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25 April 2019

The Acting Chairman
Standing Committee – Public Accounts
Parliament House
SUVA

Dear Sir

Clarification of Questions by Members

Audit of Rural Postal Services Quarterly Returns 2013-2017

Enclosed are the responses to clarification of questions by members with respect to Audit of Rural Postal Services Quarterly Returns 2013-2017.

Given discussion and corrections to Part 8.7 – Variances in Payroll between Payroll Reports and General Ledger for Rural Postal Services, it is now resolved and no further issues are outstanding for it.

Yours sincerely

Kuruwara Tunisalevu
for **AUDITOR-GENERAL**

Encl.

Parliamentary Paper No 112 of 2018

Part 8.7 – Variances in Payroll between Payroll Reports and General Ledger for Rural Postal Services

The Office of the Auditor General would like to provide a response to Post Fiji Limited's submission to the Committee during the meeting on Friday 12th of April, 2019.

Firstly, Table 4 - Variances in Wages and Salaries reporting noted that under the Salaries portion of the table has repeated Pay 5/15 on the second and the fourth row of the table. This seems to be a typing error and we request if the fourth row which repeats the information from the second row be deleted as this is a repetition.

Secondly, in Post Fiji's response to the Committee for Part 8.7 under bullet points 2 and 3 noted that the sample selected and tested by the auditors were only for Suva Mail Center and not for the Rural Post Office and that the comparative done is not complete as the gross pay in payroll system incorporates all the different allowances and benefits paid to the officer. However, when it is integrated to the financial system, all allowances and benefits are segregated to respective ledgers. When the sampling was done, only a particular GL was selected and amounts randomly picked and compared to payroll data.

The Office of the Auditor General would like to clarify that the request was made during the audit for payroll data on the rural postal services. The information given to audit was based on this request from which samples were selected and tested for audit purposes.

As a matter of audit procedure the clients are given copies of our draft reports to provide their response to the audit matters being raised.

A copy of this report was formally sent to Post Fiji Limited on 25/06/2018 for which they were required to provide justifications on the matters raised in the report. No formal response was given to confirm that the information in the report does not relate to Rural Postal Services. Hence the matter was not resolved.

After deliberations and the responses from the Post Fiji Limited to the Standing Committee on Public Accounts, we are now aware that the content of the issues raised under "part 8.7 – Variances in Payroll between Payroll Reports and General Ledger for Rural Postal Services" does not relate to the scope of the audit for rural postal services from the information provided by Post Fiji Limited during the audit and therefore requests the committee to consider this issue resolved.