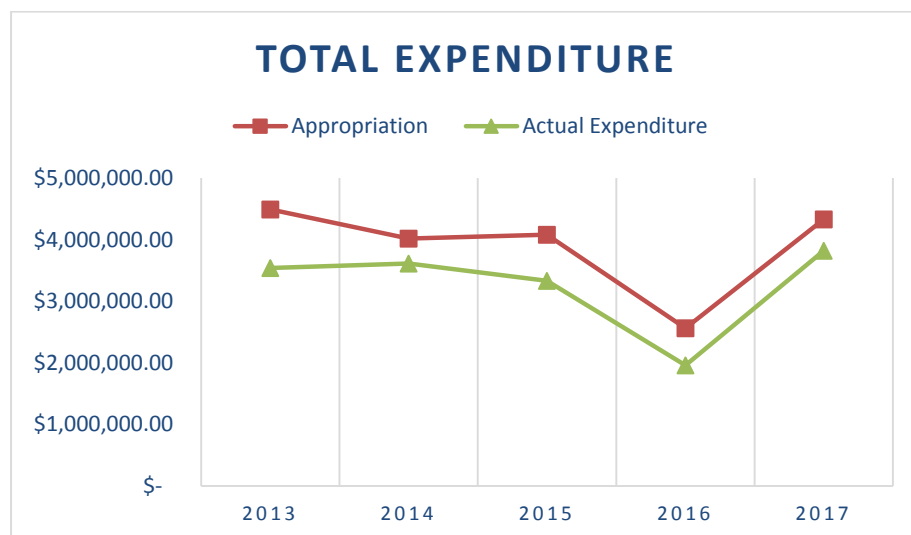
## EXPENDITURE vs. APPROPRIATIONS

Our budgets are also part of Fiji Government Budget Estimates for the FY 2016 and 2017 under Head 9.

Provided below are total expenditure against appropriation for the period 2013 to 2017.

### Total Expenditure against appropriation

Year	Appropriation	Actual Expenditure
2013	\$ 4,492,200.00	\$ 3,538,195
2014	\$ 4,020,859.00	\$ 3,613,591
2015	\$ 4,082,574.00	\$ 3,329,803
2016	\$ 2,564,712.00	\$ 1,957,050
2017	\$ 4,331,018.00	\$ 3,819,777



The Office has been able to stay within budget and utilise 76% of fund appropriated by Parliament during FY 2016 while 88% of funds appropriated were utilised in FY 2017.

## AUDITED FINANCIAL STATEMENTS FINANCIAL YEAR 2016

OFFICE OF THE AUDITOR GENERAL  
MANAGEMENT CERTIFICATE  
FOR THE 7 MONTHS ENDED 31 JULY 2016

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We certify that the accompanying Statement of Financial Operations:

- a) fairly reflect the financial performance and appropriation statements of the Office of the Auditor General for the 7 months ended 31 July 2016; and
- b) have been prepared in accordance with the requirements of the Financial Management Act 2004 and the Finance Instructions.

Dated this 18<sup>th</sup> day of October 2016.



Atunaisa Nadakuitavuki  
Deputy Auditor General



Atish Singh  
Accounts Officer



Pacific House  
Level 7  
1 Butt Street Suva Fiji  
PO Box 1359 Suva Fiji

Tel: +679 331 4166  
Fax: +679 330 0612  
ey.com

## INDEPENDENT AUDIT REPORT

*To the Minister for Finance*

We have audited the accompanying special purpose Statement of Financial Operations of the Office of the Auditor General, which comprise the statement of receipts and expenditure, statement of output costs, appropriation statement, statement of losses for the 7 months ended 31 July 2016, and a summary of significant accounting policies and other explanatory notes.

### *The Auditor General's Responsibility for the Special Purpose Statement of Financial Operations*

The Auditor General is responsible for the preparation and fair presentation of this special purpose Statement of Financial Operations in accordance with the accounting policies set out in Note 2 to this special purpose Statement of Financial Operations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of Statement of Financial Operations that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making estimates that are reasonable in the circumstances.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on this special purpose Statement of Financial Operations based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the special purpose Statement of Financial Operations are free from material misstatement.

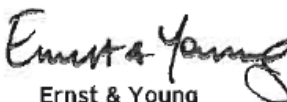
An audit involves performing procedures to obtain evidence about the amounts and disclosures in the Statement of Financial Operations. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement of Financial Operations, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the statements of financial operations in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Statement of Financial Operations.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Opinion*

In our opinion, the Statement of Financial Operations presents fairly, in all material respects, the financial operations of the Office of the Auditor General for the 7 months ended 31 July 2016 in accordance with accounting policies stated in Note 2.

Suva, Fiji  
18 October 2016

  
Ernst & Young  
Chartered Accountants

OFFICE OF THE AUDITOR GENERAL  
STATEMENT OF RECEIPTS AND EXPENDITURE  
FOR THE 7 MONTHS ENDED 31 JULY 2016

	Notes	7 Months Ended July 2016 \$	12 Months Ended December 2015 \$
<b>Revenue Allocation for Activities</b>			
Audit fees	3 (a)	186,998	544,480
Miscellaneous revenue		1,188	1,795
<b>Total Revenue</b>		<b>188,186</b>	<b>546,275</b>
<b>Expenditure for Activities</b>			
Salaries, wages and other benefits	3 (b)	1,687,400	2,827,363
Travel and accommodation	3 (c)	56,195	77,358
Maintenance	3 (d)	6,170	17,655
Contract audit fees	3 (e)	105,319	159,253
Other operation expenses	3 (f)	68,559	158,743
Purchase of computers	3 (g)	14,890	32,161
VAT		18,517	57,270
<b>Total Expenditure</b>		<b>1,957,050</b>	<b>3,329,803</b>

The accompanying notes form an integral part of this statement.

This statement of financial operations has been approved by me.



Atunaisa Nadakuitavuki  
Deputy Auditor General

OFFICE OF THE AUDITOR GENERAL  
STATEMENT OF OUTPUT COSTS  
FOR THE 7 MONTHS ENDED 31 JULY 2016

	7 Months Ended July 2016 \$	12 Months Ended December 2015 \$
<b>EXPENDITURE</b>		
<b>Operating Cost</b>		
Established staff	1,670,641	2,797,625
Unestablished staff	16,759	29,738
Travel, accommodation and communication	56,195	77,358
Maintenance and operation	41,188	75,979
Purchase of goods and services	149,471	287,302
Operating grants and transfers	4,279	4,531
Total Operating Cost	1,938,533	3,272,533
Capital Expenditure	-	-
Value Added Tax	18,517	57,270
<b>TOTAL EXPENDITURE</b>	<b>1,957,050</b>	<b>3,329,803</b>

OFFICE OF THE AUDITOR GENERAL  
APPROPRIATION STATEMENT  
FOR THE 7 MONTHS ENDED 31 JULY 2016

SEG	Item	Budget Estimate \$	Changes \$	Revised Estimate \$	Actual Expenditure \$	Carry Over \$	Lapsed Appropriation \$
1	Established staff	1,967,025	-	1,967,025	1,670,641	-	296,384
2	Unestablished staff	22,037	-	22,037	16,759	-	5,278
3	Travel and communications	96,375	-	96,375	56,195	-	40,180
4	Maintenance and operations	73,216	-	73,216	41,188	-	32,028
5	Purchase of goods and services	360,059	-	360,059	149,471	-	210,588
6	Operating grants and transfers	6,000	-	6,000	4,279	-	1,721
7	Special expenditures	-	-	-	-	-	-
	<b>Total Operating Costs</b>	<b>2,524,712</b>	<b>-</b>	<b>2,524,712</b>	<b>1,938,533</b>	<b>-</b>	<b>586,179</b>
	<b>Capital Expenditure</b>						
8	Construction	-	-	-	-	-	-
9	Purchases	-	-	-	-	-	-
10	Grants and transfers	-	-	-	-	-	-
	<b>Total Capital Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
13	Value Added Tax	40,000	-	40,000	18,517	-	21,483
	<b>TOTAL EXPENDITURE</b>	<b>2,564,712</b>	<b>-</b>	<b>2,564,712</b>	<b>1,957,050</b>	<b>-</b>	<b>607,662</b>

OFFICE OF THE AUDITOR GENERAL  
STATEMENT OF LOSSES  
FOR THE 7 MONTHS ENDED 31 JULY 2016

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Loss of Assets

There was no loss of assets recorded for the financial period ended 31 July 2016, except for normal wear and tear arising from use.

OFFICE OF THE AUDITOR GENERAL  
NOTES TO THE STATEMENT OF FINANCIAL OPERATIONS  
FOR THE 7 MONTHS ENDED 31 JULY 2016

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**1. REPORTING ENTITY**

The Office of the Auditor General ('Office') is the Independent office whose function is to inspect and audit, and report to the Parliament on:

- the public accounts of the State;
- the control of public money and public property of the State; and
- all transactions with or concerning the public money or public property of the state.

**2. STATEMENT OF ACCOUNTING POLICIES**

**a) Basis of Accounting**

In accordance with Government accounting policies, the special purpose Statement of Financial Operations of the Office is prepared on cash basis of accounting. All payments related to purchases of fixed assets have been expensed.

**b) Revenue Recognition**

Fees are charged for financial audits. Fees in respect of audit work performed during the year, which are invoiced, are recognized as revenue when funds are received by the Office. There were audits performed by the Office for which no fees were charged because of the constitutional function of the Office.

**c) Accounting for Value Added Tax (VAT)**

All income is inclusive of VAT while all expenses are VAT exclusive. VAT paid is presented separately on the Statement of Receipts and Expenditure. The Office on a monthly basis takes out VAT output on total money received (for expenditure) from the Ministry of Finance. VAT input on the other hand is claimed on payments made to the suppliers and sub-contractors for expenses incurred.

The VAT payment as per the Statement of Receipts and Expenditure includes VAT paid to suppliers and sub-contractors for expenses incurred and VAT payments to FRCA. Actual amount paid to FRCA during the period represents the difference between VAT Output and VAT Input (VAT payment made to the suppliers and sub-contractors for expenses incurred).

**d) Comparative figures**

Comparative figures have been amended where necessary for changes in presentation in the current period. The current statement of financial operations presents information for the 7 months ended 31 July 2016 while prior period comparatives are for 12 months. The difference in the comparatives is due to the alignment of the reporting period to the changes in the reporting period of the Fiji Government.

OFFICE OF THE AUDITOR GENERAL  
NOTES TO THE STATEMENT OF FINANCIAL OPERATIONS *continued*  
FOR THE 7 MONTHS ENDED 31 JULY 2016

3. SIGNIFICANT VARIATIONS

	7 Months Ended July 2016 \$	12 Months Ended December 2015 \$
a) Audit fees		
GCC, CSA, OBSE	74,892	285,030
Statutory Authorities	90,029	176,250
Municipal Councils	22,077	83,200
	<u>186,998</u>	<u>544,480</u>
b) Salaries, Wages and Other Benefits	\$	\$
Established Staff		
Salaries	1,517,933	2,541,209
FNPF	150,932	251,862
Relieving staff	1,776	4,554
<i>Total established staff</i>	<u>1,670,641</u>	<u>2,797,625</u>
Un-established Staff		
Wages	13,004	21,234
FNPF	1,311	2,615
Overtime	2,444	5,889
<i>Total unestablished staff</i>	<u>16,759</u>	<u>29,738</u>
	<u>1,687,400</u>	<u>2,827,363</u>
c) Travelling, Accommodation and Communication	\$	\$
Travel	21,309	25,693
Subsistence	27,203	40,426
Telephone and fax	7,683	11,239
	<u>56,195</u>	<u>77,358</u>

OFFICE OF THE AUDITOR GENERAL  
 NOTES TO THE STATEMENT OF FINANCIAL OPERATIONS *continued*  
 FOR THE 7 MONTHS ENDED 31 JULY 2016

3. SIGNIFICANT VARIATIONS *continued*

	7 Months Ended July 2016 \$	12 Months Ended December 2015 \$
d) Maintenance		
Maintenance of office equipment	2,752	5,677
Motor vehicle expenses	3,418	11,978
	<u>6,170</u>	<u>17,655</u>
e) Contract Audit Fees	\$	\$
These are fees paid to private audit firms who were contracted to carry out audits on behalf of the Office of the Auditor General for the following types of clients:		
City and Town Councils	-	-
Statutory Authorities	22,936	41,940
Government Commercial Companies, Commercial Statutory Authorities, Off Budget State Entities	67,187	107,742
Others	15,196	9,571
	<u>105,319</u>	<u>159,253</u>
f) Other Operations Expenses	\$	\$
Books, pamphlets and publication	919	4,846
Professional development	9,658	32,440
Electricity and power supply	11,618	17,122
Incidentals	5,401	11,275
International subscription	4,279	4,531
OHS	228	-
Stationery and printing	17,771	29,927
Training	17,667	57,600
Directory expenses	1,018	1,002
	<u>68,559</u>	<u>158,743</u>

OFFICE OF THE AUDITOR GENERAL  
NOTES TO THE STATEMENT OF FINANCIAL OPERATIONS *continued*  
FOR THE 7 MONTHS ENDED 31 JULY 2016

3. SIGNIFICANT VARIATIONS *continued*

	7 Months Ended July 2016 \$	12 Months Ended December 2015 \$
g) Purchase of Computers		
Computers	14,890	32,161

4. APPROPRIATION CHANGES

There was no virement of funds for the financial period ended 31 July 2016.

5. TRUST FUND ACCOUNT

At balance date, there were funds amounting to \$30,711 (2015: \$24,524) under the Trust Fund Account. These monies relate to VAT payable, FNPf contribution for July 2016 and other payroll deductions made during the period that were subsequently paid.

6. DRAWINGS ACCOUNT

At balance date, there were funds amounting to \$4,565 (2015: \$20,049) under Drawings Account. These monies relate to cheques written by the Office during the period that have yet to be presented to the bank at balance date.

7. TRADE AND OTHER RECEIVABLES

At balance date, the outstanding audit fees yet to be received amounted to \$107,746 (2015: \$191,384). During the year, debts amounting to \$110,555 (2015: \$nil) were written-off. These have not been reflected in the Statement of Financial Operations in accordance with the accounting policies adopted by the Office.

8. PROVISION FOR ANNUAL LEAVE

At balance date, there was annual leave owing to staff amounting to \$145,228 (2015: \$104,010). This has not been reflected in the Statement of Financial Operations in accordance with the accounting policies adopted by the Office.

9. PROVISION FOR LONG SERVICE LEAVE

At balance date, there was long service leave owing to staff amounting to \$22,028 (2015: \$21,467). This has not been reflected in the accounts in accordance with the accounting policies adopted by the Office.


**AUDITED FINANCIAL STATEMENTS  
FINANCIAL YEAR 2017****OFFICE OF THE AUDITOR GENERAL  
MANAGEMENT CERTIFICATE  
FOR THE YEAR ENDED 31 JULY 2017**

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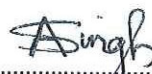
We certify that the accompanying Statement of Financial Operations:

- a) fairly reflect the financial performance and appropriation statements of the Office of the Auditor General for the year ended 31 July 2017; and
- b) have been prepared in accordance with the requirements of the Financial Management Act 2004 and the Finance Instructions.

Dated this 18<sup>th</sup> day of October 2017.



Ajay Nand  
Auditor General



Atish Singh  
Senior Accounts Officer

## INDEPENDENT AUDITOR'S REPORT

To the Minister for Economy

### Report on the Audit of the Special Purpose Statement of Financial Operations

#### Opinion

We have audited the special purpose statement of financial operations of the Office of the Auditor General (the Office), which comprise the statement of receipts and expenditure, statement of output costs, appropriation statement, statement of losses for the year ended 31 July 2017 and a summary of significant accounting policies and other explanatory information.

In our opinion, the special purpose statement of financial operation, which has been prepared on cash basis of accounting and comprising of statement of receipts and expenditure, statement of output costs, appropriation statement and statement of losses, presents fairly, in accordance with the accounting policies stated in Note 2, the financial operation of the Office for the year ended 31 July 2017.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Special Purpose Statement of Financial Operations* section of our report. We are independent of the Office in accordance with the ethical requirements that are relevant to our audit of the financial operations and we have fulfilled our other responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of the Auditor General for the Special Purpose Statement of Financial Operations

The Auditor General is responsible for the preparation and presentation of the special purpose statement of financial operations in accordance with the cash basis of accounting as described in Note 2 to the special purpose statement of financial operations and for such internal control as the Auditor General determine is necessary to enable the preparation of special purpose statement of financial operation that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility for the Audit of the Special Purpose Statement of Financial Operations

Our objectives are to obtain reasonable assurance about whether the special purpose statement of financial operations of the Office as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud and error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the special purpose statement of financial operations.

**INDEPENDENT AUDITOR'S REPORT [CONT'D]****To the Minister for Economy (Cont'd)****Report on the Audit of the Special Purpose Statement of Financial Operations [Cont'd]****Auditor's Responsibilities for the Audit of the Special Purpose Statement of Financial Operations (Cont'd)**

As part of an audit in accordance with ISA, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the special purpose statement of financial operations of the Office, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls of the Office.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Auditor General.

We communicate with the Office of the Auditor General regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

SUVA, FIJI  
18 OCTOBER 2017



**BDO**  
**CHARTERED ACCOUNTANTS**

**OFFICE OF THE AUDITOR GENERAL  
STATEMENT OF RECEIPTS AND EXPENDITURE  
FOR THE YEAR ENDED 31 JULY 2017**

	Notes	12 Months Ended July 2017 \$	7 Months Ended July 2016 \$
<b>Revenue Allocation for Activities</b>			
Audit fees	3 (a)	547,559	186,998
Miscellaneous revenue		2,406	1,188
<b>Total Revenue</b>		<b>549,965</b>	<b>188,186</b>
<b>Expenditure for Activities</b>			
Salaries, wages and other benefits	3 (b)	3,029,738	1,687,400
Travel and accommodation	3 (c)	136,766	56,195
Maintenance	3 (d)	26,402	6,170
Contract audit fees	3 (e)	267,875	105,319
Other operation expenses	3 (f)	262,052	68,559
Computers & IT Hardware	3 (g)	44,973	14,890
VAT		51,971	18,517
<b>Total Expenditure</b>		<b>3,819,777</b>	<b>1,957,050</b>

The accompanying notes form an integral part of this statement.

This statement of financial operations has been approved by me.

  
 .....  
 Ajay Nand  
 Auditor General

**OFFICE OF THE AUDITOR GENERAL  
STATEMENT OF OUTPUT COSTS  
FOR THE YEAR ENDED 31 JULY 2017**

	<b>12 Months Ended July 2017 \$</b>	<b>7 Months Ended July 2016 \$</b>
<b><u>EXPENDITURE</u></b>		
<b><u>Operating Cost</u></b>		
Established staff	2,998,592	1,670,641
Unestablished staff	31,146	16,759
Travel, accommodation and communication	136,766	56,195
Maintenance and operation	109,120	41,188
Purchase of goods and services	486,884	149,471
Operating grants and transfers	5,298	4,279
Total Operating Cost	<u>3,767,806</u>	<u>1,938,533</u>
Capital Expenditure	-	-
Value Added Tax	<u>51,971</u>	<u>18,517</u>
<b>TOTAL EXPENDITURE</b>	<b><u>3,819,777</u></b>	<b><u>1,957,050</u></b>

OFFICE OF THE AUDITOR GENERAL  
APPROPRIATION STATEMENT  
FOR THE YEAR ENDED 31 JULY 2017

SEG	Item	Budget Estimate	Changes	Revised Estimate	Actual Expenditure	Carry Over	Lapsed Appropriation
		\$	\$	\$	\$	\$	\$
1	Established staff	3,459,932	-	3,459,932	2,998,592	-	461,340
2	Unestablished staff	38,027	-	38,027	31,146	-	6,881
3	Travel and communications	136,500	5,000	141,500	136,766	-	4,734
4	Maintenance and operations	116,200	(4,000)	112,200	109,120	-	3,080
5	Purchase of goods and services	506,059	(1,000)	505,059	486,884	-	18,175
6	Operating grants and transfers	6,000	-	6,000	5,298	-	702
7	Special expenditures	-	-	-	-	-	-
	<b>Total Operating Costs</b>	<b>4,262,718</b>	<b>-</b>	<b>4,262,718</b>	<b>3,767,806</b>	<b>-</b>	<b>494,912</b>
	<b>Capital Expenditure</b>						
8	Construction	-	-	-	-	-	-
9	Purchases	-	-	-	-	-	-
10	Grants and transfers	-	-	-	-	-	-
	<b>Total Capital Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
13	Value Added Tax	68,300	-	68,300	51,971	-	16,329
	<b>TOTAL EXPENDITURE</b>	<b>4,331,018</b>	<b>-</b>	<b>4,331,018</b>	<b>3,819,777</b>	<b>-</b>	<b>511,241</b>

**OFFICE OF THE AUDITOR GENERAL  
STATEMENT OF LOSSES  
FOR THE YEAR ENDED 31 JULY 2017**

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**Loss of Assets**

There was no loss of assets recorded for the financial year ended 31 July 2017, except for normal wear and tear arising from use. The board of Survey was conducted for the financial year and report, submitted to Ministry of Economy for approval for disposal of items arising from normal wear and tear.

**1. REPORTING ENTITY**

The Office of the Auditor General ('Office') is an Independent office whose function is to inspect and audit, and report to the Parliament on:

- the public accounts of the State;
- the control of public money and public property of the State; and
- all transactions with or concerning the public money or public property of the state.

**2. STATEMENT OF ACCOUNTING POLICIES**

**a) Basis of Accounting**

In accordance with Government accounting policies, the special purpose Statement of Financial Operations of the Office is prepared on cash basis of accounting. All payments related to purchases of fixed assets have been expensed.

**b) Revenue Recognition**

Fees are charged for financial audits. Fees in respect of audit work performed during the year, which are invoiced, are recognized as revenue when funds are received by the Office. There were audits performed by the Office for which no fees were charged because of the constitutional function of the Office.

**c) Accounting for Value Added Tax (VAT)**

All income is inclusive of VAT while all expenses are VAT exclusive. VAT paid is presented separately on the Statement of Receipts and Expenditure. The Office on a monthly basis takes out VAT output on total money received (for expenditure) from the Ministry of Economy. VAT input on the other hand is claimed on payments made to the suppliers and sub-contractors for expenses incurred.

The VAT payment as per the Statement of Receipts and Expenditure includes VAT paid to suppliers and sub-contractors for expenses incurred and VAT payments to FRCS. Actual amount paid to FRCS during the period represents the difference between VAT Output and VAT Input (VAT payment made to the suppliers and sub-contractors for expenses incurred) and VAT portion of total revenue earned for the month.

**d) Comparative figures**

Comparative figures have been amended where necessary for changes in presentation in the current period. The current statement of financial operations presents information for the 12 months ended 31 July 2017 while prior period comparatives are for 7 months. The difference in the comparatives is due to the alignment of the reporting period to the changes in the reporting period of the Fiji Government.

OFFICE OF THE AUDITOR GENERAL  
 NOTES TO THE STATEMENT OF FINANCIAL OPERATIONS *continued*  
 FOR THE YEAR ENDED 31 JULY 2017

3. SIGNIFICANT VARIATIONS

	12 Months Ended July 2017 \$	7 Months Ended July 2016 \$
<b>a) Audit fees</b>		
Government Commercial Companies, Commercial Statutory Authorities, Off-Budget State Entities and Majority Owned Entities	254,237	74,892
Statutory Authorities	247,022	90,029
Municipal Councils	46,300	22,077
	<u>547,559</u>	<u>186,998</u>
<b>b) Salaries, Wages and Other Benefits</b>	\$	\$
<b>Established Staff</b>		
Salaries	2,728,817	1,517,933
FNPF	268,527	150,932
Relieving staff	1,248	1,776
<i>Total established staff</i>	<u>2,998,592</u>	<u>1,670,641</u>
<b>Un-established Staff</b>		
Wages	20,352	13,004
FNPF	2,803	1,311
Overtime	7,991	2,444
<i>Total unestablished staff</i>	<u>31,146</u>	<u>16,759</u>
	<u>3,029,738</u>	<u>1,687,400</u>
<b>c) Travelling, Accommodation and Communication</b>	\$	\$
Travel	56,576	21,309
Subsistence	58,770	27,203
Telephone and fax	21,420	7,683
	<u>136,766</u>	<u>56,195</u>

OFFICE OF THE AUDITOR GENERAL  
NOTES TO THE STATEMENT OF FINANCIAL OPERATIONS *continued*  
FOR THE YEAR ENDED 31 JULY 2017

3. SIGNIFICANT VARIATIONS *continued*

	12 Months Ended July 2017 \$	7 Months Ended July 2016 \$
<b>d) Maintenance</b>		
Maintenance of office equipment	16,642	2,752
Motor vehicle expenses	9,760	3,418
	<u>26,402</u>	<u>6,170</u>
<b>e) Contract Audit Fees</b>	\$	\$
These are fees paid to private audit firms who were contracted to carry out audits on behalf of the Office of the Auditor General for the following types of clients:		
City and Town Councils	24,466	-
Statutory Authorities	90,300	22,936
Government Commercial Companies, Commercial Statutory Authorities, Off Budget State Entities	147,859	67,187
Others	5,250	15,196
	<u>267,875</u>	<u>105,319</u>
<b>f) Other Operations Expenses</b>	\$	\$
Books, pamphlets and publication	14,823	919
Professional development	9,436	9,658
Electricity and power supply	18,325	11,618
Incidentals	12,940	5,401
International subscription	5,298	4,279
OHS	1,966	228
Stationery and printing	49,487	17,771
Training	104,691	17,667
Directory expenses	1,433	1,018
Office Equipment	9,253	-
Teammate License Fees	34,400	-
	<u>262,052</u>	<u>68,559</u>
<b>g) Computers and IT Services</b>	\$	\$
Computers and IT Services	<u>44,973</u>	<u>14,890</u>

**OFFICE OF THE AUDITOR GENERAL**  
**NOTES TO THE STATEMENT OF FINANCIAL OPERATIONS *continued***  
**FOR THE YEAR ENDED 31 JULY 2017**

**4. APPROPRIATION CHANGES**

There was virement of funds for the financial period ended 31 July 2017 as below.

VIREMENT NO.	OUT FROM SEG	INTO SEG	AMOUNT
01/2017	SEG 5	SEG 5	30,000
02/2017	SEG 5	SEG 5	10,000
03/2017	SEG 3	SEG 3	10,000
04/2017	SEG 5	SEG 5	10,000
05/2017	SEG 4	SEG 5	10,000
06/2017	SEG 5	SEG 5	5,000
07/2017	SEG 5	SEG 3	5,000
08/2017	SEG 5	SEG 4	6,000
09/2017	SEG 2	SEG 2	650
10/2017	SEG 5	SEG 5	28,000

**5. TRUST FUND ACCOUNT**

At balance date, there were funds amounting to \$36,187.84 (July 2016: \$30,711) under the Trust Fund Account. These monies relate to VAT payable, FNPf contribution for July 2017 and other payroll deductions made during the period that were subsequently paid.

**6. DRAWINGS ACCOUNT**

At balance date, there were funds amounting to \$8,703.04 (July 2016: \$4,565) under Drawings Account. These monies relate to cheques written by the Office during the period that have yet to be presented to the bank at balance date.

**7. TRADE AND OTHER RECEIVABLES**

At balance date, the outstanding audit fees yet to be received amounted to \$51,532 (July 2016: \$107,746). These have not been reflected in the Statement of Financial Operations in accordance with the accounting policies adopted by the Office.

**8. PROVISION FOR ANNUAL LEAVE**

At balance date, there was annual leave owing to staff amounting to \$155,149.81 (July 2016: \$145,228). This has not been reflected in the Statement of Financial Operations in accordance with the accounting policies adopted by the Office.

**9. LITIGATION CLAIM**

A defamation action against the Office has been taken by Aliz Pacific and Dr Nur Bano Ali in which the plaintiffs are seeking damages against the Office. The submissions has been filed by each party and the matter is pending in the High Court. The ultimate outcome cannot be presently determined; accordingly no provision has been made in the books of accounts.

## APPENDIX 1: EXTERNAL AUDIT SERVICE PROVIDERS – FY 2016 & 2017

Under Section 13(1) of the Audit Act 1969, the Auditor General may authorize any person publicly carrying on the profession of accountant to audit the books of accounts of anybody corporate or other body established by the law which he is legally empowered to audit.

The following firms were engaged to carry out external audit services during FY 2016 and 2017:

- BDO Deloitte
- Ernst & Young
- KPMG
- PricewaterhouseCoopers
- Aliz Pacific

The following table sets out the details of external audit providers and audits which were outsourced by financial years.

### FY 2017

	Entity	Contract Auditor Service Provider
1	Fiji Electricity Authority	BDO Deloitte
2	Fiji Broadcasting Corporation Limited	KPMG
3	Fiji Development Bank	KPMG
4	Nadi Town Council	Aliz Pacific
5	Fiji Roads Authority	Ernst & Young
6	Housing Authority of Fiji	Ernst & Young
7	Food Processors (Fiji) Limited	Ernst & Young
8	Airports Fiji Limited	KPMG
9	Suva City Council	KPMG
10	Yaqara Pastoral Company Limited	Ernst & Young

### FY 2016

	Entity	Contract Auditor Service Provider
1	Fiji Electricity Authority	BDO Deloitte
2	Fiji Broadcasting Corporation Limited	KPMG
3	Fiji Development Bank	KPMG
4	Fiji Roads Authority	Ernst & Young
5	Housing Authority of Fiji	Ernst & Young
6	Food Processors (Fiji) Limited	Ernst & Young
7	Airports Fiji Limited	KPMG
8	Yaqara Pastoral Company Limited	Ernst & Young

## APPENDIX 2: AUDIT CLIENTS SURVEY INDICATORS FOR FY 2016 &amp; 2017

A. The Characteristics of OAG	Average Rating
A.1. Is independent.	4.81
A.2. Is balanced and objective in its approach.	4.43
A.3. Is flexible, adaptable, and responsive to the needs of my organisation.	4.33
A.4. Identifies relevant problems and issues.	4.24
A.5. Suggests cost effective and relevant recommendations for the benefit of my organisation.	4.43
A.6. Meets the auditing needs of my organisation.	4.29
A.7. Adds value to my organisation.	4.38
Average	4.41

B. The OAG's Services :	Average Rating
B.1. Facilitate accountability.	4.62
B.2. Are timely (delivered promptly when needed).	4.24
B.3. Demonstrate a high level of expertise.	4.24
B.4. Are of high quality.	4.25
B.5. The amount of time auditors spend in my office is sufficient.	4.19
B.6. Are cost effective.	4.38
B.7. Provide value for money.	4.33
Average	4.33

C. The OAG Staff	Average Rating
C.1. Have sufficient understanding of the operations of my organization.	3.95
C.2. Appear to have the relevant auditing experience and skills.	4.19
C.3. Have good communication skills.	4.38
C.4. Are approachable and can be easily contacted.	4.57
C.5. Work openly with my organization and keep management informed of their work plans and progress.	4.38
C.6. Discuss their audit results with management on a timely basis.	4.33
Average	4.30

D. Most recent Audit	Average Rating
D.1. The number of audit staff employed was appropriate.	4.43
D.2. The time spent in my organization by the auditors was appropriate.	4.33
D.3. The total time taken from the moment the audit started to the finish time was reasonable.	4.24
D.4. The number of visits by senior management of OAG to my organization during the audit was appropriate.	3.71
D.5. The number of meetings held with senior staff of my organization was appropriate.	4.19
D.6. Staff conduct and behaviour was of high professional standards.	
D.7. Generally, the quality and quantity of audit done was of a high standard and met my expectations.	4.43
Average	4.28

## APPENDIX 2: AUDIT CLIENTS SURVEY INDICATORS FOR FY 2016 &amp; 2017 (Continued)

E. Most recent Audit report	Average Rating
E.1. Was useful.	4.62
E.2. Was of high quality.	4.38
E.3. Was objective.	4.33
E.4. Contained only material issues.	4.30
E.5. Fairly reflected my/our comments.	4.19
E.6. Was concise (not bulky) and easy to read and understand.	4.40
Average	4.37

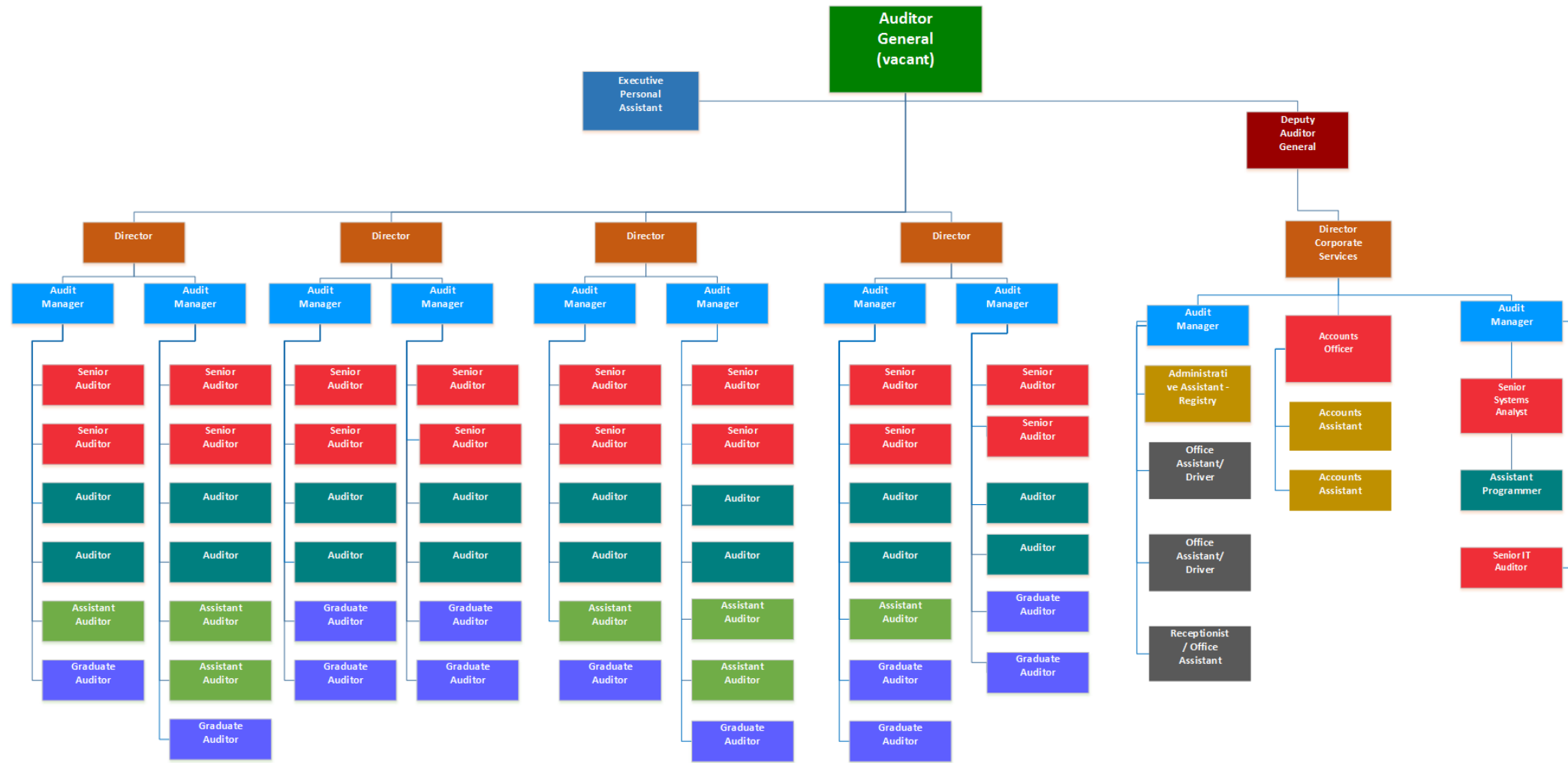
F. Audit Recommendations	Average Rating
F.1. Specific.	4.43
F.2. Relevant.	4.43
F.3. Practicable to implement.	4.48
F.4. Cost effective.	4.29
F.5. Timely.	4.43
F.1. Specific.	4.43
Average	4.41

Ratings for each category are as follows:

- 1.0 – 2.9 : Critical
- 3.0 – 3.5 : Acceptable
- 3.6 – 4.5 : Good
- 4.6 – 5.0 : Excellent

APPENDIX 3: ORGANISATIONAL STRUCTURE FOR FY 2016 & 2017

ORGANISATIONAL STRUCTURE 2016



# ORGANISATIONAL STRUCTURE 2017

