

MINISTRY OF FISHERIES AND FORESTS

RESPONSES TO PAC ON THE 2015 OAG AUDIT REPORTS

	Issues	Ministry Comments
Items	Audit Findings	
PART A: FINANCIAL STATEMENT		
32.1	Audit Opinion	<p>The Ministry has agreed to the findings that no audit evidence provided to support the balances in the:</p> <ul style="list-style-type: none"> • the reconciled variance between the FMIS general ledger cash balance and the TMA Bank reconciliation; • TMA Balance sheet and TMA Surplus Capital Retained; • The closing balance of the Trust Fund Account Statement that did not correspond to the FMIS general ledger. <p>Appropriate action has been taken to reconcile the TMA variances and Trust Account between the FMIS and the Ministry.</p>
32.2	Statement of Receipts and Expenditure	The Ministry is agreeing with the OAG report on this analysis which shows the true record of the receipts and expenditures.
32.3	Appropriation Statement	The Ministry concurs with the OAG findings on the Appropriation Statement.
32.4	Trading and Manufacturing Account	The Ministry agrees with OAG on the findings in the TMA analysis of the Manufacturing Account, Trading Account, Profit and Loss Statement and the Balance Sheet.
32.5	Trust Fund Account	The Ministry concurs with OAG findings
30.6	Statement of Losses	The Ministry agreeing to the OAG findings.
PART B :ANNUAL FINANCIAL STATEMENT AUDIT FINDINGS		
32.7	Anomalies in the Trade and Manufacturing Account	The Ministry acknowledges the findings of the OAG. Senior Accounts Officer has been posted to overlook all the TMA processes to address and rectified all the short falls in the TMA. Assets Management Unit at the Ministry of Economy has been assisting our Officers in training, reconciliation and stocktaking at

		our TMA in Nasinu.
32.8	Drawings Account Reconciliation	The Ministry concurs with the OAG findings as necessary adjustments could not be done in 2015 due to insufficient funds. Adjustments were made in 2016 with the assistance of FMIS team. Training on the new Drawings Reconciliation format was instigated by the FMIS team in 2017, as way forward to curb this issue.
32.9	TMA Stock Figures	The Ministry agrees with the OAG findings as PSFF has directed our SAO to oversee the TMA operation. AMU (TMA Unit) of the Ministry of Economy been assisting in the training and stock take and proper recording of stock and equipment.
32.10	Stale Cheques	The Ministry agrees to the OAG findings. Stale Cheques adjustments were made in 2016 with the assistance of the FMIS team. Training on the new Drawings Reconciliation format was instigated by the FMIS team in 2017, as way forward to curb this issue.
32.11	Anomalies in the Fisheries Main Trust Fund	The Ministry concurs with the OAG findings and seeking FMIS assistance in the adjustments of variance in the Main Trust Balance (SLG 89) and the Main Trust Cash Balance (SAG 52).
32.12	Anomalies in the Underline Accounts Reconciliation	The Ministry agrees with the OAG findings and has been complying to the monthly reconciliation of the underline accounts.
PART C: Regularity Audit Findings		
32.13	Medical and Police Reports for New Recruits Not Provided	The Ministry concurs with OAG findings. HR Officers has been following up on update on the medical form and police clearance form for the newly intake officers. Staff turnover and shortage of staff in the HR has caused the inability to follow up on these reports.
32.14	Competitive Quotes not obtained	The Ministry concurs with OAG findings. Heads of Divisions and clerks been notified on the use of competitive quotes for purchase of goods and services.
32.15	Misallocation of Expenditures	The Ministry agrees with the OAG findings. Virements has been prepared to address the misallocation. Clerks and Divisional Heads been notified to request HQ Accounts on the correct expenditure allocation to use in order to minimize this misallocation issue.

32.16	Use of Operational Funds (Fund 1) to cater for Trading & Manufacturing Account (Fund 4) activities	The Ministry acknowledges the OAG findings as we will not entertain such Inter-fund transaction in future.
32.17	Consultancy Payments Anomalies	Ministry concurs with the OAG findings and ensure in future to abide the terms and condition stated in the contract
32.18	LPO raised after Invoicing	Ministry agrees with the OAG findings and ensures prior issue of PO's for any purchase of goods and services.
32.19	Utilisation of Capital Expenditure Funds for Other Projects	Ministry acknowledges the OAG findings and warrant that this not recurring issue in future. Ministry to abide by Ministry of Fisheries and Forests Finance Manual.
32.20	Settlement of Previous Years Outstanding Accounts.	Ministry concurs with the OAG findings with great anxiety and we will put stringently measures to avoid such practices.