# Standing Committee on Public Accounts

# REVIEW REPORT ON THE OFFICE OF THE AUDITOR GENERAL - ANNUAL REPORT 2022

**PARLIAMENT OF THE REPUBLIC OF FIJI**
**Parliamentary Paper No. 108 of 2026**

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# Acronyms

| ACRONYM | MEANING |
|---|---|
| | |
| **FNU** | Fiji National University |
| **IDI** | INTOSAI Development Initiative |
| **INTOSAI** | International Organization of Supreme Audit Institutions |
| **KPIS** | Key Performance Indicators |
| **OAG** | Office of the Auditor-General |
| **PAC** | Public Accounts Committee |
| **PASAI** | Pacific Association of Supreme Audit Institutions |
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# Chairperson's Foreword

It is with immense pleasure that I present the Annual Report for the financial year ended 31 July 2022. This year marked a significant period of transition and adaptation for the Office of the Auditor-General, as leadership changes coincided with ongoing challenges brought about by the COVID-19 pandemic. Despite these constraints, the Office remained steadfast in fulfilling its constitutional mandate of providing independent assurance to Parliament and the people of Fiji on the prudent use and management of public resources.

The year under review was characterized by resilience, innovation, and a strong commitment to maintaining service delivery under unprecedented circumstances. Extended periods of remote work, disruptions in access to audit evidence, and logistical challenges required the Office to rethink its approach to audit execution. In response, strategic decisions were taken to reprioritize resources, particularly toward the Financial Audit Program, to address accumulated audit backlogs and ensure that critical audit functions continued with minimal disruption. These measures enabled the Office to stabilise operations while gradually transitioning back to more normal working conditions.

Encouragingly, the Office recorded measurable progress in improving audit completion rates, signalling a renewed emphasis on efficiency, accountability, and performance. The transition to modern, web-based audit tools and the strengthening of IT infrastructure played a pivotal role in enhancing productivity and enabling auditors to work flexibly across different environments. These technological advancements not only improved the quality and timeliness of audits but also laid the foundation for a more agile and digitally driven audit function in the years ahead.

Beyond operational achievements, the year also highlighted the importance of people as the Office's greatest asset. Despite workforce challenges, including staff turnover and changing work dynamics, the commitment, professionalism, and adaptability demonstrated by staff were instrumental in achieving the Office's objectives. We therefore extend sincere appreciation to the Executive Management, staff, and key stakeholders including Parliament, public entities, and development partners for their unwavering support and collaboration. Their collective efforts have strengthened the Office's ability to uphold transparency, accountability, and good governance, which remain fundamental to building public trust and ensuring sustainable management of national resources.

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**Hon. Manoa Kamikamica**

**Chairperson for the Standing Committee on Public Accounts**

# Committee Membership

The substantive members of the Standing Committee on Public Accounts are:

**Hon. Manoa KAMIKAMICA, Chairperson**

**Hon. Jovesa VOCEA, Deputy Chairperson**

**Hon. Naisa TUINACEVA, Member**

**Hon. Alvick MAHARAJ, Member**

**Hon. Hem CHAND, Member**

**Hon. Sachida NAND, Member**

# Committee Secretariat

The Committee is supported by a team of Parliament staff serving as the Committee Secretariat. These staff are appointed and delegated by the Secretary General to Parliament under Standing Order 15(3)(i) and consists of the following:

## Secretariat

Aashna. A. LAL, Senior Committee Clerk

Vasiti ULUINAYAU, Deputy Committee Clerk

## Committee Contact Details

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# Introduction

The report outlines the performance and activities of the Office of the Auditor-General for the financial year ended 31 July 2022, providing a comprehensive assessment of audit outputs, operational efficiency, financial performance, and its broader contribution to strengthening accountability within the public sector. By presenting both achievements and challenges, it offers a balanced evaluation of how effectively the Office discharged its constitutional responsibilities during a complex and evolving operating environment.

Operating within a clearly defined strategic framework, the Office pursued its vision of promoting public sector accountability and sustainability through independent audits. Key priorities during the year included the delivery of value-adding audit services, strengthening institutional and workforce capacity, and enhancing stakeholder engagement. These priorities formed the foundation for improving audit quality, increasing efficiency, and ensuring that audit outcomes provided meaningful insights for governance and decision-making.

Throughout the reporting period, the Office played a critical role in supporting Parliament and the Standing Committee on Public Accounts through the submission of audit reports, provision of technical expertise, and active participation in parliamentary processes. At the same time, it demonstrated a commitment to continuous improvement and innovation by integrating modern technologies, strengthening internal systems, and investing in staff development. These initiatives enhanced the quality, credibility, and reliability of audit services, positioning the Office to meet future challenges and deliver greater value to its stakeholders.

# Committee Procedure

Standing Order 112(1)(b) provides the Standing Committee on Public Accounts with the authority to compel the production of documents, materials, or information necessary for its proceedings and deliberations.

In line with this provision, the Committee has resolved that the entity identified in the audit report, the Office of the Auditor General, shall provide a substantive written submission to the Committee addressing the audit findings.

# Background

The Office of the Auditor-General (OAG), established under the Constitution of the Republic of Fiji, plays a vital role in safeguarding public resources and ensuring accountability. Its mandate includes auditing the public accounts of the State, examining the management of funds and assets, and reporting findings to Parliament. Supported by the Financial Management Act 2004 and the Audit Act 1969, the OAG operates independently and in line with international standards such as those set by International Organization of Supreme Audit Institutions (INTOSAI), thereby promoting good governance and sound financial management.

The operating environment in 2022 was marked by significant challenges, particularly the ongoing impacts of COVID-19. Restrictions on movement, prolonged remote work, and limited access to client records disrupted traditional audit processes. Delays in the submission of financial statements further affected timeliness and efficiency. The Committee also noted the transitional period in leadership, with the Auditor-General’s position held in an acting capacity, which added to the operational pressures and highlighted the need for more resilient audit approaches.

Despite these constraints, the OAG demonstrated adaptability by upgrading IT infrastructure, transitioning to web-based audit systems, and enhancing audit methodologies. Continued investment in staff training and professional development ensured auditors were equipped to meet evolving demands. These initiatives strengthened internal systems, improved efficiency, and positioned the Office to deliver high-quality audit services while remaining responsive to future challenges.

# Overview

Positive practices highlighted in the Auditor-General's Annual Report 2022 include the alignment of performance outcomes with the Office's strategic planning framework for the years 2021 to 2025. The report outlines strategic priorities and measures progress against key performance indicators (KPIs), thereby demonstrating accountability in how objectives have been achieved. This integration of planning and reporting reflects a commitment to practising what is preached—linking vision and mission to measurable results.

This model of reporting and planning sets a benchmark for other state-owned entities and government departments. Presenting KPIs alongside narrative commentary ensures that reporting is evidence-based and outcome-oriented. Wider adoption of this practice across the public sector would enhance credibility, strengthen governance, and support informed decision-making.

The committee was presented the OAG's Strategic Plan 2026–2030 reinforcing their focus on identifying clear priority areas such as Delivering audit results, ensuring quality, Strengthening capabilities, and Digital transformation. Each priority is supported by goals, risks, and strategies, providing a transparent roadmap for institutional growth. By embedding risk management and capacity-building measures into the plan, the Office demonstrates foresight and resilience in addressing challenges while maintaining audit quality.

# OAG Strategic Plan KPIs: Targets vs Achievements (2022)

| Strategic Priority | KPI / Target | Achievement 2022 | Status |
|---|---|---|---|
| Independent & Value Adding Audit Services | Submit 7 Audit Reports to Parliament by 31 July 2022 | 6 of 7 reports submitted (86% completion) | Partially Achieved |
| | Submit 2021 Annual Report to Parliament | Annual Report submitted | Achieved |
| | Financial Audit Completion Rate 80% target | 72% completion rate (175 of 244 audits completed) | Partially Achieved |
| | Improve timeliness and audit backlog reduction | Completed 86 backlog audits (69% of planned backlog audits) and updated audits of 10 entities | Partially Achieved |
| | Delivery of quality audit services | QA reviews found audit conclusions appropriate; positive quality review from PASAI/IDI cooperative audit | Achieved |
| Institutional & Workforce Capacity Building | Strengthen governance through policy reviews | 3 new policies developed, and 5 policies/manuals reviewed | Achieved |
| | Staff learning and development | 26 training sessions delivered/facilitated (target 39) | Partially Achieved |
| | Staff participation in training | 58 staff (74%) attended two or more training sessions | Achieved |
| | Professional development | 14 staff undertook professional development; 3 staff graduated with postgraduate qualifications | Achieved |
| | Increase professional capability | 32 staff (41%) held professional qualifications or association memberships | Partially Achieved |
| | Embrace technology and innovation | TeamMate upgraded to TeamMate+; over 70 users trained; web-based audit platform implemented | Achieved |
| | Upgrade IT infrastructure | Disaster Recovery server implemented; standalone payroll, financial and HR systems operational | Achieved |
| Engagement with Clients & Other Stakeholders | Support Public Accounts Committee (PAC) | Supported 20 PAC public hearing sessions | Achieved |
| | Improve client satisfaction | 92% client satisfaction rate from independent survey | Achieved |
| | Strengthen | Facebook (3,600 followers), | Partially |

| | | | |
|---|---|---|---|
| | stakeholder engagement and communication | LinkedIn (2,305), Twitter (270); Website hits 935,182 | Achieved |
| | Increase awareness and visibility | FNU partnership maintained; national school drawing competition conducted; Fiji Business Excellence Award participation | Achieved |

**Overall:** OAG achieved most of its strategic KPIs in 2022. The key areas where targets were partially met was the Financial Audit Completion Rate (72% achieved vs 80% target) and the submission of audit reports to Parliament (6 of 7 planned reports submitted), due to COVID-19 impacts and resource reallocation to address audit backlogs. In addition, further work is required in areas such as institutional and workforce capacity building, staff learning and development, enhancing professional capability, and strengthening stakeholder engagement and communication.

# Audit Objective

The primary objective of this report is to provide an independent and objective assessment of the financial management and operational performance of public sector entities for the financial year ended 31 July 2022. Through its audit processes, the Office of the Auditor-General evaluates whether public funds have been utilized efficiently, effectively, and in accordance with applicable laws, policies, and regulations. This objective is central to ensuring transparency and accountability in the management of public resources, while also supporting Parliament in its oversight role.

In fulfilling this mandate, the audits assess the reliability and accuracy of financial statements, the adequacy of internal control systems, and the level of compliance with legislative frameworks such as the Financial Management Act 2004 and the Audit Act 1969. They also identify weaknesses, inefficiencies, and areas of non-compliance that may affect the proper management of public funds. By highlighting these issues, the Office provides actionable insights that assist entities in strengthening governance, improving financial practices, and enhancing accountability.

Beyond financial accuracy, the audits aim to add value by evaluating the effectiveness and efficiency of government programs and operations through performance and compliance audits. These reviews examine whether public sector activities are achieving intended outcomes and delivering value for money. The audit function enhances public trust in government institutions by fostering a culture of accountability, integrity, and transparency. Through timely and credible reporting to Parliament and stakeholders, the Office of the Auditor-General contributes to stronger governance systems and the sustainable management of national resources.

# Limitation of Scope

The audit for the financial year ended 31 July 2022 was conducted in accordance with applicable auditing standards and legislative requirements. However, the scope of the audit was subject to certain limitations that influenced both the extent and timing of audit procedures. These limitations arose primarily from external and operational factors experienced during the reporting period and must be considered when interpreting the findings and conclusions of this report.

A significant limitation was the impact of the COVID-19 pandemic, which resulted in extended periods of remote working and restricted physical access to audit evidence and client records. These constraints affected the ability of audit teams to perform on-site verification and obtain timely information from audited entities. In some cases, delays in accessing supporting documentation disrupted audit timelines and contributed to the carryover of certain engagements. Additionally, late, or incomplete submission of financial statements by public entities posed further challenges, limiting the scope of work that could be undertaken and causing some audits to remain in progress or be deferred to subsequent periods.

Resource constraints also affected audit delivery. Staff turnover and capacity limitations within both the Office of the Auditor-General and audited entities impacted efficiency and the depth of audit procedures. While efforts were made to mitigate these challenges through technology and reallocation of resources, such constraints inevitably influenced the coverage of certain audits. Despite these limitations, the Office endeavoured to apply appropriate professional judgment and maintain audit quality, ensuring that the findings presented remain reliable and provide a fair basis for assessment and decision-making.

# General Findings

- **Improved Audit Completion Performance**

  - The Office recorded a notable improvement in its audit completion rate during the 2022 financial year, completing 175 financial audits, which represents a 72% completion rate.
  - This marks a significant increase compared to the previous year's performance, reflecting stronger operational focus and more effective resource allocation.
  - The improvement can be attributed to the prioritization of the Financial Audit Program and targeted efforts to address the backlog of outstanding audits.
  - This progress demonstrates enhanced efficiency in audit processes and a commitment to meeting reporting obligations to Parliament in a timely manner.

- **Persistent Challenges with Audit Backlogs**

  - Despite improvements, delays in the submission of financial statements by public entities continue to pose a major challenge.
  - A significant number of audits remained in progress or had not commenced by the end of the financial year, indicating systemic issues in financial reporting practices across the public sector.
  - These delays negatively affect the timeliness of audit reporting and limit the effectiveness of oversight by Parliament.
  - The persistence of audit backlogs highlights the need for stronger enforcement of reporting deadlines and improvements in capacity within audited entities.

- **Weaknesses in Governance and Operational Efficiency**

  - Performance audits conducted during the year identified key weaknesses in governance structures across certain sectors.
  - Common issues included:
    - Inadequate monitoring and evaluation systems,
    - Poor data management and lack of centralized information systems,

        - Inefficiencies in regulatory and licensing processes.
    - These shortcomings reduce the effectiveness and efficiency of public sector programs and may lead to increased risks of mismanagement or non-compliance.
    - The findings emphasize the need for stronger internal controls, better coordination among agencies, and improved accountability frameworks.

- **Strong Financial Management and Internal Controls**

    - The Office demonstrated sound financial stewardship during the year, achieving an unqualified audit opinion on its financial statements.
    - Budget utilization remained effective, with approximately 93% of allocated funds utilized, indicating prudent financial management and efficient use of resources.
    - Internal control systems were found to be robust, ensuring compliance with financial regulations and minimizing the risk of financial misstatements.
    - These outcomes reinforce the Office's credibility as a model institution for financial discipline and accountability within the public sector.

- **Operational Adjustments and Resilience**

    - The Office successfully adapted to operational disruptions caused by the COVID-19 pandemic through flexible working arrangements and the use of technology.
    - While challenges such as limited access to records affected audit timelines, mitigation measures helped sustain audit activities and maintain service delivery.
    - The ability to adjust operations under pressure demonstrates institutional resilience and capacity to manage risks in uncertain environments.

# General Recommendations

- **Strengthen Governance and Accountability Frameworks**
  - Public entities should enhance their internal governance structures, including strengthening oversight mechanisms, information systems (platform commonality) and accountability processes.
  - Improved monitoring and evaluation systems should be established to track performance, ensure compliance, and support evidence-based decision-making.
  - Data management practices should be upgraded through the development of centralized and reliable information systems to support accurate reporting and transparency.
  - Clear policies and procedures must be enforced consistently to ensure compliance with laws, regulations, and audit recommendations across all entities.
  - Aligning performance reporting with strategic planning and measurable KPIs.

- **Improve Implementation of Audit Recommendations**
  - Public entities should take proactive steps to implement audit recommendations in a timely manner, ensuring that identified weaknesses are addressed effectively.
  - Mechanisms such as follow-up reviews, progress reporting, and accountability frameworks should be introduced to monitor implementation.
  - Greater collaboration between the Office, audited entities, and oversight bodies will strengthen compliance and improve overall governance outcomes.

- **Improve Timeliness and Quality of Financial Reporting**
  - Public entities should prioritize the timely preparation and submission of financial statements to reduce audit delays and backlog accumulation.
  - There is a need to strengthen internal financial management systems, including proper record-keeping, reconciliation processes, and compliance with

accounting standards.
    - Enforcement of reporting deadlines and increased accountability mechanisms should be implemented to ensure adherence to statutory requirements.
    - Capacity-building initiatives, such as training in financial reporting and accounting practices, should be provided to staff of public entities to improve the quality and reliability of financial information.

- **Enhance Use of Technology in Audit Processes**

    - The Office should continue to leverage digital technologies to improve audit efficiency, accuracy, and accessibility.
    - The adoption of web-based audit tools has demonstrated significant benefits, including remote access to audit files, real-time collaboration, and improved workflow management.
    - Further investments in data analytics, automation, and integrated audit systems can help identify risks more effectively and streamline audit procedures.
    - Continuous training of staff on emerging technologies should be prioritized to ensure optimal utilization of these tools and to support innovation in audit practices.

- **Strengthen Workforce Capacity and Retention Strategies**

    - Addressing staff turnover is critical, as the Office experienced significant workforce challenges due to migration and competitive job markets.
    - Recruitment strategies should be enhanced to attract qualified professionals, while retention initiatives such as competitive remuneration, career progression opportunities, and professional development programs should be implemented.
    - Investment in ongoing training, mentorship, and leadership development will ensure the sustainability of technical expertise within the Office.
    - Workplace well-being and flexible work arrangements should also be promoted to improve employee satisfaction and productivity.

# Conclusion

The 2022 financial year marked a period of recovery and resilience for the Office of the Auditor-General. Despite operational disruptions from the COVID-19 pandemic, the Office strengthened governance systems, improved audit completion rates, and adopted technological solutions that ensured continuity of service delivery. These achievements highlight its ability to adapt while maintaining its constitutional mandate.

The Committee notes that the report reinforces the importance of timely financial reporting, strong internal controls, and effective oversight in safeguarding public resources. While progress has been made, challenges such as delayed submissions, audit backlogs, workforce constraints, and compliance inconsistencies remain. Addressing these issues will require sustained accountability measures and closer collaboration between the Office, public entities, and oversight bodies.

Importantly, the Committee acknowledges the OAG for practising what it preaches by aligning its performance reporting with strategic planning and measurable KPIs. This approach sets a benchmark for transparency and accountability, embedding a culture of integrity within the institution itself. Looking ahead, the Office's focus on audit quality, stakeholder engagement, and digital transformation positions it to deliver greater value, strengthen governance systems, and contribute meaningfully to improved public financial management in Fiji.

# Member’s Signature:

We, the undersigned Members of the Standing Committee on Public Accounts, agree with the contents of this report:

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**Hon. Manoa KAMIKAMICA**

**(Chairperson)**

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**Hon. Jovesa VOCEA**

**(Deputy Chairperson)**

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**Hon. Naisa TUINACEVA**

**(Member)**

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**Hon. Sachida NAND**

**(Member)**

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**Hon. Alvick MAHARAJ**

**(Member)**

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**Hon. Hem CHAND**

**(Member)**

# Appendices

All written and transcribed evidence gathered during the public submission is available on the Parliament website at: Standing Committee on Public Accounts – Parliament of the Republic of Fiji