



OFFICE of the AUDITOR GENERAL
Republic of Fiji

Annual Report 2024

*Promoting Public Sector Accountability
and Sustainability through our Audits*



The background of the slide features a warm, orange-toned image of several hands. Some hands are holding a pie chart with various colored segments labeled with percentages (14%, 13%, 16%, 17%, 19%, 14%, 7%). Other hands are holding documents, one of which has the word 'Report' visible. The overall composition suggests a collaborative and analytical environment.

Our vision

Promoting public sector accountability and sustainability through our audits.

Our mission

To provide independent value adding services.

To provide an environment where our people can excel.

Our values

- Respect - we uphold respect in our relationships.
- Integrity- we are ethical, fair and honest in our duties.
- Independent & Objective - we work independently and report objectively.
- Competence - we deliver to the best of our abilities and to the highest standard of professional conduct.
- Transparency - our processes are transparent.
- Confidentiality - we maintain all information confidential.



CONTENTS

The Auditor General’s Foreword	5
2024 at a Glance	6
About the Office of the Auditor General	8
Our Strategy	10
Appointment of the Auditor General	12
OUR PERFORMANCE	13
Independent & Value Adding Audit Services	13
Institutional Workforce & Capacity Building	20
Engagement with Clients & Other Stakeholders	24
OUR PEOPLE	28
OUR FINANCES	32
FINANCIAL STATEMENTS	35



Auditor General, Finau Seru Nagera

THE AUDITOR GENERAL'S FOREWORD

The Annual Report for 2024 outlines our achievements during the year and other major activities towards fulfilling the mandate of the Auditor General and the Office of the Auditor General (OAG) required by the Constitution of Fiji and the Audit Act.

My appointment took effect from 10 May 2024, a little over two months before the end of the financial year. I must acknowledge the Deputy Auditor General (DAG), Mr. Sairusi Dukuno, for his leadership during the year. The support of the DAG, Assistant Auditors General and all staff enabled a smooth transition into the role, which I am grateful for.

Our Business Plan and Annual Overall Audit Plan guided the work that we performed in 2024 towards achieving the core mandate of auditing public entities and reporting the results of the audits to Parliament. Our Financial Audit Program, as in previous years, utilised the most time and resources due to the high number of backlog financial statements submitted to be audited. During 2024, our Performance and Compliance Audits Program was progressively reinstated after a lapse of two years. Resources were reallocated to cater for the high number of audits of backlog financial statements that were required to be completed in 2022 and 2023. The focus for the coming years is to prioritise developing and strengthening capacity for performance and compliance auditing (including IT audit) to supplement the financial audit works and improve the impacts of our audits on public entities.

The independence of the Auditor General and the Office of the Auditor General is absolutely critical as it underpins accountability, transparency and public trust. The important work of reforming and modernising the legislation that governs the work of the Auditor General and the Office of the Auditor General continued during the year, after Cabinet gave approval for the review of the Audit Act 1969 in April 2023. Consultations with the public and stakeholders were carried out by senior staff of the OAG with a consultation report submitted to Cabinet through the Minister of Finance in February 2024. The OAG also benefitted from its strong partnership with the Pacific Association of Supreme Audit Institutions (PASAI), which provided funding for technical support throughout the

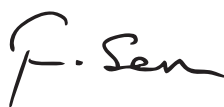
process. We are also grateful for the assistance and the support provided by the Ministry of Finance and the Office of the Solicitor General during the public consultation process.

Our people are our most important resources. Sustaining a highly competent workforce to meet the expectations of Parliament and the public requires OAG to prioritise investments in retaining key talents and the continuous capacity development of staff at all levels including the support functions. We value our collaborations with the INTOSAI community including PASAI and other Supreme Audit Institutions and with the Australasian Council of Auditors General (ACAG) in promoting sharing of knowledge and experiences.

We made a commitment during the year to strengthen our organisational integrity. This commenced with our participation in an IntoSAINT workshop that was facilitated by staff from the New Zealand Office of the Auditor General and the Australian National Audit Office, to self-assess and evaluate organisational integrity risks and vulnerabilities. The outcome of the workshop was an Assessment Report with recommendations on areas that require improvement to enhance institutional integrity. As an institution, the culture of integrity must be engrained into all aspect of our operations and that we must exemplify our code of conduct & ethics and values, which must apply across the whole organisation.

I thank the staff of OAG and our contract auditors for their contribution towards accomplishing our planned audit work for the benefit of Parliament and the public. I also acknowledge the partnerships and productive engagements with the Standing Committee on Public Accounts, Permanent Secretaries and Heads of Public Entities and all other stakeholders of the OAG.

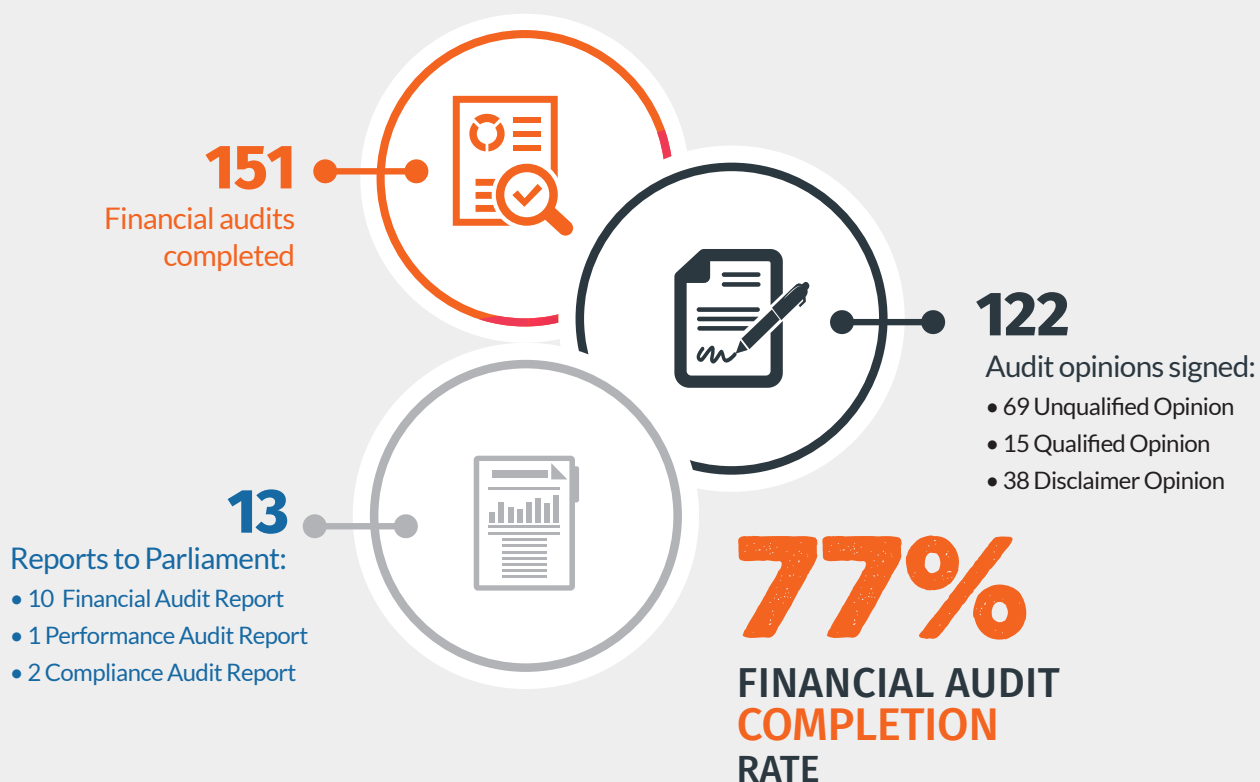
Vinaka Vakalevu



Finau Seru Nagera
AUDITOR-GENERAL

2024 AT A GLANCE

Strategic Priority 1 : Independent & Value Adding Audit Services



Strategic Priority 2 : Institutional & Workforce Capacity Building



Strategic Priority 3 : Engagement with Clients & Other Stakeholders



26 PAC meetings attended & supported

5 Awareness sessions:

- Accountability Reporting Workshop
- FNU Open Day
- International Anti-Corruption Day
- Special Administrators Induction Workshop
- Financial Reporting Training for Municipal Councils

• **66 social media posts**

• **1,202 new social media followers**

• **80 media mentions**



ABOUT THE OFFICE OF THE **AUDITOR GENERAL**



OAG Executive Management Team Sitting (L-R) Deputy Auditor General Sairusi Dukuno, Auditor-General Finau Nagera, Assistant Auditor General Moshin Ali. Standing (L-R) Senior Manager Abele Saunivalu, Senior Manager Dineshwar Prasad, Acting Assistant Auditor General Mohammed Firoz and Acting Assistant Auditor General Esala Niubalavu.

The Office of the Auditor General (OAG) is established under Section 151 and Section 152 of the 2013 ***Constitution of the Republic of Fiji***.

The Constitution requires the Auditor-General to inspect, audit and report to Parliament once every year on the public accounts of the State and all transaction with or concerning the public money or public property of the State.

The Auditor-General provides independent assurance to Parliament and the public at large that public sector agencies have used public funds for the purposes appropriated and in accordance with legislations and financial management regulations. We promote improvements in public spending, through the delivery of our audit services which include financial, compliance and performance audits.

The ***Financial Management Act (2004)*** requires the Auditor-General to audit financial statements and annual appropriation statements of the whole of government and the annual financial statement of each government entity, including all budget and non- budget entities.

The ***Audit Act*** elaborates on the powers of the Auditor-General and specifies the procedures, and timelines in the conduct of assurance and performance audits, and special investigations and the reporting of the results to Parliament

OUR GOVERNANCE

We strongly support the upholding of principles of good governance and transparency at every organisational level and recognise that this is paramount to achieving our organisational goals.

Our governance structure is primarily facilitated through several committee arrangements, particularly the Executive Management Committee, which is chaired by the Auditor-General and consist of the Deputy Auditor-General and the Assistant Auditors-General as members.

The committee plays a pivotal role in reviewing and acting upon management and operational matters. This is a key element to our governance structure that provides leadership in the pursuance of our strategic direction and delivering against commitments and initiatives outlined in the Strategic Plan and annual operational plans.

We are guided by the INTOSAI Code of Ethics and International Ethics Standards Board for Accountant's Code of Ethics for Professional Accountants (IESBA Code) to ensure all ethical requirements are met while performing our duties.

Acknowledging that governance is a shared responsibility, we emphasize the active involvement of all Committees and staff in contributing to our commitment to good governance. Our governance model is both straightforward and formal, dedicated to fulfilling the paramount public auditing function of the State and securing trust in our work.

OAG ORGANIZATIONAL STRUCTURE

The Office of the Auditor-General of Fiji (OAG) assists the Auditor-General to deliver the mandate of the Constitution and the Audit Act.

The Auditor-General is the responsible authority for the Office of the Auditor General in accordance with the Act. The Auditor-General is supported by the Deputy Auditor-General, Assistant Auditors - General, Auditors and support staff, jointly referred to as the Office of the Auditor General.

OAG operates through five distinct functional areas: Executive Management, Audit Services, Corporate Services, Quality Assurance and Risk & Compliance. The Executive Management,

consisting of the Auditor-General, Deputy Auditor-General, and Assistant Auditors General forms the core leadership.

Our Audit Services function is divided into three consisting of two Financial Audit Groups and the Performance Audit Group that include Performance Audit, Compliance Audit, IT Audit, Environmental Audit and Special Investigation. The three Audit Groups are headed by Assistant Auditors General who report to the Auditor-General and the Deputy Auditor General.

Quality Assurance is integral to the monitoring function and is led by the Manager Quality Assurance. The Risk & Compliance officer assist the Executive Management Committee to ensure that the Office conducts its business in full compliance of applicable laws and regulation.

The Deputy Auditor-General also leads the Corporate Services functions which encompasses, human resources management, policy, financial management, registry services, IT Support and communications.

This structured organizational framework ensures effective governance and compliance across the OAG.



OUR STRATEGY



OUR PRIORITIES

- Independent & Value Adding Audit Services
- Institutional & Workforce Capacity
- Engagement with Clients & other Stakeholders



OUR GOALS

- Timely delivery of reports to parliament
- Delivery of quality audit services
- Visionary Leadership
- Embrace Technology & Innovation
- Better Governance, Risk Management & Compliance
- Improved collaboration with the Public Accounts Committee
- Strengthened relationship with clients & other stakeholders
- Increased visibility and awareness





	INDEPENDENT & VALUE ADDING AUDIT SERVICES	INSTITUTIONAL WORKFORCE & CAPACITY BUILDING	ENGAGEMENT WITH CLIENTS & OTHER STAKEHOLDERS
GOALS	• Timely delivery of reports to Parliament. • Delivery of quality audit service.	• Visionary leadership. • Embrace technology and encourage innovation. • Better governance, risk management and compliance.	• Strengthened relationships with clients and other stakeholders. • Improved collaboration with the Public Accounts Committee. • Increased visibility and awareness.
RISKS	• Not adapting to changes in our regulatory environment. • Not addressing delays and minimizing costs to our audit processes. • Not upholding our values, professional competence and quality standards in our work.	• Not maintaining the ability to sustain audit services delivery at required level. • Unable to secure funding for implementation. • Not fully utilizing technology in audit services delivery.	• Not engaging to properly understand our stakeholders' contexts and change to meet their varying needs.
STRATEGY	• Continue to advocate for a modernized Audit Act. • Continuous realignment of our audit practices, with international standards.	• Secure funding and continue to invest in organizational and professional developments. • Invest in technology that will streamline our audit practices and business processes. • Monitoring of governance, risk management and compliance.	• Better understand our stakeholders and adapt our services to their needs. • Engage to impact and build productive relationships based on respect.
INDICATORS OF SUCCESS	• Results of audits are reported to Parliament on time. • Financial audits are brought up to date. • Satisfactory rating for quality assurance reviews.	• An engaged, capable and professional workforce • Increased productivity by our workforce • Modernized work processes and work environment.	• Stakeholders benefit from and value the services we provide. • An informed and satisfied Public Accounts Committee. • Increased stakeholder participation in our audits.

APPOINTMENT OF THE **AUDITOR GENERAL**



The 2024 financial year marked a significant milestone with the appointment of Ms. Finau Seru Nagera as the first female Auditor-General. Her appointment took effect on 10 May 2024 for a five-year term.

The Auditor General is appointed by the President on the advice of the Constitutional Offices Commission, following consultation with the Minister responsible for finance as required by Section 151 of the Constitution.

With over two decades of experience in public sector auditing, Ms. Nagera had held various leadership roles within OAG, including Director of Audit, Assistant Auditor-General, and Acting Deputy Auditor-General. While specialized in external auditing, she also has vast experiences in the areas of financial management, good governance, process improvements and human resources management.

Ms. Nagera holds a Master of Forensic Accounting from the University of Wollongong, Australia and BA Degree in Accounting and Financial Management from the University of the South Pacific. She is a Chartered Accountant with the Fiji Institute of Chartered Accountants and had also served as the President of FICA (2017 – 2018).

Ms. Nagera is committed to further developing the OAG to meet the requirements of the Audit Act, the expectations of Parliament and other stakeholders, and the promotion of transparency, accountability, and ethical standards within Fiji's public sector.

OUR PERFORMANCE

INDEPENDENT & VALUE ADDING AUDIT SERVICES

(This section outlines our output from audit services programs. Our Annual Overall Audit Plan sets out the planned audit coverage and is a supplementary plan to the Annual Business Plan)

REPORTING TO PARLIAMENT

- 17 planned audit report and 13 submitted to Parliament

AUDITOR GENERAL'S REPORTS TO PARLIAMENT

FINANCIAL AUDIT

1. 2021 Financial Statements of Government
2. 2022 Financial Statements of Government
3. 2022 Audit Report on Economic Services Sector
4. 2022 Audit Report on Infrastructure Sector
5. 2022 Audit Report on General Administration Sector
6. 2022 Audit Report on Social Services Sector
7. 2022 Report on Statutory Authorities
8. Provincial Council Vol 5
9. Provincial Council Vol 6
10. Follow-up Report on Audits of High – Risk Ministries & Departments

PERFORMANCE AUDIT

11. IT Audit Report on Crown Land Lease Information System

COMPLIANCE AUDIT

12. Administration of Food Ration (COVID 19)
13. Operating and Capital Grants for Ministries and Departments

Five reports containing the results of audits undertaken during the FY will be submitted to Parliament in FY 2024 - 2025.



FINANCIAL AUDIT PROGRAM

We achieved a 77% audit completion rate against a target of 85% for the financial year 2024.

We planned to audit 233 draft financial statements, 196 were received for audit.

The audits of 45 financial statements were either in progress or did not start by year end.

Our Financial Audit Program is managed by two Financial Audit Groups which are headed by Assistant Auditors-General. Financial statements audits are undertaken in accordance with the OAG Financial Audit Manual, which is drawn from the International Standards on Auditing (ISA) and the International Standards for Supreme Audit Institutions (ISSAI).



151 financial statements audits completed



122 audit opinions signed;
29 audited financial statements issued for signing



77% completion rate against an 85% target



8 entities in backlog updated

TYPE OF ENTITY	DRAFT FINANCIAL STATEMENTS RECEIVED	COMPLETED	PERCENTAGE COMPLETION RATE
Financial Statements of the Government	1	1	100%
Ministries & Departments	32	32	100%
Independent Bodies & Commission	24	14	61%
Statutory Authorities	40	28	72%
Public Enterprises	38	30	79%
Municipal Councils	29	14	48%
Provincial Councils	28	28	100%
Projects	4	4	100%
TOTAL	196	151	77%

Progress of updating Backlog Audits

The high number of financial statements in backlog is a significant challenge and we continue to allocate a substantial component of our resources to these audits when draft financial statements are submitted to the Auditor-General. For FY 2024, 61% of the planned work for Financial Audit Program relate to backlog financial statements.

During the year, we made progress in the updating of backlog audits by completing 73 or 51% of the planned 142 financial statements audits. We updated the audits of 8 entities - Fiji Competition and Consumer Commission, Pacific Fishing Company Pte Limited (PAFCO), Water Authority of Fiji, Fiji Higher Education Commission, National Substance Advisory Abuse Council, Agriculture(Agro) Marketing Authority, Lautoka City Council and the NDMO Meteorological Services.

Progress on Provincial Council Audits

The journey to address the audits of backlog financial statements for Provincial Councils commenced in August 2017.

As at 31 July 2024 a total of 249 draft financial statements were submitted for audit by the i-Taukei Affairs Board (iTAB). The audits for 213 or 85% of the financial statements were completed. This completion rate significantly reduced the audit backlog to 78 which included 42 draft financial statements that were not submitted for audit.

The audits for all 14 Provincial Councils have been updated to 2018.

One of the key challenges in performing these backlog audits was the availability of supporting documents required to conduct audits in accordance with the International Standards on Auditing (ISA).

Our approach to address this issue involved taking stock of the documents available at the time of audit, assessing their impact on auditability and moving effectively to clear the substantial backlog.

Another challenge was the quality of the draft financial statements submitted for audit. Significant time was invested in formatting these financial statements to make them presentable and compliant with the International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs).



Over the years, we have supported the iTaukei Affairs Board (iTAB) in improving the presentation of financial statements for provincial councils through continuous discussions and the issuance of management letters.

Establishing a dedicated audit team proved effective, resulting in the reduction of backlog audits from 291 to 78 as at 31 July 2024.

Between 1 January 2019 and 31 July 2024, the Auditor-General delivered six reports to Parliament on the audits of Provincial Councils. These reports brought much-needed accountability and transparency to the financial affairs of the Provincial Councils.

PERFORMANCE, IT & COMPLIANCE AUDIT PROGRAM

The year started off with plans to undertake a number of performance, IT, and compliance audits, however the need to resource the audits of the high number of backlog draft financial statements received took priority.

Nevertheless, the outcome of IT audit on Crown Land Lease System and compliance audit on Administration of Food Ration (COVID-19) were reported to Parliament.

IT Audit on Crown Land Lease System (CLLS)

Our audit found that:

- Unclear governance framework, had negatively impacted IT operations and application controls, leading to a lack of proper security and safeguarding of Crown Land and State Land records.
- The CLLS had failed to correctly calculate interests on overdue lease premiums. Specifically, some lessees with expired leases were incorrectly charged interest during the renewal period, a discrepancy that has been ongoing for over three decades.
- Revenue received from expired leases was recorded only in the CLLS and not accounted for in the Government Financial Management Information System (FMIS), leading to the understatement of annual revenue collections.

The audit concluded that the CLLS is obsolete therefore ineffective, and inefficient to accurately maintain the Crown land lease and State land records. These has contributed to incorrect calculation of lease interests on arrears over the years.

We recommended an urgent review and upgrade of the CLLS to ensure that the accuracy of data input, processing, and output is guaranteed and appropriately stored to provide reliable information to the Ministry of Lands and Mineral Resources. This audit has led to the establishment of the LMR IT Steering Committee by the Ministry of Lands and Mineral Resources.

Additionally, the development of the State Land Portal, a new platform, aims to address several of the technical issues highlighted in the audit report, including the creation of a test environment, the establishment of a disaster recovery plan, and the implementation of automated controls for rent charges and interest percentage management. These initiatives are aimed at improving the Ministry's services and enhancing the management and transparency of Crown and State land leases, ensuring better governance, security, and overall system efficiency in the future.

Application of Climate Scanner Tool

A workshop on the application of the Climate Scanner tool was held at the Novotel, Nadi on 24 June 2024. The workshop focused on the use of this web – based platform to assess government actions related to climate change governance, public policies and financial management. The initiative aims to enhance accountability and transparency in climate change mitigation and adaptation efforts by Supreme Audit Institutions (SAIs) across the region.

The tool involves researching the climate – related actions in these areas and making an independent assessment of their adequacy using a grading scale.

We participated in this assessment and the information collected will be consolidated and presented at the 29th United Nations Climate Change Conference (COP29). This exercise will also assist the Office in identifying topics for future performance audits on the environment.



Participants at the Climate Scanner Tool workshop held in Novotel, Nadi.

The workshop was led by SAI Brazil through the INTOSAI Development Initiative (IDI) Working Group on Environmental Auditing (WGEA) with SAI New Zealand serving as the regional coordinator for the Pacific Association of Supreme Audit Institutions (PASAI) on Environmental Audit.

The training brought together auditors from the Pacific and Caribbean regions. SAI Fiji was represented by Acting Assistant Auditor-General Esala Niubalavu and Audit Manager Martina Cirikisuva.

QUALITY ASSURANCE SERVICES

The Quality Assurance Unit (QA) since its establishment in 2017 has been a key component of the Office of the Auditor General's governance framework with the objective to provide independent assurance to the Auditor General by overseeing and monitoring the OAG's quality standards and framework which complies with the international auditing standards (ISAAI).

The review program includes coaching (hot) reviews and monitoring (cold) reviews of the selected audit projects. A total of 8 quality reviews were planned and completed during the year.

The QA review findings were communicated to audit teams in awareness sessions. Commendable practices were noted from the QA reviews and areas to improve when benchmarked to quality standards, in particular improving audit documentation.

Our System of Audit Quality Management (SoAQM) Journey

One of our core priority is to improve audit quality and service delivery. With the new System of Audit Quality Management or SoAQM introduced in 2022 to complement the revision of the ISSAI 140 – Quality Management of SAIs aims to fully established the system and enhance the existing quality foundations and the effective fulfillment of our mandate.

The SoAQM is a holistic and systematic risk-based approach to quality management. It performs an organizational review because it focuses on institutional and systems level reviews. It is a system which the SAI designs, implements and operates at the systems level to support the achievement of objectives and to enable SAI and its personnel to conduct high quality audits and fulfil their responsibilities in accordance with professional standards and applicable legal and regulatory requirements, and contribute value.

To be on par with international practices and ISSAI, we pledged our commitment in the beginning of 2024 to complete the SoAQM pilot program which targets a 'fit-for-purpose'

quality management system. Participating and completing a comprehensive analysis requires a good amount of effort and time by understanding the existing operations, systems and processes, and having departmental collaboration with functions and other units. A team of 4 were selected and lead by our Quality Assurance Manager for the pilot program that underwent IDI/PASAI professional education, training, referrals and independent external reviews. The current work

in 2024 and setting up of the new system will provide the necessary platform and readiness for the new ISSAI 140 that is effective from 1 January 2025.

The timeline below shows how we are on par with the development milestones and the progress with the SoAQM initiative, with the aim to complete the pilot program by November, 2025.

SOAQM INITIATIVE MILESTONES

Brief history of the SoAQM development



RISK & COMPLIANCE SERVICES

The Risk and Compliance Unit promotes a risk awareness culture whereby staff demonstrate an understanding of risk management practices and as an organization, establishes the highest standard of compliance behaviour by adhering to regulatory requirements and internal policies.

The Unit assists in ensuring that we conduct our core business of audit in full compliance of applicable laws and regulations, professional standards, accepted business practices and internal policies. This is reported directly to the Auditor General through the Executive Management Committee.

The key function of the Unit is to monitor the progress of audit work against the approved annual audit plan. Some highlights achieved through the unit include the:

- On – going monitoring of identified risk and business activities;
- Strengthening compliance processes
- Monitoring and Reporting of audit status
- Strengthening of Business Continuity and Disaster Recovery Program
- Periodic reviews of the Risk Management Policy and Compliance Management Policies
- Training and awareness conducted based on imminent risks and compliance matters arising



OUR PERFORMANCE

INSTITUTIONAL WORKFORCE & CAPACITY BUILDING

(This section outlines the result of activities and the progress we have made to build capacity and better governance)

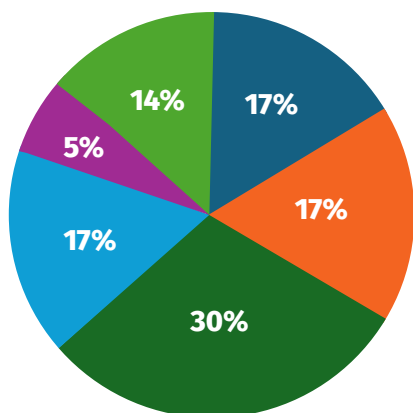
LEARNING AND DEVELOPMENT

- 36 training sessions delivered
- 1 policy developed and 3 policies reviewed
- 7 staff attended professional development courses
- 3 staff graduated from postgraduate studies
- 40% or 33 staff have professional qualifications or are members of professional associations
- 97% overall employee satisfaction

We strongly encourage and support our people with continuing professional developments. Annually, we delivered or facilitated the delivery of a diverse range of learning and development programs to enhance the skills and capabilities of our people.

During the year, we delivered and/or facilitated thirty six (36) training sessions which included local, inhouse and online trainings. A total of 54 staff or 65% attended two or more training sessions.

TRAININGS DELIVERED



- Overseas Trainings
- Annual Conference
- Overseas Meetings
- In-house Trainings
- External Trainings
- In-house Awareness

ANNUAL PLANNING

We review our strategic objectives and establish our operational objectives annually, as required by the OAG Strategic Planning Framework and Governance Policy. A planning workshop is held annually to facilitate the development/review and confirmation of changes to our work plans.

The workshop was held on 18 - 19 July 2024 to finalize annual plans for financial year 2024-2025. For the first time, the workshop was attended by all staffs including all members of the Corporate Services Unit.

The workshop focused on reviewing our performance during the year, discussing lessons learned and mapping out the work activities for the next financial year.

The main output from the planning workshop included:

1. Amended Strategic Plan 2021 – 2025
2. 2024-2025 Business Plan
3. 2024-2025 Annual Overall Audit Plan

The Business Plan and the Annual Overall Audit Plan were reviewed in March 2024 to capture strategic changes made to the Audit Services Programs during the year.

BETTER GOVERNANCE AND IMPROVING OUR PERFORMANCE STANDARDS

The different aspects of our operations are governed by various policies and manuals, which are required to be reviewed on a regular basis. These policies and manuals are accessible to all staff via a “shared drive”. New policies and amendments to existing policies must be endorsed by the Executive Management Committee before communicated to the staff through various awareness sessions conducted during the staff and group meetings.

New policies and guidelines that were developed and implemented during the year include:

- 1 policy developed
- 3 policies reviewed

The Additional Benefit – Professional Membership Fee & Certification policy was developed and implemented. The policy allows the Office to provide additional fringe benefit such as annual professional membership fees.

A database of all our policies and manuals are maintained by the HRM & Policy Unit.

We also reviewed existing policies with amendments to align to changes in the law and current practices.

- Engagement of Audit Service Provider Policy
- Audit Services Provider Independence Policy
- Job Rotation Policy

REVIEW OF THE AUDIT ACT – PROGRESS UPDATE

We continued the effort to modernize the Audit Act 1969 following the consultation workshop held in 2023. A series of stakeholder consultations were carried out during the year to obtain feedback and submissions on the proposed reforms.

In 2024, we reviewed the public submissions received, with the assistance of a Legal Consultant funded by the Pacific Association of Supreme Audit Institutions (PASAI). This process enabled the consolidation of submissions and technical recommendations into a draft Audit Bill. OAG acknowledges the collaboration of Office of the Solicitor-General and the Ministry of Finance in drafting the Audit Bill.

The progress made reflected our commitment to strengthening the independence of the Office of the Auditor General, aligning Fiji's audit legislation with international standards, and ensuring the legal framework supports accountability and transparency in the public sector.

The next step will focus on progressing the draft Bill through the relevant approval processes.

ENHANCING PERFORMANCE AUDIT CAPABILITY

Performance audit is one of the three streams of audits undertaken by the Office. The audit provides an independent assessment of whether public resources are being used economically, efficiently and effectively.

Our Performance Auditors gained insights from PASAI's Performance Audit Director, Mr. Mike Scott, during his in-country visit in April 2024. One of the primary objective of the visit was to provide capacity-building related to current practices, with the goal of improving the performance audit methodology.

The one week training consisted of enhancing our performance auditors' skills on report writing to risk management and compliance with auditing standards.



PASAI's Performance Audit Director Mr Mike Scott (middle) with our Performance audit team.

INVESTIGATION WORKSHOP FOR AUDITORS

With the support of the Fiji Police Force, we organized a three-day training in September 2023.

As part of our evolving mandate to undertake special investigations, it is essential that our auditors possess the necessary investigative skills and techniques, beyond the traditional scope of auditing.

By capacitating our staff through this training, we aimed to strengthen their ability to conduct credible, professional, and impartial investigations.

The collaboration with the Fiji Police Force was valuable, as it allowed our auditors to gain insights into law enforcement practices, evidentiary standards, and interview techniques that are critical for ensuring investigations are both robust and defensible.

The training covered topics such as planning an investigation, conducting interviews, gathering evidence and ensuring impartiality.



Participants of the Investigation workshop.

PASAI INAUGURAL WOMEN'S SYMPOSIUM ON GOVERNANCE AND LEADERSHIP

We participated in the inaugural Women's Symposium on Governance and Leadership, hosted by the Pacific Associations of Supreme Audit Institutions (PASAI) in Apia, Samoa from 13 – 15 February 2024. The symposium aimed to provide a platform for women leaders to engage in dialogue and promote good governance and accountability within the public sector.

The Auditor - General, Ms. Finau Nagera was invited as a speaker to share her insights on the topic "Women in Leadership: Implementation of Sustainable Development Goals". The event featured prominent speakers from the INTOSAI and PASAI and other business leaders, who provided valuable perspectives during their respective sessions.



Participants of the PASAI Women Symposium.

FICA LEADERSHIP FOR WOMEN PROGRAM

Two Audit Managers participated in the first cohort of the Fiji Senior Executive Women's Leadership Programme jointly delivered by the Fiji Institute of Chartered Accountants (FICA) and the Pacific Private Sector Development Initiative (PSDI). The four-day programme was a transformative initiative aimed at empowering women in senior and executive roles across Fiji's public and private sectors.

The programme covered topics such as strategic networking, communication, risk management, governance, leadership styles, financial management, and career development.

ENHANCING THE PACIFIC TRIANGLE OF INTEGRITY

We participated in the United Nations Office on Drugs and Crime (UNODC) workshop on "Enhancing the Pacific Triangle of Integrity: Supreme Audit Institutions (SAIs), Anti-Corruption Bodies (ACBs), and Parliamentary Committees." The workshop was held in Port Vila, Vanuatu from 13 – 15 February 2024.

The regional initiative aimed to strengthen collaboration between parliamentary integrity committees, SAIs and ACBs at both national and regional levels. Globally, there is a growing effort to foster closer cooperation between audit institutions, anti-corruption authorities and legislative bodies to enhance governance and accountability.

We were represented at the workshop by Audit Manager, Mr Mitili Nawaqavou.

IntoSAINT WORKSHOP

IntoSAINT is a tool for Self – Assessment of Integrity that Public Entities can use for analysing integrity risks and assessing the maturity of their integrity management systems.

Strong integrity systems are important for building trust in the work we do. Strong integrity systems contribute to the effective governance of an organization.

16 staff participated in the workshop to understand the assessment tool. At the end of the workshop, the participants evaluated our organizational integrity system and with the guidance from the facilitators provided recommendations to strengthen our integrity system. An assessment report was prepared for the Auditor - General with 10 key recommendations.

An action plan was developed to implement the recommendations during the year and subsequent years..

The workshop was facilitated by Amelia Pomery of the Australian National Audit Office, Jane Rogers and Ms. Nicole Bares of Office of the Auditor General New Zealand.



Participants of the IntoSAINT workshop.

EMBRACING TECHNOLOGY IN OUR WORK PROCESS

TEAMMATE ANALYTIC TOOL



70+ Administrators and End Users completed training on TeamMate+



10 Licenses on TeamMate Data Analytical Tool



Web-based accessibility for TeamMate+

We successfully rolled out TeamMate Data Analytics in March 2024. TeamMate Data Analytics (formerly known as TeamMate Analytics) is a powerful audit and data analysis tool used primarily by auditors, accountants, and finance professionals. It helps analyze large datasets quickly and efficiently to identify patterns, anomalies, and risks.

The rollout of the TeamMate Data Analytics application was funded by the General Court of Audit of the Kingdom of Saudi Arabia, through its Saudi Fund for Improved SAI Performance program. The TeamMate Data Analytics project was managed by an internal committee working virtually with a Consultant from TeamMate Support based in Australia.



OUR PERFORMANCE

Engagement with Clients & Other Stakeholders

(This section outlines activities and output relating to stakeholder engagements to strengthen relationships, collaboration and increase visibility and awareness)

Engaging with stakeholders by strengthening relationships and improving collaboration is a strategic priority that we are consistently trying to build on each year.

We are committed to fostering strong relationships with stakeholders to enhance collaboration, increase visibility, and raise awareness of its audit services. Throughout the year, we engaged with key stakeholders through various initiatives, strengthening accountability and transparency in the public sector.

OAG Partners with Internews on Accountability Reporting Workshop

Together with Internews, we organised an Accountability Reporting Workshop at its Suva Office in June 2024. The workshop was attended by representatives from various media organisations.



Participants at the Accountability Workshop.

The workshop aimed to raise awareness about the OAG's role, the audit process, and the responsibility of the Media in the accountability process.

In her opening address, the Auditor-General said, "The media plays a key role in the Supreme Audit Institutions (SAI) accountability process as it can increase our outreach through accurate reporting of audit results to the people."

The Fijian Media Association President, Ms. Rosi Doviverata thanked the OAG and Internews for organizing the workshop. Ms. Doviverata highlighted that it is important for journalists to understand the content of the Auditor-Generals report and accurately report on the audit findings.

The workshop was facilitated by Internews Media Consultant Ms. Naomi Goldsmith.

We extended our gratitude to Internews and the Fijian Media Association for their support in our ongoing effort to promote public sector accountability and sustainability through our audits.

SUPPORT FOR PARLIAMENT – STANDING COMMITTEE ON PUBLIC ACCOUNTS (PAC)

- 26 PAC sessions supported
- Assisted 3 requests to formulate sample questions

We support Parliament in holding government and public entities to account. This is delivered through the various audit reports that the Auditor-General submits to Parliament annually.

Our focus is assisting the Standing Committee on Public Accounts (PAC) in its role of examining the reports of the Auditor General and the Annual Reports of the Office of the Auditor General. The support that we provide to the PAC typically include the following:

- Providing briefs on reports before the public hearing/consultation.
- Attending closed or public hearing/consultation to clarify issues raised in the reports or inquiry during the sessions.
- Formulate questions that may be asked by the members of the PAC during the deliberation of the reports.



PAC Consultation session.

During the year, we supported 26 in person PAC public hearing sessions. The sessions relate to the deliberation of issues highlighted in the Auditor-General Reports to Parliament. The sessions were attended by the Auditor - General, Deputy Auditor General, Assistant Auditors General and other senior officers.

We also responded to 3 requests to formulate sample questions on matters raised by the Auditor General in the reports submitted to Parliament.

FIJI NATIONAL UNIVERSITY OPEN DAY

We participated in the Fiji National University Open Day at Nasinu campus in 06 October 2023, aiming to raise awareness about public sector auditing as a career. The event provided an opportunity to educate students on our role, audit processes and career opportunities in auditing. A total of 121 students visited our booth, gaining valuable insights into public sector auditing.



Students visiting the OAG information booth

INTERNATIONAL ANTI – CORRUPTION DAY

Together with FICAC, we commemorated International Anti-Corruption Day in December 2023 with the theme “UNCAC: Uniting the World Against Corruption.”

The annual event which is observed on December 9th, serves as a reminder of our collective responsibility to raise awareness about the detrimental impacts of corruption.

The event was attended by Auditor General and staff of OAG.



Participants at the International Anti-Corruption Day celebration.

MINISTRY OF LOCAL GOVERNMENT SPECIAL ADMINISTRATORS’ INDUCTION CEREMONY

An induction ceremony for Special Administrators, held at the Civic Centre in January 2024, included a session on financial responsibilities and accountability. The session was attended by the Deputy Auditor General, Sairusi Dukuno and an Assistant Auditor General.

Our presentation (in conjunction with FICAC) provided the Special Administrators with a clear understanding of standards and expectations in managing municipal resources.

The presentation covered common audit findings, challenges that we face in auditing Municipal Councils and recommendations to strengthen internal controls.

FINANCIAL REPORTING TRAINING

Following discussions at the Special Administrators’ induction, we partnered with the Ministry of Local Government to conduct a ‘Financial Reporting Training’ in March 2024.

The workshop covered specific learning objectives, focusing on the audit process, financial reporting process and internal controls.

The training was attended by Special Administrators, Chief Executive Officers and Heads of Finance from 13 Municipal Councils.

STAKEHOLDER SURVEY

As in previous years, we did not receive sufficient responses to effectively evaluate our services according to our clients’ expectations.

Standing Committee on Public Accounts Survey

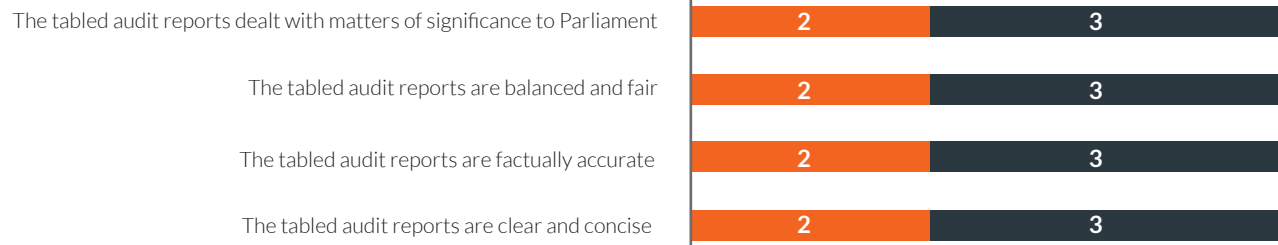
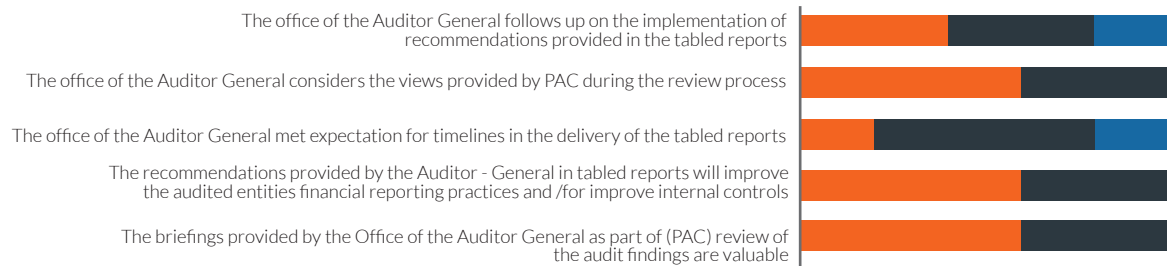
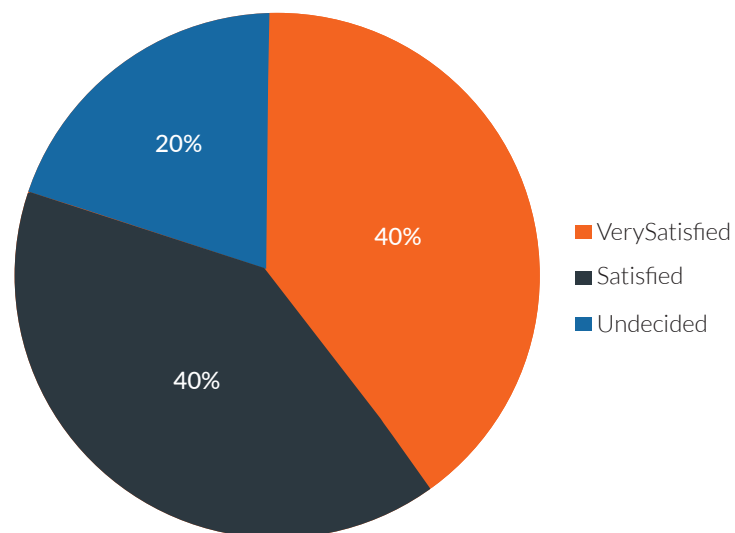
We report directly to Parliament and as our key client we annually conduct surveys to enhance the quality and effectiveness of our services and future audits. The survey also covered various aspects of our performance, including audit services, report quality, and the effectiveness of briefings and recommendations.

The survey was conducted in April – May 2024.

The PAC members generally express satisfaction with the services and reports, highlighting the quality, factual accuracy and clarity of the reports. The briefings and recommendations we provided are seen as valuable and effective. However, there are noted areas for improvement, particularly in the timeliness of audits and the consistency and aggressiveness of reporting.

This feedback underscores the importance of continued enhancement of resource allocation and the refinement of audit processes to maintain and improve the high standards expected by the Public Accounts Committee.

We appreciate the valuable input from PAC members and clients that responded to our survey as they are critical to improving our work and processes.

TABLED AUDIT REPORTS Strongly Agree Agree Undecided**OAG BRIEFINGS, RECOMMENDATIONS & TIMELINESS** Strongly Agree Agree Undecided**REPORTS OF OAG**

OUR PEOPLE

(This section outlines an overview of our workforce including knowledge and technical skills)



At the Office of the Auditor General (OAG), we are committed to fostering an environment where our people are empowered to excel, maximise their potential and continuously enhance their skills. We encourage professional growth and adoption of technology to improve work systems and processes.

WORKFORCE PROFILE

From our staff establishment of 99 positions, 83 full-time positions were filled consisting of 71 technical staff and 11 support staff. Female staff made up the majority of our workforce at 60% (male – 40%). Our senior leadership team of seven consisted of the Auditor General, Deputy Auditor General, Assistant Auditor General and Acting Assistant Auditor's General while 10 staff at middle management level.

We had a young workforce with 43% at the 20 – 29 age group making OAG vulnerable to high staff turnover when job opportunities with better remunerations opened up overseas. Only 16% of our staff are above the age of 40 years.

With more than 60% of workforce as female, we strongly support women empowerment and gender equality and the implementation of SDG 5 – Achieve Gender Equality & Empower all Women and Girls.

KNOWLEDGE AND TECHNICAL SKILLS

Our workforce are highly qualified and capable. All 83 staff in the different audit programs have met the minimum qualification requirements of an undergraduate degree in related disciplines such as accounting, finance, economics, financial management, banking and information systems.

We encourage our auditors to pursue further education in Postgraduate studies. Twelve staff have attained Postgraduate Diplomas and Master Degrees in various disciplines. In addition, we will continue to urge and provide opportunities for our support staff to upgrade their educational level.

More than 30 of our staff have professional qualification through memberships with the Fiji Institute of Chartered Accountants, CPA Australia and the Institute of Internal Auditors (Fiji).

RECRUITMENT, RETENTION AND STAFF TURNOVER

Recruiting to fill in the high number of vacant positions and retaining high quality staff was challenging. The increased staff turnover resulted from the post pandemic impact on the job market and the reopening of international borders with opportunities for migration.

During the year, we recruited 18 new staff and promoted 14 existing staff to high level positions. There were 15 staff that departed OAG in 2024.

Increased recruitment cost was not the only side effect of high staff turnover, as expected, the high number of resignations, specifically at Senior Auditor and Audit Manager levels impacted our productivity rate.

WORKFORCE SURVEY FOR NEW RECRUITS

A survey was conducted to assess the effectiveness of our current onboarding practices, gather feedback on job satisfaction and identify areas for improvement. The survey was circulated to 18 new recruits who joined the Office from August 2023 to October 2024.

Survey result:

- 94% of new recruits would highly recommend the Office to be a good place to work to a friend or colleague.
- Overall, the newly recruits agree that their skills and experience were well utilized in their current role.

Through these initiatives, we continue to foster a supportive, dynamic and high performing workplace, ensuring that its people remain at the heart of its success.

STAFF RECOGNITION AWARDS

The year end function and awards night were held at the Holiday Inn, Suva on December 2023 where our people were recognized for their outstanding performance Award recipients included:

- Graduate Auditor of the Year - Josephine Seli, Saiyad Rizwan & Elenoa Bula
- Auditors of the Year - Vinita Singh & Savita Kumar
- Senior Auditor of the Year - Maritina Cirikisuva, Shavneet Lal & Sonam Prasad
- Audit Managers of the Year - Manish Dewan & Miteli Nawaqavou
- Corporate Staff of the Year - Grace Tuvakasiga



AUDITOR PROUD DAY

Auditor Proud Day is an annual international celebration of the audit profession that takes place on the last Thursday of September. The event recognizes the contributions of auditors, highlights the importance of auditing and inspires others to pursue careers in the field.

OAG's Stakeholder Engagement Committee marked the occasion by sharing the stories of nine auditors on the office social media platforms, showcasing their passion for auditing and their role in fostering transparency and accountability in the public sector.

ENGAGEMENTS AND COUNTRY VISITS

PASAI Secretariat Country Visit

We hosted the Deputy Secretary General of the Pacific Association of Supreme Audit Institutions (PASAI), Sarah Markley, Chief Executive Officer, Esther Lameko-Poutoa, Director Monitoring and Reporting, Annie Subactagin-Matto and Regional Director (South), Meresimani Vosawale-Katuba, on their country mission to Fiji on September 2023.



(L-R) PASAI Regional Director (South) Meresimani Vosawale - Katuba, Chief Executive Officer Esther Lameko - Poutoa, SAI Fiji's Deputy Auditor-General Sairusi Dukuno and PASAI Deputy Secretary General Sarah Markley.

PASAI Melanesia Sub – Regional Leadership Meeting

We were honoured to host the Pacific Association of Supreme Audit Institutions (PASAI) Melanesia Sub – regional Leadership meeting. The meeting was attended by Auditors General from Papua New Guinea, Vanuatu, Solomon Islands and the PASAI Secretariat team.

The meeting took place at the Office in March 2024.



Auditors General from Papua New Guinea, Vanuatu, Solomon Islands and the PASAI Secretariat team.

SOCIAL EVENTS

Pinktober & Movember Awareness program

In November 2023, a health awareness program was organized for staff in Suva and Nadi. The event aimed to raise awareness about breast, cervical and prostate cancer emphasizing the importance of early detection.

Ms. Shweta Kapoor from the Fiji Cancer Society delivered an informative presentation on common types of cancer and highlighted the importance of a healthy lifestyle, including regular exercise, a balanced diet and avoiding tobacco and excessive alcohol consumption.



Pinktober awareness program held at the Office.

Fiji Institute of Chartered Accountants (FICA) Games

We secured a victory in the Touch Rugby final against I. Naiveli & Co at the Fiji Institute of Chartered Accountants (FICA) Games on November 2023.

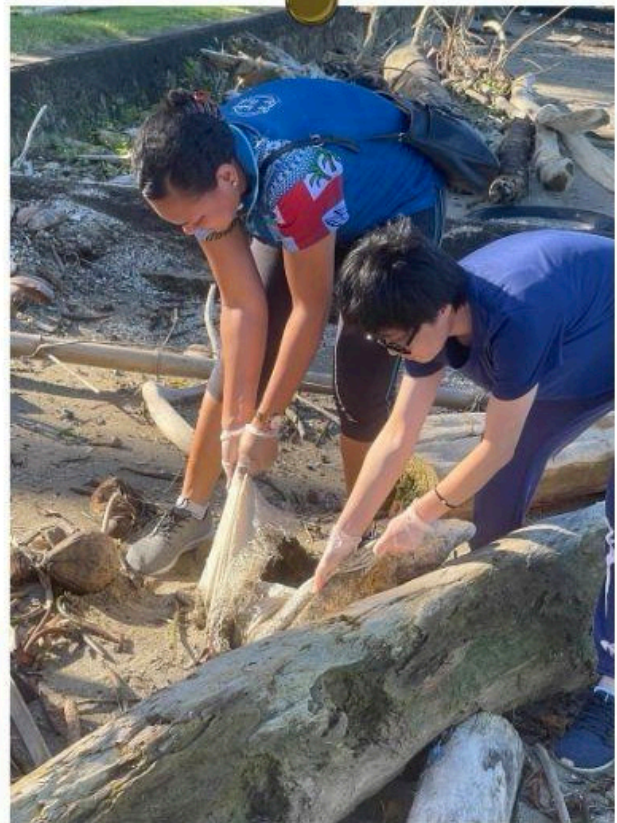


Team participating at the Fiji Institution of Chartered Accountants (FICA) Games.

World Environment Day

World Environment Day is celebrated annually on 5th June. In 2024, global campaign focused on 'Land restoration, desertification and drought resilience' under the theme

"Our Land. Our Future." Demonstrating our commitment to environmental stewardship, the Office Environment committee organized a clean – up activity along Suva point. This was also followed by an awareness session on the harmful effects of littering and the importance of recycling and proper waste disposal.



Clean up at the Suva point

OUR FINANCES

(This section outlines an overview of our finances and management of our financial resources)

- **Unmodified audit opinion**
- **No audit issues reported**
- **77% budget utilization during the year**
- **38% increase in audit fees collected**

As an independent body, we operate autonomously. Our operation is fully funded through an annual budget appropriation approved by Parliament. In managing our finances, we aim to efficiently use our financial resources and be an exemplary organization to the public sector.

We utilized 77% of the budget allocated, which demonstrated effective budget control during the year.

The audit for the year resulted in an unmodified audit opinion. Moreover, there were no significant issues identified from the audit. We are audited by an external auditor appointed by the Speaker of Parliament in accordance with Section 14 of the Audit Act 1969. KPMG was appointed as the external auditor for the financial year 2024.

The audited financial statements were submitted to the Speaker of Parliament on 05 February 2025. Full details of the audited financial statements is presented as Appendix 1 of this report.

BUDGET APPROPRIATION

We prepare our budget in line with the process for budget sector government entities. Like all other budget sector entities, the Ministry of Finance provides guidance and the timelines for budget submissions.

In the financial year 2024, we were allocated a budget of \$7 million, an increase of \$1.2 million from the previous year.

Tabulated below are the budget appropriation and percentage utilization rate for the past three years:

FINANCIAL YEAR	2024	2023	2022
Budget Appropriation (\$)	7,037,132	5,807,104	4,902,010
Percentage of Budget Utilized (%)	77%	91%	93%

Budget utilization for the past three years demonstrated effective budget control across all categories of expenditure. For 2024, 23% of unutilized grants mainly include personnel cost and special project group for clearing back log audits.

INCOME AND EXPENDITURE

At the end of the financial year, we received a total \$7 million in Government Grant, remitted by the Ministry of Finance on a quarterly basis.

A total expenditure of \$5.4 million was incurred with significant cost drivers during the year included:

- Salaries, wages and other benefits which is normally around 75% of the total expenditure. Staff-related costs during the year was \$4 million against a budget of \$4.6 million. The variance of \$0.6 million resulted from positions left vacant through resignations. It took us longer than normal to fill the positions because of the highly competitive recruitment markets locally and overseas.
- The remaining 25% expenditure relate mostly to the cost of outsourcing audits, training, audit tours, communication and operating expenses such as utilities, repairs and maintenance and printing of reports to Parliament.

AUDIT FEES COLLECTED

Audit fees are charged on financial audits of public enterprises, statutory authorities, municipal councils, provincial councils and several independent bodies/commissions. Audit fees are State revenue and are paid to the Government's Consolidated Funds account. Audit fees collected are disclosed only in the Notes to the financial statements.

The total audit fees collected increased by \$338,540 or 38%, compared to the previous year. The increase was attributed to the high number of audits completed and the efforts made to collect audit fees that remained outstanding from previous years.

The total audit fees collected for the past three years are as follows:

FINANCIAL YEAR	2024	2023	2022
	(\$)	(\$)	(\$)
Audit Fees Collected	1,229,562	891,022	595,314

ASSETS AND LIABILITIES

Our assets and liabilities as set out in the Statement of Financial Position mainly comprise of cash, property, plant & equipment, intangible assets, and current liabilities of accounts payable, employee benefits and unutilized grant.

The cash balance recorded relate largely to the costs of outsourced audits that are committed and/or are still in progress by year end. This is aligned to the unutilized grant recorded as current liabilities as we recorded more liabilities than assets. We will recognize the cost of outsourced audits as accounts payable when invoices are received from our contract auditors.





OFFICE OF THE AUDITOR GENERAL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

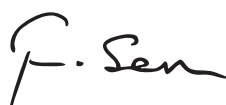
CONTENTS

Management Certificate	36
Independent Auditor's Report	37
Statement of Comprehensive Income	40
Statement of Changes in Equity	41
Statement of Financial Position	42
Statement of Cash Flows	43
Notes to and Forming Part of the Financial Statement	44

We certify that the accompanying Financial Statements:

- a) fairly reflect the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Financial Position and Statement of Cash Flows of the Office of the Auditor General for the year ended 31 July 2024; and
- a) have been prepared in accordance with the requirements of the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) and Financial Management Act 2004.

Dated at Suva this 03 day of February 2025.



Finau Seru Nagera
Auditor-General



Sairusi Dukuno
Deputy Auditor-General



Independent Auditor's Report

To the Minister of Finance

Opinion

We have audited the financial statements of Office of the Auditor General ("the Office"), which comprise the statement of financial position as at 31 July 2024, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Office as at 31 July 2024, and of its financial performance and its cash flows for the year then ended in accordance with IFRS for SMEs Accounting Standards as issued by the International Accounting Standards Board (IFRS for SMEs).

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Office in accordance with International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) and the ethical requirements that are relevant to our audit of the financial statements in Fiji and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the Management Certification report but does not include the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS for SMEs Accounting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Office 's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Office or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Office's financial reporting process.

Auditors' responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, 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 Office 's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Office 's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Office to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.



Report on Other Legal and Regulatory Requirement

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion:

- i) proper books of account have been kept by the Office, sufficient to enable financial statements to be prepared, so far as it appears from our examination of those books; and
- ii) to the best of our knowledge and according to the information and explanations given to us the financial statements give the information required by the Financial Management Act 2004, in the manner so required.


KPMG

A handwritten signature in black ink, appearing to read 'Sharvek Naidu'.

Sharvek Naidu
Partner

Nadi, Fiji
3 February 2025

OFFICE OF THE AUDITOR GENERAL
STATEMENT OF COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 31 JULY 2024

	Notes	31 July 2024 \$	31 July 2023 \$
Income			
Grant Income	4(a)	5,480,810	5,343,968
Interest		74	145
Other income	4(b)	9,025	6,375
Total Income		5,489,909	5,350,488
Expenses			
Salaries, wages and other benefits	5(a)	4,156,129	3,833,856
Travel, accommodation and communications	5(b)	141,284	163,787
Maintenance	5(c)	8,559	10,423
Contract audit fees		357,213	524,998
Other operating expenses	5(d)	393,660	517,115
Computers & IT services	5(e)	20,532	12,338
Depreciation expense	8	113,909	112,992
Amortisation expense	9	44,315	57,316
Audit fees		40,900	30,750
Total Expenses		5,276,501	5,263,575
Net surplus for the year		213,408	86,913

The statement of comprehensive income is to be read in conjunction with the accompanying notes to and forming part of the financial statements.

	31 July 2024 \$	31 July 2023 \$
Balance as at 1 August 2023	(37,745)	(124,658)
Net surplus for the year	213,408	86,913
Balance as at 31 July 2024	175,663	(37,745)

OFFICE OF THE AUDITOR GENERAL
STATEMENT OF FINANCIAL POSITION
 FOR THE YEAR ENDED 31 JULY 2024

	Notes	31 July 2024 \$	31 July 2023 \$
Current assets			
Cash	6	1,657,457	1,064,580
Other assets and receivable	7	374,299	181,593
		2,031,756	1,246,173
Non-current assets			
Other assets and receivable	7	14,511	7,099
Property, plant and equipment	8	310,465	332,943
Intangible assets	9	105,381	149,696
		430,357	489,738
Total assets		2,462,113	1,735,911
Current liabilities			
Accounts payable	10	296,328	283,838
Employee Benefit Liability	11	253,599	308,534
Unutilized Grant	12	1,631,142	1,038,776
Deferred Income	15	37,127	37,127
		2,218,196	1,668,275
Non-current liabilities	15	68,254	105,381
Deferred Income		68,254	105,381
Total liabilities		2,286,450	1,773,656
Net asset/(deficiency in asset)		175,663	(37,745)
Equity			
Accumulated surplus/(loss)		175,663	(37,745)
Total equity		175,663	(37,745)

The statement of financial position is to be read in conjunction with the accompanying notes to and forming part of the financial statements.

	Notes	31 July 2024 \$	31 July 2023 \$
Cash flows from operating activities			
Receipt from grants		6,036,048	5,807,103
Commission received		9,025	6,375
Interest received		74	145
Payment for contracted audit services		(374,860)	(512,960)
Payment to employees		(4,185,995)	(3,489,075)
Payment to suppliers and vendors		(799,985)	(798,390)
Net cash from operating activities		684,307	653,198
Cash flows from investing activities			
Payment for plant & equipment, and intangible asset		(91,430)	(150,060)
Net cash used in investing activities		(91,430)	(150,060)
Net increase in cash		592,877	503,138
Cash at beginning of financial year		1,064,580	561,442
Cash at end of financial year	6	1,657,457	1,064,580

The statement of cash flows is to be read in conjunction with the accompanying notes to and forming part of the financial statements.

NOTE 1 GENERAL INFORMATION

The Office of the Auditor-General of Fiji (OAG) assists the Auditor-General deliver against the mandate of the Constitution of the Republic of Fiji and the Audit Act 1969. The work of OAG is also governed by auditing standards issued by the International Organization of Supreme Audit Institutions and the Fiji Institute of Chartered Accountants. The Financial Management Act 2004 requires that the Ministry of Finance must ensure that adequate funding is appropriated to any independent office to ensure that the independent office independently and effectively exercise its powers and perform its functions and duties. The financial statements were authorised for issue by the Auditor General on 03 February 2025.

NOTE 2 PRINCIPAL ACTIVITY

The Office of the Auditor General ('Office') is an independent Office established under Section 151 of the Fijian Constitution with the function to inspect, 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 public money or public property of the State.

NOTE 3 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

The financial statements have been prepared in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs) as issued by the International Accounting Standards Board (IASB). They are presented in Fiji Dollars (\$), rounded to the nearest dollar.

The principal accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

Set out below is a summary of the significant accounting policies adopted by OAG in the preparation of the Financial Statements for the year ended 31 July 2024.

b) Basis of accounting

The financial report has been prepared on the basis of historical costs and except where specifically stated do not take into account current valuations of non-current assets.

In the application of IFRS for SMEs, management is required to make judgements, estimates and assumptions about carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgements. Actual result may defer from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period. Judgements made by management in the application of IFRS for SMEs that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed where applicable, in the relevant notes to the financial statements.

c) Functional and presentation currency

The financial statements are presented in Fiji Dollars which is also the functional currency of the Office. All financial information presented in Fijian currency has been rounded to the nearest dollar.

d) Foreign currency

Foreign currency transactions are translated to Fiji dollars at rates of exchanging ruling at the dates of the transactions. Amounts receivable and payable in foreign currencies are converted to Fiji currency at the rates of exchange ruling at reporting date. Exchange gains or losses whether unrealized are included in the statement of comprehensive income.

e) Cash

Cash includes cash on hand and cash at bank.

NOTE 3 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

f) Value Added Tax (VAT)

Revenue, expenses, assets and liabilities are recognised net of VAT, except: i) Where the amount of VAT incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of the asset or as part of an item of expense. ii) For receivables and payables which are recognised inclusive of VAT.

The net amount of VAT payable to, or receivable from, the taxation authority is included as part of payables or receivables,

g) Government grant

The Office receives grant from Government of Fiji for its operations. The grant released by Government does not specify any specific performance conditions however grant are to be used in line to the annual budget submission to the Government. The Government have the right to recall any unused funds by the Office. This grant compensates the Office for cost incurred and paid for operational and capital needs, and are recognized in profit or loss as grant income on a systematic basis in the periods in which expenses are incurred and paid. In this case, the grant is recognized when it becomes receivable.

Non-governmental grants related to assets are initially recognized as deferred income at cost, if there is reasonable assurance that they will be received and the Office will comply with conditions associated with the grant. Grants related to acquisition of assets are recognized in profit or loss as grant income on a systematic basis over the useful life of the asset.

In the event any Grant that imposes specific future performance conditions is recognised in income when those conditions are met. Grants received before the income recognition criteria are satisfied are presented as a separate liability in the Statement of Financial Position.

h) Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The following annual rates are used for the depreciation of property, plant and equipment for current and prior period.

- Computer Hardware 20% - 25%
- Motor Vehicles 20% - 25%
- Office Equipment 10% - 25%
- Fixtures and Fittings 10% - 25%

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectation.

i) Intangible asset

Intangible asset is a purchased software that is stated at cost less accumulated amortization and any accumulated impairment losses. It is amortised over its estimated useful life using the straight-line method. The software has an estimated useful life of 5 years. If there is an indication that there has been a significant change in amortization rate, useful life, or residual value of an intangible asset, the amortization rate is revised prospectively to reflect the new expectation.

j) Impairment of assets

At each reporting date, property, plant, and equipment are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount, the higher of an asset's (or cash generating unit's) fair value less costs to sell and its value in use, of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

NOTE 3 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

k) Trade and other payables

Trade and other payables are obligations on the basis of normal credit terms and do not bear interest. They are measured at amortized cost.

l) Employee benefit obligations

Superannuation

Contributions are paid to the Fiji National Provident Fund on behalf of employees to secure retirement benefits. Costs are included in profit or loss as the services are rendered by employees.

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed in profit or loss as the related service is provided. A liability is recognised for the amount to be paid under short-term benefits if OAG has a present or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be measured reliably.

Liabilities for annual leave are recognised and are measured as the amount unpaid at the reporting date at current pay rates in respect of employee services up to that date.

m) Provisions and contingencies

Provisions are recognised when there is an obligation at the reporting date as a result of a past event; it is probable that the Office will be required to transfer economic benefit in settlement; and the amount of the obligation can be estimated reliably. Provisions are measured at the present value of the amount expected to be required to settle the obligation.

NOTE 4 INCOME

	31 July 2024 \$	31 July 2023 \$
(a) Grant income		
Government of Fiji - Operating Grant	5,386,926	5,303,902
PASAI Grant	37,127	40,066
Saudi FISP	53,757	-
	5,480,810	5,343,968
(b) Other Income		
Commission	9,025	6,375
	9,025	6,375

NOTE 5 EXPENSES

(a) Salaries, wages and other benefits

Established staff	3,869,020	3,515,945
Unestablished staff	49,759	50,514
Annual leave expense	237,350	267,397
Total salaries, wages and other benefits	4,156,129	3,833,856

The number of employees at the end of the financial period was 81 (2023: 80)

Established: 78 (2023: 77)

Unestablished: 3 (2023: 3)

Established refers to salaried employees and Unestablished refers to wages employees

(b) Travel, accommodation and communications

Subsistence	50,616	47,802
Telephone and internet	28,359	32,193
Travel	62,309	83,792
	141,284	163,787

(c) Maintenance

Maintenance	70	491
Motor vehicle expenses - Fuel	8,489	9,932
	8,559	10,423

NOTE 5 EXPENSES (CONT'D)

(d) Other operating expenses

	31 July 2024 \$	31 July 2023 \$
Advertising	5,385	3,538
Bank charges	1,287	1,043
Professional fee - legal & consultancy	304	285
Books, pamphlets and publication	1,843	3,629
Electricity	45,204	48,156
Incidentals	11,061	12,102
Repair & maintenance - furniture & fittings	-	642
Legal fees	3,625	29,675
Occupational Health & Safety (OHS)	2,089	902
Office cleaning services	28,709	31,973
Office equipment	12,857	11,437
Office meeting logistics	2,723	1,225
Repair & Maintenance - office equipment	7,718	11,241
Software license fees	140,784	48,006
Stationery & printing	52,705	55,070
Strategic planning workshop	-	2,836
Subscription fees	17,510	13,475
Training	59,733	27,980
Team building	123	-
Impairment expense on other receivables	-	213,900
	393,660	517,115

(e) Computers & IT services

Software	1,470	11,839
Website	7,500	325
Others	11,562	174
	20,532	12,338

NOTE 6 CASH

Cash on hand	700	78
Cash at bank: (Operating - ANZ)	1,626,971	1,034,605
Cash at bank: (Operating - HFC)	28,932	28,973
Cash at bank: (Cheque - BSP)	854	924
	1,657,457	1,064,580

Reconciliation of cash

For the purposes of the statement of cash flows, cash include cash at bank and cash on hand. Refer to Note 12(a) and 12(b) for restricted cash.

NOTE 7 OTHER ASSETS AND RECEIVABLES

Prepayments	151,734	124,578
Refundable deposits	1,416	1,416
Accountable advance	1,944	94
Value Added Tax receivable	447,616	276,504
	602,710	402,592
Less: allowance for impairment losses	(213,900)	(213,900)
	388,810	188,692
Other assets and receivables represented by:		
Current	374,299	181,593
Non-current	14,511	7,099
Total other assets and receivables	388,810	188,692

NOTE 8 PROPERTY, PLANT AND EQUIPMENT

Reconciliation of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current financial year is set out as follows:

Cost	Computer Hardware \$	Motor vehicles \$	Furniture and fittings \$	Office Equipment \$	Total \$
Balance as at 31 July 2023	340,961	43,111	127,015	297,196	808,283
Acquisitions	-	-	1,413	90,017	91,430
Disposals	-	(43,111)	-	-	(43,111)
Balance as at 31 July 2024	340,961	-	128,428	387,213	856,602
Accumulated depreciation					
Balance as at 31 July 2023	138,494	43,111	36,437	257,297	475,339
Depreciation for the Year	67,727	-	22,513	23,669	113,909
Disposals	-	(43,111)	-	-	(43,111)
Balance as at 31 July 2024	206,221	-	58,950	280,966	546,137
Carrying amount					
As at 31 July 2023	202,467	-	90,578	39,899	332,944
As at 31 July 2024	134,740	-	69,478	106,247	310,465

NOTE 9 INTANGIBLE ASSETS

Software Cost:

Balance as at 1 August
Additions
Balance as at 31 July

31 July 2024 \$	31 July 2023 \$
671,097	580,210
-	90,887
671,097	671,097
Accumulated amortisation	
Balance as at 1 August	521,401
Amortisation for the year	44,315
Balance as at 31 July	565,716
105,381	149,696

Net amount

Software include the OAG Navision Financial Management Information System, Payroll PayGlobal System and TeamMate+. Computer software is capitalised at the net invoice cost plus any related consulting and/or training costs associated with the initial software implementation (including the initial license cost) and amortised by an impairment charge over its remaining life to arrive at the carrying amounts.

NOTE 10 ACCOUNTS PAYABLE

Fiji National Provident Fund payable	6,049	1,827
Fringe Benefit Tax (FBT) payable	65	65
Trade payables	240,706	236,611
Salaries & wages payable	49,508	28,660
Legal fees payable	-	16,675
	296,328	283,838

NOTE 11 EMPLOYEE BENEFIT LIABILITY

The movement during the year is as follows:

As at 1 August
 Arising during the year
 Utilized
 As at 31 July

Represented by:
 Current

31 July 2024 \$	31 July 2023 \$
308,534	340,008
284,398	267,397
(339,333)	(298,871)
253,599	308,534
253,599	308,534
4,171	4,171
-	-
-	-
4,171	4,171

NOTE 12 UNUTILIZED GRANT

(a) INTOSAI unutilized grant

Opening balance
Add: Grant received
Less: Grant utilized

The "INTOSAI SAI Continuity COVID-19 Grant" was launched in early October 2020. The aim of this grant is to assist Supreme Audit Institutions (SAIs) with continuity of operations, through ICT and staff safety measures support, to respond to the needs caused by the COVID-19 Pandemic. Through this funding, the Office was able to purchase a server as part of its Disaster Recovery Plan.

The balance of \$4,171 from INTOSAI grant is held as restricted cash in the HFC Bank Operating account.

(b) SAUDI FISP unutilized grant

Opening balance
Add: Grant received
Less: Grant utilized

-	-
68,166	-
53,756	-
14,410	-

The Saudi Fund for Improved SAI Performance (Saudi FISP) grant of \$68,166 is to assist the office through ICT support. Through this funding, the Office was able to purchase license for Team Mate Analytics and provide Team Mate training. The balance of \$14,410 from Saudi FISP grant is held as a restricted cash in ANZ Operating account.

(c) Government unutilized grant

Opening balance
Add: Grant received
Less: Grant utilized

1,034,605	531,403
5,967,882	5,807,104
5,389,926	5,303,902
1,612,561	1,034,605
1,034,605	531,403
577,956	503,202
1,612,561	1,034,605
1,631,142	1,038,776

Prior years unutilized grant
 Current year unutilized grant

Total unutilized grant

Unutilised Government Grant of \$1,034,605 includes \$335,652 as the closing balance from FY 2020/2021, \$195,751 from FY 2021/2022 and \$503,202 from FY 2022/2023 which had been carried forward. These funds are committed to outsourced audits in progress and will only be realised when invoices are received from our contract auditors. Unused government grant can be called by government immediately hence are classed as current.

NOTE 13 AUDIT FEES

	31 July 2024 \$	31 July 2023 \$
Audit fees	1,229,562	891,022
	1,229,562	891,022

Audit fees is State revenue, therefore disclosed as part of the Notes to the financial statements only.

NOTE 14 ACCOUNTS RECEIVABLE

Audit fees receivable	616,564	322,899
	616,564	322,899

Audit fees receivable belongs to the State, hence disclosed as part of the Notes to the financial statements only.

NOTE 15 DEFERRED INCOME

On 1 August	142,508	91,687
Additions		90,887
Less: amortisation	(37,127)	(40,066)
On 31 July	105,381	142,508
Current	37,127	37,127
Non-current	68,254	105,381
Net deferred income	105,381	142,508

PASAI funded the TeamMate+ software fees from 2 June 2022.

NOTE 16 CONTINGENT LIABILITIES

- 1) A defamation action against the Auditor General was taken by Aliz Pacific & Dr Nur Bano Ali in which the plaintiffs sought damages against the Office. The High Court in its ruling on 31 January 2018 dismissed the claim of Aliz Pacific & Dr Nur Bano Ali, however, appealed. On 28 October 2022, the judgement of the Supreme Court was delivered in which the petition of the plaintiffs was successful. The matter was referred to the Master of the High Court for assessment of special and general damages. The Master delivered her judgement on 4 September 2023. A Notice of Appeal has been filed against this judgement and the matter has been adjourned to 19 February 2025 for mention to fix a new hearing date.
- 2) The Auditor General is a party to a legal action brought against the Office by a former employee. The trial scheduled for 3 and 4 February 2025 has been vacated, and the Court has given mention on 3 June 2025 to ascertain if the Plaintiff wishes to pursue the claim.

NOTE 17 SUBSEQUENT EVENTS

There are no known subsequent events which will have a material effect on these financial statements except as otherwise disclosed in the financial statements.

NOTE 18 COMMITMENTS

As at 31 July 2024, there were no capital expenditure commitments (2023: \$Nil).

NOTE 19 RELATED PARTY TRANSACTIONS

The Office of the Auditor General is an independent Office established under Section 151 of the Constitution of Fiji with the function to audit and report to 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 public money or public property of the State.

The Office of the Auditor General does not have any related party relationships, as defined by Section 33 of the IFRS for SMEs, with State or public entities that it audits. However, the Office does have transactions which are not related party transactions, with certain government agencies that it also audited, such as the Ministry of Finance and the Ministry of Civil Service. These transactions are disclosed for the purposes of transparency:

- The provision of office accommodation, the lease agreement is between the Ministry of Finance/Ministry of Civil Service and the owners of the office buildings.

Key management personnel compensation

Key management personnel remuneration

802,390

704,953

Key management personnel as at 31 July 2024 comprised the Auditor General, the Deputy Auditor General, an Assistant Auditor General and four Senior Managers that have taken on the role of Acting Assistant Auditors General during the year.

Phone: +679 8921 519

Email: info@auditorgeneral.gov.fj

Mail: P. O. Box 2214,
Government Buildings
Suva

Location: Top Floor, Modyl Plaza,
Karsanji Street,
Vatuwaqa,
Fiji.

