



**PARLIAMENT OF THE REPUBLIC OF  
FIJI**

**STANDING COMMITTEE  
ON  
JUSTICE, LAW AND HUMAN RIGHTS**

**Consolidated Review Report on the:**

**Office of the President Annual Report 2011;**

**Office of the President Annual Report 2012; and**

**Office of the President Annual Report 2013;**



**Parliamentary Paper No. 38 of 2019**

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April, 2019

Published and Printed by the Department of Legislature, Parliament House, SUVA.



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## CHAIR'S FOREWORD

According to the *Constitution of the Republic of Fiji*, the President of Fiji is the Head of State and is vested with the executive authority of the State. This therefore requires the best possible support to be provided, to ensure the fulfilment of the constitutional role entrusted to the President. Support service provided to the President come in various forms, but none surpasses that which is provided by the Office of the President.

The Office of the President is mandated to provide support to the President of the Republic of Fiji in carrying out such functions as stipulated by the *Constitution* and to ensure that the responsibilities of the President are carried out effectively and efficiently and that various key outputs are achieved, which are in-line with that of the Government.

The Office of the President is headed by the Official Secretary who is responsible for coordinating all forms of direct support for the President. As part of this role, an annual report of the financial year is prepared by the Official Secretary which follows the provisions of the *Financial Management Act 2004* and tabled in this August House.

The Standing Committee on Justice, Law and Human Rights of the last term of Parliament was referred the *Office of the President Annual Report 2011*, *Office of the President Annual Report 2012* and the *Office of the President Annual Report 2013*. The same reports had been re-introduced in this new Parliament and have been referred to the current Standing Committee on Justice, Law and Human Rights. Just as the previous Committee, the current Committee was mandated by Parliament to review these reports and report back to Parliament on its findings. The Committee's role in being mandated to review these mentioned reports, gives a clear indication of the democratic progress that our beloved Fiji has come to enjoy. This progress should be equally credited to both sides of this August House as portrayed by the work of the Standing Committees.

The Committee took note of and deliberated on the previous Committee's concise work and deliberation done on the mentioned reports. This Report will reiterate the work done by the previous Committee in highlighting issues from the Office of the President reports and the discussions held by the Committee with the Office of the President on these.

Consideration was also given to the requirements of the Standing Orders of Parliament pertaining to the impact on gender when deliberating on the Annual Reports, however appreciated the apparent hiatus in placing emphasis on such requirements when the Reports were drafted and tabled in Parliament.

The discussions held were beneficial as it gave the Committee an indication of the great work already being carried out by the Office of the President and the plans and efforts being put in place for the way forward for the Office in its commitment to providing the best possible support to the President of Fiji and in turn, also ensuring a prosperous nation.

At this juncture I would like to acknowledge the Members of the Standing Committee on Justice, Law and Human Rights of the last term of Parliament for their effort and input, which our Committee also relied on during the review process and in formulating this report. My Committee utilised the salient information noted from the previous Committee to assist it in the direction for its review.

I would also like to thank the Honourable Members of the current Standing Committee Justice, Law and Human Rights for their deliberations and input, the alternate members who made themselves available when the substantive members could not attend, the secretariat and the officials from the Office of the President who had assisted in the Committee work.

I, on behalf of the Standing Committee on Justice, Law and Human Rights, commend the *Office of the President Annual Report 2011*, *Office of the President Annual Report 2012* and the *Office of the President Annual Report 2013* to the Parliament and request all the members of this August House to take into consideration its content.



**Hon. Alvick Avhikrit Maharaj**  
**Chairperson**

## 1.0 INTRODUCTION

The Standing Committee on Justice, Law and Human Rights of the last term of Parliament was referred the *Office of the President Annual Report 2011*, *Office of the President Annual Report 2012* and the *Office of the President Annual Report 2013* (“Reports”) for review, on 18 April, 2018. The same reports had been re-introduced in this new Parliament and had been referred to the current Standing Committee on Justice, Law and Human Rights. Just as the previous Committee, the current Committee was mandated by Parliament to review these reports and report back to Parliament on its findings.

The Reports cover the roles, goals, outputs and achievements of the Office of President (“Office”) for the three years.

In reviewing the Reports, the previous Committee resolved to that it would be appropriate to have a consolidated report since the Annual Reports were for the same institution. It conducted its own deliberation and invited the Office of the President to clarify issues pertaining to the Reports.

This report will reiterate the review findings and recommendations by the previous Committee.

### *Office of the President*

According to the Mission Statement provided in the Reports, the Office of the President aims to continually achieve the goal of providing optimal support to the President of the Republic of Fiji, in fulfilling his obligations as the Executive Authority of the State.<sup>1</sup>

The *Office of the President Annual Report 2011*, *Office of the President Annual Report 2012* and the *Office of the President Annual Report 2013* covers information on the types and quality of work carried out by the Office of the President.

The Reports also covered the main highlights of the activities carried out by the Office of the President for the respective years, which include:

- A significant increase in the number of ceremonies and engagements attended to by His Excellency the President;
- The renewal of His Excellency the President Ratu Epeli Nailatikau’s term of office in 2012;
- The introduction and His Excellency the President’s assent to the new Constitution of the Republic of Fiji in 2013;
- Meeting the Commitments in the People’s Charter and the Roadmap to Democracy and Sustainable Socio-Economic Development 2009-2014;
- Promoting Diplomatic Relations at the Highest Level; and
- Significant achievements of the targets set out in the Annual Corporate Plan for the year 2013.

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<sup>1</sup> Mission Statement of the Office of the President.

## 2.0 COMMITTEE DELIBERATION AND FINDINGS

As part of its review the Committee read and deliberated on the Reports and identified a few issues. These issues were then brought to the attention of the Office of the President for clarification. The main issues and queries noted and its responses are summarised below. A copy of the documented issues sent to the Office and the response are attached as **Appendix A**.

### Issues specifically based on the Office of the President Annual Report 2011

*Issue:* Failure of the Office of the President to submit VAT returns to the then FRCA (now FRCS) from March 2011 to December 2011.

*Response:* Current management started in 2012 and conducted a situational analysis, which revealed that there was lack of capacity within the Office including the absence of a full time Accountant and the absence of an Accounts Section. However, the Office had taken steps in responding to these issues such as the creation of a new and fully-fledged Accounts Section in 2014 and which has resulted in Office being able to submit its VAT returns consistently. A summarised explanation of the Office's transformation is also attached as **Appendix B**.

*Issue:* Clarification sought on the Statement of Receipts and Expenditure specifically with regards to the 'Special Expenditure'.

*Response:* The records available in the Office for the queried item stated that the special expenditure was for the purchase of stationery and administrative costs for the Fiji College of Honour, which manages Fiji's Honours and Awards system and involves the purchase of medals, publicity and the organising of annual investiture ceremonies. And the Office noted that the College in 2011 had conducted preparatory works for the investiture ceremony, but due to unforeseen circumstances, the investiture did not eventuate.

*Issue:* Clarification sought on the status of the fixed assets; Taunovo House in Deuba and the Tavakubu House in Lautoka.

*Response:*

#### **Taunovo Bure**

The Presidential *Bure* in Taunovo was constructed in 1946 and was meant to be a retreat for the President/Head of State. A Caretaker for the *Bure* was assigned by the Office of the President. Over the years, due to the natural wear and tear, the Office of the President had submitted a request for Government to consider upgrading the *Bure*.

#### **Tavakubu Bure**

The Presidential *Bure* at Tavakubu in Lautoka was built in 1952 and like the *Bure* in Deuba, the property was used as a retreat for the President/Head of State. The *Bure* was demolished by fire in 2012, under the supervision of the Biosecurity Authority of Fiji (BAF), due to heavy termite infestation.

The only structure remaining on the property is that of the Caretaker's Quarters and a two-bedroom wooden structure that was used by the President's support staff whenever the President visited and stayed at the *Bure*. There is constant monitoring of the

remaining structure on the property but this has been infested by the termites, which means that it may be demolished by fire, again under the supervision of BAF.

The Office also continues to liaise with Government, through the Ministry of Economy, on the way forward for the property and there is currently a Caretaker who resides on the property.

*Issue:* Clarification sought on the specifics of the ‘Operating Trust’.

*Response:* The Operating Trust Accounts are current liability accounts which are used to deposit Staff member’s deductions such as FNPF, PAYE, Insurance premiums, etc. there were discrepancies noted in Operating Trust balance as noted in the 2011 Annual report which was a result of the failure of the Office to perform trust fund account reconciliation from previous years. However, this problem has been rectified after the Office established a fully-fledged Accounts Section and recruited a qualified and experienced Accountant in 2014. By 2016, the Office had cleared all the outstanding accounts.

*Issues specifically based on the Office of the President Annual Report 2012*

*Issue:* Clarification sought on the Independent Audit Report in the 2012 Annual Report specifically with regards to the qualification of the accounts due to the recording of expenditure contrary to the carry-over policy and the Financial Management Act.

*Response:* The Office admits that it lacked the capability to properly manage its accounts and also advised that this lack of capability will be seen over the years up until 2016 when the Office was able to address the outstanding accounts and ensure compliance with the Finance Management Act and other guide documents and policies.

*Issue:* Clarification sought on the Human Resource of the Office specifically with regards to the number of vacancies that existed in that year and why there was such a high number of vacant posts?

*Response:* There was change in Management in mid-2012 the situational analysis which conducted in that year, among other things, highlighted the significant number of vacant positions. Necessary steps were immediately taken to fill all the vacant positions. From 2014 onwards, the Office has been able to fill up to 100% of its entire staffing establishment.

*Issues specifically based on the Office of the President Annual Report 2011, Office of the President Annual Report 2012 and Office of the President Annual Report 2013*

*Issue:* Clarification sought on the purpose of the ‘revolving fund’.

*Response:* The Revolving Trust Fund Accounts (RFA) are credit accounts in nature and like all other Government Agencies, it credit funds like the Accountable Advances for staff accompanying the President on official visits, into the RFA, and reconciles the RFA by the end of each month.

Discrepancy noted in the balances in the RFA in the 2012 Annual Report arose because the Office did not have the capacity to conduct proper reconciliations. The Office noted



the lack of capability and made efforts in responding to this issue by establishing a fully-fledged accounts section in 2014.

*Issues:* Clarification was sought on the specifics of the ‘construction of new staff quarters’ that was mentioned in both the 2012 and 2013 Annual Report.

*Response:* The staff quarters ‘Maisonette Quarters’ underwent two phases; first being the site preparation and the second being the construction of Quarters. Funding for both phases of the project was provided for in 2012, however the project was under scoped and therefore needed additional funding, which was provided in 2014 and enabled the completion of the project.

*Issue:* Clarification was sought on why there was no Board of Survey conducted 2011 and 2012 as stated in the Annual Reports of the mentioned years.

*Response:* Lack of planning contributed to the Boards of Surveys not being conducted in years previous to 2012. However, from 2013 onwards, the Office has conducted annual Boards of Surveys. The BOS Reports are now used to assist with the preparation of the Office’s annual budget submissions.

*Issue:* Clarification was sought on the Independent Audit Report in both the 2012 and 2013 Annual Reports, specifically with regards to the advances that were not reconciled for those years and the measures that have been put in place to address such issues.

*Response:* The Office acknowledges the issues noted in the Annual Reports and has made efforts addressing these. The Office has had a zero-audit query on its Accounts in the 2016-2017 Financial Year, a reflection that its corrective measures are working. The Office has also put in place risk management strategies to ensure that all its accounts are managed in accordance with the Finance Management Act 2004, the Financial Instructions 2010 and the Office’s Finance Manual.

### **3.0 GENDER ANALYSIS**

The Committee took into account the provisions of SO 110(2) which states when a committee conducts an activity listed in clause (1), the Committee shall ensure that full consideration will be given to the principle of gender equality so as to ensure all matters are considered with regard to the impact and benefit on both men and women equally.

The Committee noted that there was a lack of disaggregated data based on gender, however, noted that the requirement to keep such data was not as emphasised as it is currently.

### **4.0 RECOMMENDATION**

After reviewing the *Office of the President Annual Report 2011*, *Office of the President Annual Report 2012* and the *Office of the President Annual Report 2013* and the previous Committee’s findings, the Committee reiterates the view of the previous Committee, whereby it was noted and acknowledged that there were numerous undertakings done, which has contributed to progress and improvements by the Office in response to the issues noted from 2011 – 2013. However the Committee recommends that future reports

of the Office adhere to current reporting practices, including highlighting the status of the Office with regards to the National Development Plan targets. It is also recommended that future reports be submitted in a timely manner to the relevant authority.


## **5.0 CONCLUSION**


The Standing Committee on Justice, Law and Human Rights has fulfilled its mandate approved by Parliament, which is to examine and review the *Office of the President Annual Report 2011*, *Office of the President Annual Report 2012* and the *Office of the President Annual Report 2013* with due diligence.

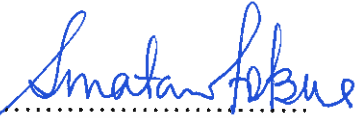
The Committee's review findings showed that there were certain issues with the accounting and other processes within the Office of the President, but this has been addressed through numerous undertakings by the Office as shown in the findings above. The Committee acknowledges the improvements done, but does recommend that future annual reports of the Office follow current reporting practices and that it be submitted in a timely manner to the relevant authority.


The Committee through this Report commends the *Office of the President Annual Report 2011*, *Office of the President Annual Report 2012* and the *Office of the President Annual Report 2013* to Parliament.

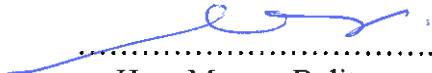
**SIGNATURES OF THE MEMBERS OF THE STANDING COMMITTEE ON JUSTICE, LAW AND HUMAN RIGHTS**


  
.....  
Hon. Alvick Maharaj  
(Chairperson)

  
.....  
Hon. Rohit Sharma  
(Deputy Chairperson)

  
.....  
Hon. Ratu Suliano Matanitobua  
(Member)

  
.....  
Hon. Dr. Salik Govind  
(Member)

  
.....  
Hon. Mosese Bilitavu  
(Member)

  
.....  
(Date)

## **APPENDICES**

- **APPENDIX A: ISSUES BY THE COMMITTEE AND RESPONSE BY THE OFFICE OF THE PRESIDENT**
- **APPENDIX B: SUMMARISED EXPLANATION OF THE IMPROVEMENT AND TRANSFORMATION OF OFFICE OF THE PRESIDENT**



## STANDING COMMITTEE ON JUSTICE, LAW AND HUMAN RIGHTS

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### Issues Raised by the Committee with regards to the Office of the President Annual Reports 2011, 2012 and 2013

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#### *Specific questions based on the Office of the President Annual Report 2011*

1. With regards to the Office's Annual Report (AR) of 2011, it was noted that your Office failed to submit VAT returns to FRCA (now FRCS) from March 2011 to December 2011; the Committee seeks clarification on this. (Please refer to page 24 of the AR/2011)
2. With respect to the Statement of the Receipts and Expenditure, clarification is sought on what 'Special Expenditure' entails? (please refer to page 27 of AR/2011)
3. With regards to the Taunovo House in Deuba and the Tavakubu House in Lautoka, the Committee requests if it can be provided a status of these fixed assets.
4. With regards to Note 4 (please refer to page 31 of the AR/2011), the Committee seeks clarification on the specifics of what the 'Operating Trust' relates to?

#### *Specific questions based on the Office of the President Annual Report 2012*

5. With regards to the excerpt of the Independent Audit Report in the 2012 Annual Report, the Committee seeks clarification on the specifics of the qualification of the accounts due to the recording of expenditure contrary to the carry-over policy and the Financial Management Act? (please refer to page 28 of the AR/2012)
6. Reference is made to Chapter 4 – Programme Component 6 – 6.2 Human Resources; the Committee seeks clarification on the number of vacancies that existed in that year – why was such a high number of vacant posts?

#### *Specific questions based on the Office of the President Annual Report 2011, Office of the President Annual Report 2012 and Office of the President Annual Report 2013*

7. What is the purpose of the 'revolving fund' or in other words, what is this used for?

8. With regards to the 'construction of new staff quarters' that was mentioned in both the 2012 and 2013 Annual Report, it was noted that the project rolled over from 2012, 2013 and it was noted that it continued into 2014. Clarification is sought on the specifics of this project?
9. With regards to the 2011 and 2012 Annual Report, clarification is sought on why there was no Board of Survey conducted?
10. With regards to the excerpt of the Independent Audit Report in both the 2012 and 2013 Annual Reports, which noted the advances that were not reconciled, the Committee seeks clarification on what has been done to these? Furthermore what are some of the measures that have been put in place to address such issues?

## APPENDIX A

### Issues Raised by the Standing Committee on Justice, Law and Human Rights on the Office of the President Annual Reports 2011, 2012 and 2013

| <u>Specific Questions and Response on the 2011 Office of the President Annual Report</u> |  |
|--|--|
| <u>#</u>   | <u>Question</u>  |
| 1.   | <p>With regards to the Office's Annual Report (AR) of 2011, it was noted that your Office failed to submit VAT returns to FRCA (now FRCS) from March 2011 to December 2011, the Committee seeks clarification on this. (p. 24 of AR/2011)</p>  |
|  | <u>Response</u>  |
|  | <p>The current Management started in June 2012. The new Management conducted a situational analysis of the Office's status of compliance to the Financial Management Act, among other legislations. The analysis revealed the lack of capacity within the Office including the absence of a full time Accountant and the absence of an Accounts Section. The financial responsibilities were handled by an officer who was also entrusted to handle other administrative functions. A summarised explanation of the Office's transformation is attached as <b>Appendix B</b> for the Standing Committee's information. With the creation in 2014 of a new and fully-fledged Accounts Section, the Office has been able to submit its VAT returns consistently. The Office is now up to date with this issue.</p>   |
| 2.   | <p>With respect to the Statement of the Receipts and Expenditure, clarification is sought on what 'Special Expenditure' entails? (p. 27 of AR/2011)</p>  |
|  | <p>The records available in the Office for this item state that the special expenditure was for the purchase of stationery and administrative costs for the Fiji College of Honour. The College manages Fiji's Honours and Awards system, which involves the purchase of medals, publicity and the organising of annual investiture ceremonies. The Office notes that the College in 2011 had conducted preparatory works for the investiture ceremony, but due to unforeseen circumstances, the investiture did not eventuate.</p>  |
| 3.   | <p>With regards to the Taunovo House in Deuba and the Tavakubu House in Lautoka, the committee requests if it can be provided a status of these fixed assets.</p>  |
|  | <p><u>Taunovo Bure</u></p> <ul style="list-style-type: none"> <li>• The Presidential <i>Bure</i> in Taunovo was constructed in 1946. It was meant to be a retreat for the President/Head of State. The Office of the President assigns a Caretaker to look after the property on a daily basis. Over the years, Government, through the then Department of Works, looked after the periodic maintenance of the <i>Bure</i>. Due to the natural wear and tear, the Office of the President has submitted a request for Government to consider upgrading the <i>Bure</i>.</li> </ul> <p><u>Tavakubu Bure</u></p> <ul style="list-style-type: none"> <li>• The Presidential <i>Bure</i> at Tavakubu in Lautoka was built in 1952. Like the <i>Bure</i> in Deuba, the property was used as a retreat for the President/Head of State.</li> <li>• The heavy termite infestation in Lautoka resulted in the <i>Bure</i> being demolished by fire in 2012. This was done under the supervision of the Biosecurity Authority of Fiji (BAF).</li> </ul> |

|   |   |
|---|---|
|   | <ul style="list-style-type: none"> <li>• The only structure remaining on the property is that of the Caretaker's Quarters and a two-bedroom wooden structure that was used by the President's support staff whenever the President visited and stayed at the <i>Bure</i>.</li> <li>• The Office continues to liaise with BAF on the level of termite infestation. BAF has now advised that the remaining wooden structure is being infested by the termites. This could mean demolishing by fire, again under the supervision of BAF.</li> <li>• The Office also continues to liaise with Government, through the Ministry of Economy, on the way forward for the property.</li> <li>• The Office currently has a Caretaker who resides on the property.</li> </ul>   |
| <p>4. With regards to Note 4 (p. 31), the Committee seeks clarification on the specifics of what the 'Operating Trust' is related to? (p.31 of AR/2011)</p> | <p>The Operating Trust Accounts are current liability accounts which are used to deposit Staff member's deductions such as FNPF, PAYE, Insurance premiums, etc. The Office of the President, like all other Government Agencies, credits deductions into the various Trust Fund Accounts and then effect payments (debit) by the end of each month.</p> <p>The Operating Trust balance noted in the 2011 Annual report was a result of the failure of the Office to perform trust fund account reconciliation from previous years. This was a result of the inability to carry out reconciliations as officers handling the accounts at that time did not have the capability. However, this problem has been rectified after the Office established a fully-fledged Accounts Section and recruited a qualified and experienced Accountant in 2014. By 2016, the Office had cleared all the outstanding accounts.</p> |

| <u>Specific Questions and Response on the 2012 Office of the President Annual Report</u> |   |
|--|---|
| #  | <u>Question</u>   |
| 5.   | <p>With regards to the excerpt of the Independent audit Report in the 2012 Annual Report, the Committee seeks clarification on the specifics of the qualification of the accounts due to the recording of expenditure contrary to the carry-over policy and the Financial Management Act?(p. 28 of AR/2012)</p> |
| 6.   | <p>Reference is made to Chapter 4 – Programme Component 6 – 6.2 Human Resources; the Committee seeks clarification on the number of vacancies that existed in that year – why was such a</p>  |



|                         |  |
|-------------------------|--|
| number of vacant posts? | 100% of its entire staffing establishment. |
|-------------------------|--|

| Specific Questions and Response on the 2013 Office of the President Annual Report |  |                                      |                   |  |              |             |   |              |                                      |              |  |   |              |                     |              |  |
|---|--|--------------------------------------|-------------------|--|--------------|-------------|---|--------------|--------------------------------------|--------------|--|---|--------------|---------------------|--------------|--|
| #   | Response   |                                      |                   |  |              |             |   |              |                                      |              |  |   |              |                     |              |  |
| 7.  | <p>What is the purpose of the 'revolving fund' or in other words, what is this used for?</p> <p>The Revolving Trust Fund Accounts (RFA) are credit accounts in nature. The Office of the President, like all other Government Agencies, credit funds like the Accountable Advances for staff accompanying the President on official visits, into the RFA, and reconciles the RFA by the end of each month.</p> <p>The balances in the RFA noted in the 2012 Annual Report arose because the Office did not have the capacity to conduct proper reconciliations. The Office noted the lack of capability and made the effort to establish a fully-fledged accounts section in 2014. It also recruited a qualified and experienced Accountant who saw to the clearance of all the outstanding accounts by 2016.</p>  |                                      |                   |  |              |             |   |              |                                      |              |  |   |              |                     |              |  |
| 8.  | <p>With regards to the 'construction of the new staff quarters' that was mentioned in both the 2012 and the 2013 Annual Report, it was noted that the project rolled over from 2012, 2013 and it was noted that it continued up to 2014. Clarification is sought on the specific of this project.</p> <table border="1"> <thead> <tr> <th>#</th> <th>Project Reference</th> <th>Activity</th> <th>Project Cost</th> <th>Particulars</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>WSC 158/2012</td> <td>Maisonette Quarters Site Preparation</td> <td>\$195,898.20</td> <td>This funding was specifically for the preparation of the site for construction of the Masonette Quarters</td> </tr> <tr> <td>2</td> <td>WSC 158/2012</td> <td>Maisonette Quarters</td> <td>\$300,000.00</td> <td> <ul style="list-style-type: none"> <li>Funds for the construction of the quarters was provided in 2012.</li> <li>The Office had to tender the project on two occasions due to the need to secure competitive tenders. This pushed the project to 2013.</li> <li>In 2013, it was noted that the project was under scoped and needed additional funding.</li> <li>The Office was only able to secure additional funding in 2014.</li> <li>The project was completed in 2014 at the total cost of \$515,283.</li> </ul> </td> </tr> </tbody> </table> | #                                    | Project Reference | Activity   | Project Cost | Particulars | 1 | WSC 158/2012 | Maisonette Quarters Site Preparation | \$195,898.20 | This funding was specifically for the preparation of the site for construction of the Masonette Quarters | 2 | WSC 158/2012 | Maisonette Quarters | \$300,000.00 | <ul style="list-style-type: none"> <li>Funds for the construction of the quarters was provided in 2012.</li> <li>The Office had to tender the project on two occasions due to the need to secure competitive tenders. This pushed the project to 2013.</li> <li>In 2013, it was noted that the project was under scoped and needed additional funding.</li> <li>The Office was only able to secure additional funding in 2014.</li> <li>The project was completed in 2014 at the total cost of \$515,283.</li> </ul> |
| #   | Project Reference  | Activity                             | Project Cost      | Particulars  |              |             |   |              |                                      |              |  |   |              |                     |              |  |
| 1   | WSC 158/2012   | Maisonette Quarters Site Preparation | \$195,898.20      | This funding was specifically for the preparation of the site for construction of the Masonette Quarters   |              |             |   |              |                                      |              |  |   |              |                     |              |  |
| 2   | WSC 158/2012   | Maisonette Quarters                  | \$300,000.00      | <ul style="list-style-type: none"> <li>Funds for the construction of the quarters was provided in 2012.</li> <li>The Office had to tender the project on two occasions due to the need to secure competitive tenders. This pushed the project to 2013.</li> <li>In 2013, it was noted that the project was under scoped and needed additional funding.</li> <li>The Office was only able to secure additional funding in 2014.</li> <li>The project was completed in 2014 at the total cost of \$515,283.</li> </ul> |              |             |   |              |                                      |              |  |   |              |                     |              |  |
| 9.  | <p>With regards to the 2011 and 2012 Annual Report, clarification is sought on why there was no Board of survey</p> <p>The Office acknowledges that the reason the Boards of Surveys were not conducted in previous years was due largely to a lack of planning. However, from 2013 onwards, the Office has conducted annual Boards of Surveys. It conducted two surveys in 2013 – one for 2012 and the</p>  |                                      |                   |  |              |             |   |              |                                      |              |  |   |              |                     |              |  |

|    |   |  |   |
|----|---|--|---|
| 10 | <p>conducted?</p> <p>With regards to the excerpt of the Independent audit Report in both the 2012 and 2013 Annual Reports, which noted the advances that were not reconciled, the Committee seeks clarification on what has been done to these? Furthermore what are some of the measures that have been put in place to address such issues?</p> | <p>second for 2013. It has also conducted a survey for 2014 and the subsequent years. The BOS Reports are now used to assist with the preparation of the Office's annual budget submissions.</p> | <p>With the establishment of a fully-fledged Accounts Section in 2014, and the recruitment of qualified and experienced accounting officers, the Office has been able to address all the outstanding accounts. The Office has had a zero-audit query on its Accounts in the 2016-2017 Financial Year, a reflection that its corrective measures are working. The Office has also put in place risk management strategies to ensure that all its accounts are managed in accordance with the Finance Management Act 2004, the Financial Instructions 2010 and the Office's Finance Manual.</p> |
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**APPENDIX B**

**INSTITUTIONAL STRENGTHENING, HUMAN RESOURCES DEVELOPMENT AND IMPROVEMENTS TO THE FINANCIAL MANAGEMENT CAPABILITIES IN THE OFFICE OF THE PRESIDENT**

**2012-2018**

| Pre-June 2012  | June 2012   | 2013  | 2014  | 2015   |
|--|---|---|---|--|
| <ul style="list-style-type: none"> <li>The Office of the President had no dedicated Accounts Officer position. The accounting duties were handled by the Senior Assistant Secretary who also looked after other administrative tasks including human resources management, and transport, and registry – (Refer to 2011 Organisational structure)</li> <li>The Office was not a self-accounting entity. Part of the accounting functions were handled through the Office of the Prime Minister. Because of the shared nature of responsibilities, the Office of the</li> </ul> | <ul style="list-style-type: none"> <li>New Management in place. Situational analysis conducted.</li> <li>Implemented the 1<sup>st</sup> phase of the organisational reform, which included the clear demarcation of roles and responsibilities. The accounting responsibilities were entrusted to the Executive Officer who was a former Accounts Clerk. The Officer worked full-time on the accounting responsibilities. An additional Clerical Officer was re-assigned to assist the Executive Officer.</li> <li>For a sustainable and long-term solution, the Office needed to create a dedicated</li> </ul> | <ul style="list-style-type: none"> <li>With the approval of the then Permanent Secretary in the Office of the Prime Minister, the Office of the President established its own Staff Board to address its staffing issues.</li> <li>The Office noted that the temporary arrangement from June 2012 was not producing the expected results. Whilst the Office was able to cater for the daily operational needs - noting that His Excellency the President had an increasing number of engagements - the handling of back-office operations like reconciliation and other accounting</li> </ul> | <ul style="list-style-type: none"> <li>The devolution of responsibilities from the PSC to the Permanent Secretaries as per the 2013 Constitution enabled the Office to complete the 2<sup>nd</sup> phase of the organisational reform. With the approval of the then Permanent Secretary in the Office of the Prime Minister, the Office of the President traded-off several vacant positions to create three accounting posts, including an Accounts Officer at AC03 Grade and two Accounts Clerks at AC05 Grade. The organisational reform was completed with no additional costs to</li> </ul> | <ul style="list-style-type: none"> <li>Increased capacity-building programme: all staff required to attend four or more competency-based training per year, whilst upgrading their formal qualifications from tertiary institutions.</li> <li>Accounting staff undertook more training programmes with the Ministry of Finance</li> <li>The Office became a self-accounting entity - it is now able to handle all accounting functions. This is resulting in significantly improved services to clients (faster payment of services rendered to His Excellency the President), and greater accountability</li> </ul> |

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| <p>President did not have a fully-fledged Accounts Section</p> <ul style="list-style-type: none"> <li>There was no dedicated space for accounting records. The accounting records were merged with the Administration, Transport, and Registry records.</li> <li>Lack of capacity building - there were no documented training programme for staff across the entire Office.</li> <li>The Office did not have any Training</li> <li>Vote for staff development</li> <li>No Staff Board in the Office of the President - all staffing decisions were referred to the Office of the Prime Minister.</li> <li>The retirement of Senior Assistant Secretary in December 2011 affected the Office's accounting</li> </ul> | <p>Accounts Officer position and a fully-fledged Accounts Section in accordance with the Finance Management Act and Financial Instructions. The Office requested the Public Service Commission for an Accounts Officer position at AC03 Grade (annual salary of \$26,000) to attract a graduate and experienced accountant.</p> <ul style="list-style-type: none"> <li>In the meantime, the Office secured support from Ministry of Finance for training on accounts management and reconciliation – a month-long training programme was held for the Executive Officer and Clerk.</li> <li>PSC approved the creation of an Accounts position BUT at a lower level (AC04-Grade – annual salary of \$19,000).</li> </ul> | <p>functions were evidently a major challenge.</p> <ul style="list-style-type: none"> <li>The Staff Board strengthened its efforts to trade-off existing positions to create a dedicated Accounts Officer position and a fully-fledged Accounts Section.</li> </ul> | <p>Government.</p> <ul style="list-style-type: none"> <li>Recruited a formally qualified and experienced Accountant (an Accounting/Economic graduate with 10 years' experience) at AC-03 level carrying a salary of \$26,000 per annum.</li> <li>Recruited two Accounts Clerks at \$12,000 each per annum.</li> <li>Completed the physical restructure of the Office, which included a dedicated and secure space for the Accounts Section.</li> <li>Secured a Training Budget for the staff</li> <li>Implemented a systematic Training/capacity-building programme, which required all staff to attend not less than two competency-based training programmes per year.</li> <li>The establishment of</li> </ul> | <p>– including better management of records and improved reconciliation of accounts, etc.</p> |
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| operations.   | The Office was advised to trade-off positions to create the Accountant position. |     | the Staff Board led to the substantive filling of 36 out of 37 functional positions, which allowed the Office to operate consistently at 97% capacity. |     |
| His Excellency the President's number of engagements per year | 180  | 306 | 360  | 228 |
| Number of Speeches/Statements delivered by His Excellency     | 67   | 152 | 70   | 57  |

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|  | 2016 (Jan-July)   | August 2016 – July 2017<br>Commencement of<br>Government's new Financial<br>Year   | 2017-2018   |
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|  | <ul style="list-style-type: none"> <li>With the support of the Ministry of Economy, the Office has cleared all outstanding accounts in the Revolving Fund Account (RFA) – please refer to the GL671 included in the attached Response to the PAC.</li> <li>Proper accounting procedures in place, including strict compliance with the Finance Management Act 2004, Financial Instructions 2010 and the Office's Finance Manual 2013. Record keeping and management of documents continue to be improved in earnest.</li> <li>Ongoing capacity building for all staff - Accounts Officers in particular continue to be encouraged to obtain higher level formal qualifications and to become members of professional institutions like</li> </ul> | <ul style="list-style-type: none"> <li>The Audit Report for 2016-2017 noted only two administrative issues, but no issues with the Office's financial management or in other words a zero-audit query. This is a clear sign that the Office has improved its financial management capabilities, and that it is fully complying with the Financial regulations.</li> <li>Despite the significant increase in the President's engagements, the Office is able to ensure that it has highly competent and knowledgeable staff to look after its back-office operations and, importantly, to comply with all the financial regulations.</li> <li>Staff capacity building continues to be strengthened through local</li> </ul> | <ul style="list-style-type: none"> <li>Following the Open Merit Recruitment and Selection Process, a replacement Manager Finance was recruited in August of 2017. Mr. Krishneel Kumar has a Masters in Commerce majoring in Accounting and comes with vast experience in a statutory body - the Fiji Commerce Commission where he was Manager Corporate Services covering both finance and administration.</li> <li>The Office has also recruited two new Accounts Clerks – one with a Diploma in Accounting with over 10 years of experience in the private sector (recruited in December 2017) and the second clerk with a Degree in Accounting with 3 years of experience in the public</li> </ul> |

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|  | <p>the Fiji Institute of Accountants.</p> <ul style="list-style-type: none"> <li>The renewed focus on human resources development has led to a number of significant achievements: By December 2012, the Office had less than 10% of staff with either formal or competency-based qualifications. By December 2016, the number of staff with formal or competency-based qualifications increased to over 81%. Many staff completed certificate, diploma, undergraduate and postgraduate qualifications in the past four years. The Office was also able to consistently fill up to 97% of positions at any one time. The cumulative effect of all these developments is that the Office is able to facilitate His Excellency the President's Constitutional and ceremonial obligations, and his community engagements, whilst improving the overall management of the office</li> </ul> | <p>and overseas courses. This also included all the Accounts Staff attending refresher training with the Ministry of Economy on FMIS on a monthly basis to be abreast with changes and improvements implemented in Government</p> <ul style="list-style-type: none"> <li>The Manager Finance Mr. Paula Naitoko resigned in July 2017. Mr. Naitoko set-up the Office's accounts section from 2014. He helped clear all the outstanding accounts and ensured that the Office followed the financial regulations. He helped establish a self-accounting entity to improve both the operational aspects of the accounts and the accountability of the Office. He has now taken on a senior accounting position in the Office of the Prime Minister.</li> </ul> | <p>sector (contract to be signed before 29 March 2018)</p> <ul style="list-style-type: none"> <li>With three highly qualified staff, the office will ensure that all accounting processes and guidelines will continue to be followed.</li> <li>The office has also devised risk management strategies as part of its internal controls (Please refer to Annex 3).</li> <li>As of March 2018, the number of qualified staff including academic and competency-based qualifications has increased to 92% (Please refer to Annex 4: Staff List as at March 2018). The Office will ensure that all its staff are suitably qualified and competent to serve Fiji's President and Head of State in a modern and progressive nation State.</li> </ul> |
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|   | <p>operations including especially the management of accounts, among others.</p> <ul style="list-style-type: none"> <li>• The Office's revised target in as far as the management of its accounts is concerned is to achieve zero-audit queries.</li> <li>• The overarching focus of the Office now is not only to continue to facilitate His Excellency the President's engagements at the highest professional level befitting the Head of State, but also to research and conduct comparative analysis of international best-practices so that Fiji is able to elevate our standard of services in line with a modern and progressive Nation.</li> </ul> |     |  |
| His Excellency the President's number of engagements per year | 381   | 405 |  |
| Number of Speeches/Statements delivered by His Excellency     | 65  | 65  |  |