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Referral Letter from Permanent Secretary

14 May 2021

Honourable Aiyaz Sayed-Khaiyum
Attorney-General, Minister for Economy, Civil Service and Communications
Suvavou House
Suva

Dear Sir,

In accordance with the Financial Management Act 2004 requirements, I hereby submit for your information and presentation to Parliament, the Annual Report for the Ministry of Civil Service for 2018-2019 financial year.

Yours sincerely,



Susan Kiran
Permanent Secretary for Civil Service

1. Permanent Secretary's Statement

In accordance with the Financial Management Act, 2004, I submit the 2018-2019 Annual Report for the Ministry of Civil Service (MCS).

The highlight of the year was the successful preparation and hosting of the 52nd Asian Development Bank (ADB) Annual Meeting, the largest international meeting that Fiji has ever accommodated. The event was attended by 3,582 participants from 76 countries (including 68 ADB member countries) in Nadi from 1-5 May 2019. During the event, Fiji proficiently showcased its achievements, culture, products, investment potential, and tourism attractions as well as demonstrated its ability to host high-level large international events. Positive feedback was received from delegates on the organisation and logistical arrangement for this annual event.

MCS coordinated the Leadership Development Programmes (LDP) for Deputy Secretaries, Directors and Middle Management across the civil service to enhance the leadership skills. The LDP highlighted the need to do things differently by offering opportunities to develop new thinking skills through experiential learning and networking development opportunities. MCS also continued to consult other Ministries to identify their training needs and liaise with development partners for learning and development opportunities.

MCS managed the contract with Vodafone Fiji for the management of the Customer Care Call Centre (CCCC) for the Ministry of Health and Medical Services (MHMS) in order to improve customer service.

The Government Service Centre (GSC) continued to respond to queries from the public, offering a range of information and referrals of government ministries and agencies. These services included, but were not limited to, reprints of birth, death, and marriage certificates, Justices of Peace referrals, document certification, tourist assistance and directory services.

I am pleased to present the Ministry of Civil Service 2018-2019 Annual Report.



Susan Kiran
Permanent Secretary for Civil Service

2. Corporate Profile

2.1 Vision, Mission and Values



2.2 Roles and Responsibilities

MCS supported the improvement of the overall capabilities of the civil service through policy advice to Ministries, training for civil servants, secretariat support to the PSC, administration of Medical Officers and advice on organisation of major international events.

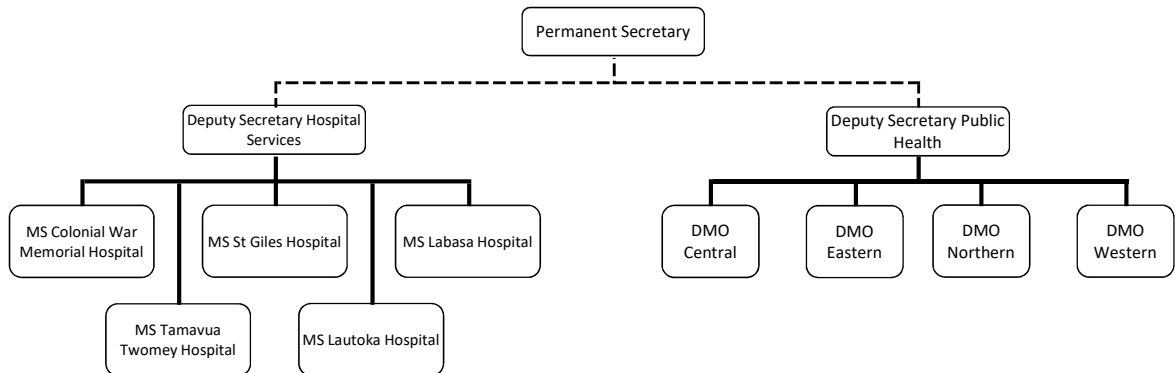
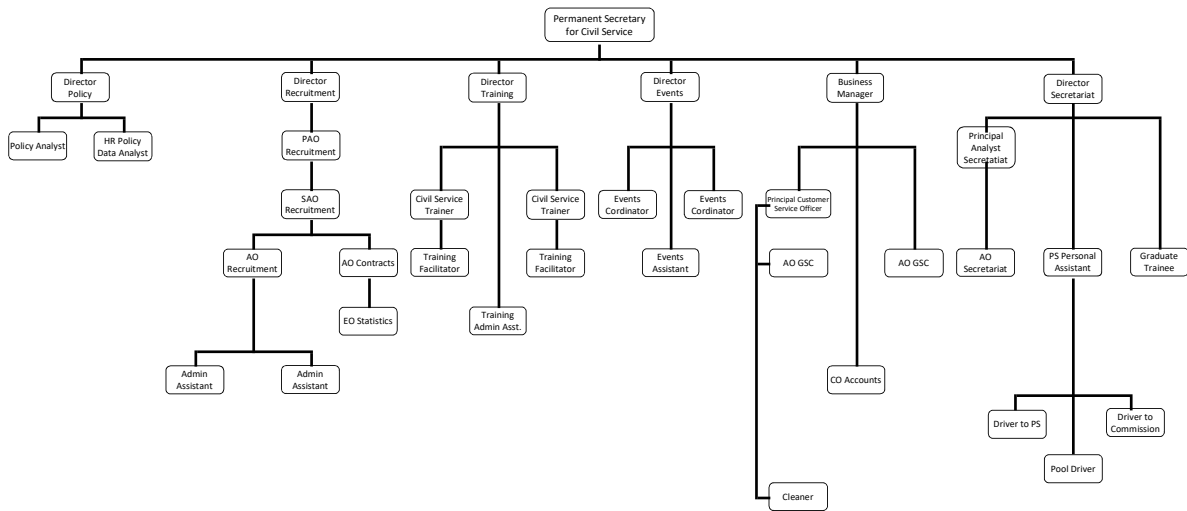
MCS had six divisions which were *Recruitment, Policy, PSC Secretariat, Training, Major Events and Business Unit.*

The roles and responsibilities of the respective divisions and their corresponding outcomes are tabulated below.

Roles and Responsibilities

Division	Outcome	Roles and Responsibilities
Recruitment	Outcome 1 - A stable and high performing ministry with favourable recruitment and retention outcomes.	<ul style="list-style-type: none"> • Coordinate recruitment, contracting, administration and posting of staff and Government doctors and other MCS Staff.
Policy	Outcome 2 - Coherent civil service policy that supports consistent and informed decision making at Ministry level.	<ul style="list-style-type: none"> • Analysis and assessment of ministries' human resource policies to ensure consistency and fairness across the civil service.
PSC Secretariat	Outcome 3 - Public Service Commission to effectively achieve its mandate regarding Permanent Secretary recruitment and performance.	<ul style="list-style-type: none"> • Responsible for providing administrative and analytical support to PSC and for the administration of Permanent Secretaries' terms and conditions of service.
Training	Outcome 4 - Quality training that reflects the capacity building needs of civil servants as recognised by Government through the reform agenda.	<ul style="list-style-type: none"> • Coordinate local and international training programmes focussed on the up-skilling and capacity building of civil servants.
Major Events	Outcome 5 - International meetings that support the achievement of desired policy outcomes through the provision of structured, professional and collaborative operations management.	<ul style="list-style-type: none"> • Coordinate and provide advice on the organisational aspects of major international meetings in collaboration with other Ministries and /or host partners.
Business Unit	Outcome 6 - Better customer and client service in areas impacted by MCS.	<ul style="list-style-type: none"> • Responsible for financial management, procurement and contracting services. • Manage the contract with Vodafone Fiji on Customer Care Call Centre. • Manage operations of the GSC.

2018-2019 Organisational Structure



3. Performance and Achievements

3.1 Recruitment Division

The major achievements of the Recruitment Division in line with its **Outcome 1** (A stable and high performing Ministry with favourable recruitment and retention outcomes) included:

- Continuous refinement of the Ministry’s Open Merit Recruitment Selection policy and its implementation.
- Recruitment and selection of employees to reduce vacancies relating to both administrative and medical officer positions.
- A total of 75 Medical Interns were confirmed and issued with Medical Officer contracts.
- A total of 75 Graduates were absorbed as Medical Interns in January 2019.

- Out of the establishment of 968 medical officer positions, 772 positions were filled while 196 positions were vacant compared to 285 for the previous financial year.

3.2 Policy Division

To ensure consistency of policy across the civil service, the Policy division provided policy advice to Ministries ensuring alignment with overarching legislation, regulations, policies and PSC guidelines.

A summary of the Policy Division achievements in line with its **Outcome 2** (Coherent civil service policy that supports consistent and informed decision making at Ministry level) is highlighted below:

- A total of 38 policy advice was provided to ministries following research and consultations with relevant agencies.
- Assisted in the review of the General Orders 2011 organised by the Civil Service Reform Management Unit.
- Contributed to the review of the working hours for Medical Interns.
- Drafted internal policies on ‘Social Inclusion’ and ‘Gender Equality’.
- Assisted in organising the ministry’s planning day, preparation of planning documents and formulation of MCS 2019-2020 budget submission.

3.3 PSC Secretariat

The PSC Secretariat supported the Commission’s Constitutional functions of appointment, discipline, removal, and oversight of Permanent Secretaries’ (PSs). The PSC was also responsible for setting consistent service standards across the civil service by enforcing guidelines and administering the Procedural Review Process and Performance Assessment Framework for PSs.

The division maintained its support towards the achievement of **Outcome 3** (Public Service Commission to effectively achieve its mandate regarding permanent secretary recruitment and performance). Achievements are as below:

- The administrative processes for appointment of 20 PSs inclusive of five contract renewals.
- Facilitation of approvals for PSs duty travel, oversight and acting roles.
- Assessment of 128 requests for procedural review.
- Processed leave applications and other administrative matters relating to PSs entitlements.
- Provided administrative and secretariat support to seven meetings of the Commission, one induction programme and one retreat for PSs.

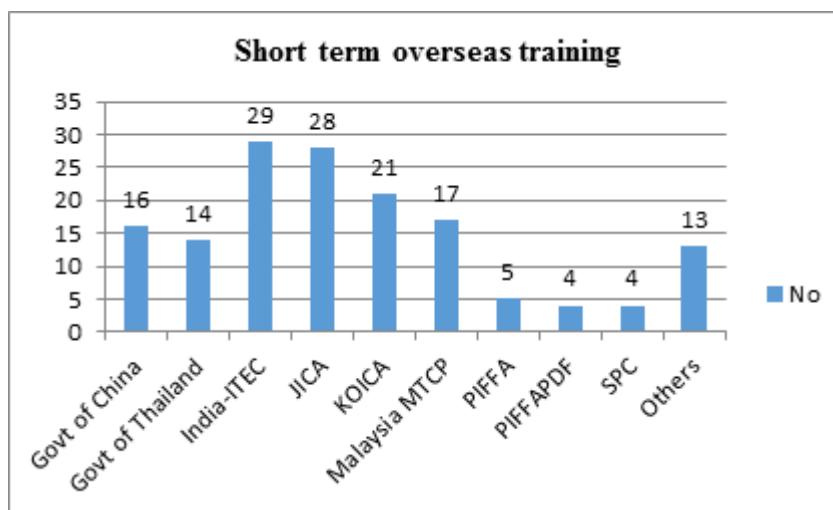
3.4 Training Division

In delivering government's reform agenda, the Training Division worked closely with other ministries and actively engaged with stakeholders to achieve **Outcome 4** (Quality training that reflects the capacity building needs of civil servants as recognised by Government through the reform agenda).

A wide range of learning and development activities (both local and international) were identified and coordinated to fully support the public sector workforce.

Achievements are as below:

- Coordinated induction programme for Medical Officers.
- Facilitated MCS staff induction, which were carried out by individual supervisors.
- Conducted the following core skills training:
 - 17 sessions for 476 civil servants on OMRS Readiness.
 - Three sessions on OMRS for 14 external panellists.
 - 11 sessions for 306 civil servants on Discipline Guideline (Investigation officer).
- Training on Procurement was delivered in partnership with the Ministry of Economy and Records Management in collaboration with the Fiji National Archives.
- Facilitated Project Management training which was sponsored by Secretariat of the Pacific Community and USAID.
- Coordinated Customer Care training which was delivered by Fiji National University.
- MCS coordinated short term overseas training for 151 officers and two Master's Degree scholarships sponsored by development partners.



MCS initiated the Leadership Development Programme in July 2018 for tier two and three officers (Deputy Secretaries and Directors) across the Civil Service to enhance leadership skills to lead and manage teams. It introduced senior leaders to new approaches to develop thinking skills through experiential learning and networking.

3.5 Major Events

MCS Events team led the planning and coordination responsibilities for the 52nd ADB Annual Meeting in 2019, under **Outcome 5** (International meetings that support the achievement of desired policy outcomes through the provision of structured, professional and collaborative operations management).

The Annual Meeting of the Board of Governors is a requirement under the ADB Charter. It is a ministerial meeting and premier forum to discuss economic and development issues.

The 52nd ADB Annual Meeting was hosted by Fiji from 1-5 May 2019. This prestigious event was attended by the Board of Governors of the 68 ADB member countries. The Governors were Ministers of Finance while the Alternate Governors are Governors of Central Banks/Reserve Banks of the member countries. Other delegates included the Civil Society Organisations, Chief Executive Officers of major banks and companies along with other local and international dignitaries and the media.

For the first time ever, this meeting was held in a developing Pacific nation. It provided Fiji with an excellent opportunity to showcase its achievements, culture, investment potential and tourism attractions as well as to demonstrate its ability to host large international events.



Some Highlights of the 52nd ADB Annual Meeting

3,582 Attendees from 76 Countries

The ADB Annual meeting hosted 86 events across 4 venues to accommodate the largest gathering of international delegates in Fiji. The theme for the annual meeting was “Prosperity through Unity”. MCS collaborated with other agencies and stakeholders to create a flawless and risk free event.



Multi-Agency Command Centre

A Multi Agency Command Centre with a state of the art technology was set up for the first time in Fiji to coordinate and control movement of all participants. It provided 24-hour surveillance over the entire event for the safety of the delegates.

Cameras were strategically located along the road to identify any road blocks or hazards from the Airport to Denarau and up to the InterContinental Fiji Golf Resort and Spa in Natadola.



Introduction of New Technology

A 36-metre LED screen was used to compliment the Denarau Island Convention Centre to a level never seen here before. Digital signage was used for the entire event.

LED light boxes were erected at the Sheraton Fiji Resort foyer (main venue for the event) displaying different Fijian cultures and also the cultures of the Pacific ADB member countries.



30 Under 30

A total of 30 youth under the age of 30 were recognised on an international platform for their achievements in different areas. This session was moderated by globally renowned keynote speaker Ms. Holly Ransom.



Internationally Renowned Journalists and Largest Congregation of International Media

Fiji received extensive international exposure as we opened our doors to:

- Internationally renowned journalists, Ms Zeinab Badawi of BBC News, Ms Sharanjit Leyl of BBC World News Singapore and Ms Amanda Drury of CNBC to name a few.
- A total of 144 media representatives from around the world attended the event.
- CNBC hosted a debate which was broadcasted live to their 80 million viewership audience.
- China Global Television Network (CGTN) also hosted live broadcast from the main venue.



Transport Highlights

Impeccable transportation service was provided to all the delegates.



Supporting Local Businesses

Part of the plan for hosting the annual meeting was to support and up-skill local businesses. State of the art technologies were introduced in this meeting and local businesses were invited to work with Technical Assistance to upgrade their skills and capabilities.

A Fijian Arts Village was created to showcase the products of small to medium businesses, Fijian Made products, local handicraft and our different cultures.



The Governors wore a local Fijian designer bula shirt for their official photograph for the 52nd ADB Annual Meeting.



A beautiful handcrafted Tanoa from Hot Glass Fiji was gifted to the President of ADB.

High Level Theming and Branding

A high level theming and branding was used at all the venues. Each venue had a different colour palette that was consistent with the branding guidelines.



Girmit Display

Fiji celebrated 140 years since the arrival of first “Girmitiyas”. The inspirational stories of their challenges were displayed at the exhibition booth. The display attracted a lot of media attention and was also featured in the newspapers.



Host Country Reception

A successful host country reception was held at the InterContinental Fiji Golf Resort and Spa to welcome all the delegates. The ADB rated this as one of the best welcome receptions. The theme for catering was “Taste of Fiji” featuring food from different cultures of Fiji. Food stations promoted food from Our Land, Our Reefs, Our Farms and a live Kokoda Station was led by Fiji’s celebrity Chef, Lance Seeto.



3.6 Business Unit

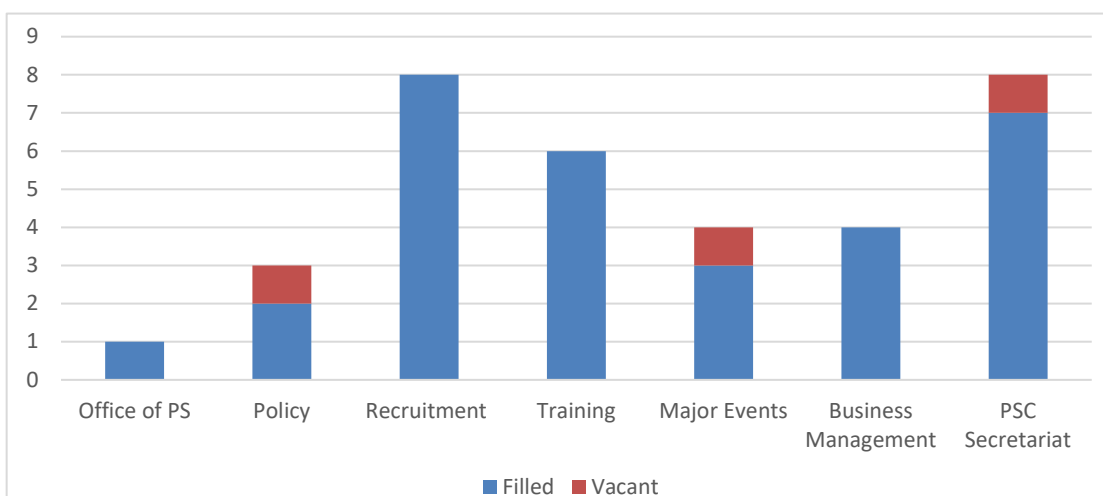
The Business Unit coordinated the corporate services responsibilities of MCS, including human resource administration, accounts and ICT support.

MCS had a staff establishment of 36 out of which, 86% was filled.

Staffing Profile

Division	Establish	Filled			Vacant
		Male	Female	Total	
Office of the Permanent Secretary	1	-	1	1	-
Policy	3	2	-	2	1
Recruitment	8	2	6	8	-
Training	6	2	4	6	-
Major Events	4	1	2	3	1
Business Unit	6	-	4	4	2
PSC Secretariat	8	4	3	7	1
Total	36	9	22	31	5
Percent Filled		86%			14%

Distribution of Staff by Division



MCS in collaboration with the MHMS continued to support the CCCC to effectively handle customer feedback, both positive comments and complaints or suggestions on how health and medical services could be improved.

The Business Unit achievements under **Outcome 6** (Better customer and client service in areas impacted by MCS) were:

- The CCCC provided a better means for the public to be able to report health services related complaints and have them actioned more consistently, effectively and efficiently.

- The CCCC operated 24 hours a day; 7 days a week. It could be contacted either by calling or texting the toll free line 157 from Vodafone and Inkk network within Fiji or sending an email to customer-care@health.gov.fj.
- The CCCC facility allowed MHMS access to complete records, including feedback and follow up actions. This enabled MHMS to better understand areas where services might need to be strengthened, what needed to change, what they did well and whether patient satisfaction was improving over time.
- The GSC continued to operate as an information hub to provide a range of information, services and referrals to other Government Ministries and agencies.
- The GSC received 33,358 requests during the financial year, including reprinting of birth, death and marriage certificates (29,814), certification of documents (1,206) and Justice of Peace assistance (660).
- A total of 35 complaints lodged at the centre were resolved and closed by the responsible ministries.

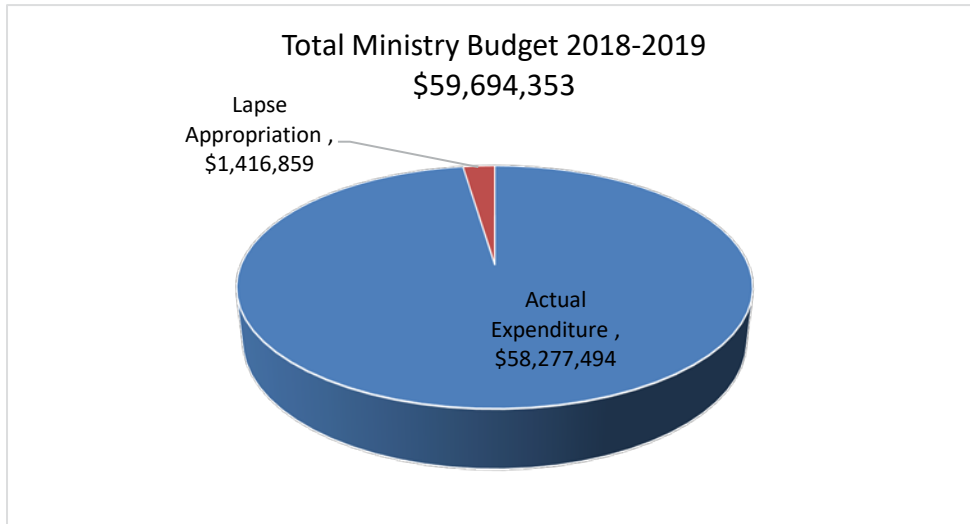
Government Service Centre Requests

Service Provided	Month (2018)							Month (2019)					Total	%
	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July		
Complaint	4	0	6	7	5	6	3	3	0	0	1	0	35	0.10
GSC assistance	52	99	98	65	22	59	39	29	35	17	41	0	556	1.66
Tourist Assistance	29	78	51	23	23	35	30	81	31	6	27	0	414	1.24
NEC query	34	27	41	37	14	21	19	25	3	10	32	0	263	0.78
Application for Ministry	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Certification	71	50	54	81	103	242	148	77	142	42	68	128	1206	3.61
Printing of B/D/M Certificate	1,791	1,597	1,761	2,716	2,075	3,258	2,557	2,330	2,061	3,172	2,781	3,715	29,814	89.37
Justice of Peace assistance	68	76	115	78	56	93	55	28	12	20	34	25	660	1.97
Police Clearance application	1	0	0	0	0	0	1	0	0	0	0	0	2	0.005
Passport application	7	31	22	7	9	33	12	19	20	26	10	12	208	0.62
Statutory Declaration form	6	19	15	9	23	23	16	13	15	11	19	31	200	0.51
Total	2,063	1,977	2,163	3,023	2,330	3,770	2,880	2,605	2,319	3,304	3,013	3,911	33,358	100

4. Ministry Appropriation

MCS was allocated a budget \$59.7 million, out of which \$43.4 million or 97.6% was utilised during the year.

Ministry Appropriation and Actual Expenditure



OFFICE OF THE AUDITOR GENERAL

Promoting Public Sector Accountability and Sustainability through our Audits



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File: 341

21 April 2021

The Honourable Aiyaz Sayed-Khaiyum
Minister for Civil Service
Level 7 Suvavou House
SUVA

Dear Honourable Sayed-Khaiyum

MINISTRY OF CIVIL SERVICE
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2019

The audited financial statements for the Ministry of Civil Service for the year ended 31 July 2019 together with my audit report on them are enclosed.

Particulars of the errors and omission arising from the audit have been forwarded to the management of the Ministry for necessary action.

Yours sincerely

Ajay Nand
AUDITOR-GENERAL

✓ cc Ms. Susan Kiran, The Permanent Secretary for Ministry of Civil Service, Civic House Suva.

Encl.

MINISTRY OF CIVIL SERVICE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

MINISTRY OF CIVIL SERVICE

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019

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OFFICE OF THE AUDITOR GENERAL

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INDEPENDENT AUDITOR'S REPORT

To the Minister for Civil Service

Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of the Ministry of Civil Service ("the Ministry"), which comprise the Statement of Receipts and Expenditure, Appropriation Statement and Statement of Losses for the financial year ended 31 July 2019, and the notes to the financial statements including a summary of significant accounting policies.

In my opinion, the accompanying financial statements of the Ministry are prepared, in all material respects, in accordance with the Financial Management Act and the Finance Instructions 2010.

Basis for Opinion

I have conducted my audit in accordance with International Standards on Auditing (ISA). My responsibilities under those standards are described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Ministry in accordance with the International Ethics Standards Board for Accountant's *Code of Ethics for Professional Accountants* (IESBA Code) together with the ethical requirements that are relevant to my audit of the financial statements in Fiji and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter

I draw attention to the following matters:

Head 17- Ministry of Civil Service

1. The mass voiding of payments on 23 June 2019 resulted in debit balance of \$64,880 relating to Established Staff and credit balances of \$14,277 relating to Government Wage Earners, \$5,032 relating to Travel & Communication, \$10,040 relating to Maintenance & Operations, \$19,064 relating to Purchase of Goods & Services and \$3,701 relating to Value Added Tax allocations. The debit and credit balances relates to prior year payments being reflected in the general ledger of the Ministry for the year ended 31 July 2019.

The mass voiding of payment incident also resulted in the activation of open payables in the general ledger from financial years 2015 to 2018.

2. Unreconciled variances of \$325,047 and \$2,030 exists, between the established staffs and government wage earners payroll report balance respectively and the general ledger balances.

My opinion is not modified in respect of these matters.

Other Matter

Internal controls over procurement and payroll processes were generally found to be weak, and if not addressed promptly may result in material misstatements and possible financial losses in the near future. The weak procurement controls resulted in procurement without the filling and approval of procurement requisition form, difference in payment ID between the payment vouchers and that in the system, use of prior year and undated competitive quotes to facilitate payments, payments vouchers not passed for payments, procurements made without issuance of Local Purchase Orders, payments based on photocopied documentations, and payment vouchers not stamped paid. The weak controls around the payroll process resulted in the delay in preparation of payroll reconciliations and improper maintenance of payroll records.

Responsibilities of the management and those charged with governance for financial statements

The management are responsible for the preparation of the financial statements in accordance with the Financial Management Act, the Finance Instructions 2010 and Finance (Amendment) Instructions 2016, and for such internal control as the management determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements


My 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 auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA 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 the financial statements.

As part of an audit in accordance with ISA, I exercise professional judgement and maintain professional skepticism throughout the audit. I 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 my 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 Ministry's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management of the Ministry of Civil Service.

Auditor's Responsibilities for the Audit of the Financial Statements (con't)

I 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 I identify during my audit.



Ajay Nand
AUDITOR-GENERAL

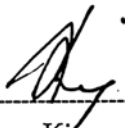


Suva, Fiji
21 April 2021

MINISTRY OF CIVIL SERVICE
MANAGEMENT CERTIFICATE
FOR THE YEAR ENDED 31 JULY 2019


We certify that these financial statements:

- (a) fairly reflect the financial operations and performance of the Ministry of Civil Service for the year ended 31 July 2019; and
- (b) have been prepared in accordance with the requirements of the Financial Management Act, Finance Instructions 2010 and Finance (Amendment) Instructions 2016.



Susan Kiran
Permanent Secretary

Date: 20/4/2021



Aleshni Deo
Business Manager

Date: 20/04/2021

MINISTRY OF CIVIL SERVICE

HEAD 17 STATEMENTS OF RECEIPTS AND EXPENDITURE
FOR THE YEAR ENDED 31 JULY 2019

	Notes	2019 (\$)	2018 (\$)
RECEIPTS			
State Revenue			
Commission		15,798	74
Total State Revenue		<u>15,798</u>	<u>74</u>
Agency Revenue			
Miscellaneous Revenue		180	373,806
Total Agency Revenue		<u>180</u>	<u>373,806</u>
TOTAL RECEIPTS	4 (a)	<u>15,978</u>	<u>373,880</u>
EXPENDITURE			
Established Staff	4 (b)	55,984,011	48,819,375
Government Wage Earners		92,644	82,882
Travel & Communications		136,420	127,468
Maintenance & Operations		221,707	231,499
Purchase of Goods & Services	4 (c)	1,677,693	1,429,625
Operating Grants and Transfers		-	995
Special Expenditure		-	22,317
Total Operating Expenditure		<u>58,112,475</u>	<u>50,714,161</u>
Value Added Tax		165,019	154,743
TOTAL EXPENDITURE		<u>58,277,494</u>	<u>50,868,904</u>

PUBLIC SERVICE COMMISSION

HEAD 13 STATEMENT OF RECEIPTS AND EXPENDITURE
FOR THE YEAR ENDED 31 JULY 2019

	Notes	2019 (\$)	2018 (\$)
EXPENDITURE			
Operating Grants & Transfers		6,045,175	5,180,294
Total Operating Expenditure		<u>6,045,175</u>	<u>5,180,294</u>
TOTAL EXPENDITURE	6	<u>6,045,175</u>	<u>5,180,294</u>

MINISTRY OF CIVIL SERVICE

HEAD 17 APPROPRIATION STATEMENT
FOR THE YEAR ENDED 31 JULY 2019

SEG	Item	Budget Estimate (\$)	Changes (\$) Note 7	Revised Estimate (\$) a	Actual Expenditure (\$) b	Carry Over (\$)	Lapsed Appropriation (\$) (a-b) Note 5
	Operating Expenditure						
1	Established Staff	48,797,718	7,665,976	56,463,694	55,984,011	-	479,683
2	Government Wage Earners	70,482	34,024	104,506	92,644	-	11,862
3	Travel & Communication	160,000	-	160,000	136,420	-	23,580
4	Maintenance & Operations	491,300	(15,000)	476,300	221,707	-	254,593
5	Purchase of Goods and Services	2,215,853	15,000	2,230,853	1,677,693	-	553,160
6	Operating Grants and Transfers	1,000	-	1,000	-	-	1,000
7	Special Expenditure	-	-	-	-	-	-
	Total Operating Expenditure	51,736,353	7,700,000	59,436,353	58,112,475		1,323,878
13	Value Added Tax	258,000	-	258,000	165,019		92,981
	TOTAL EXPENDITURE	51,994,353	7,700,000	59,694,353	58,277,494		1,416,859

PUBLIC SERVICE COMMISSION

HEAD 13 APPROPRIATION STATEMENT
FOR THE YEAR ENDED 31 JULY 2019

SEG	Item	Budget Estimate (\$)	Changes (\$)	Revised Estimate (\$) a	Actual Expenditure (\$) b	Carry Over (\$)	Lapsed Appropriation (\$) (a-b) Note 5
	Operating Expenditure						
6	Operating Grants & Transfers	7,267,272	-	7,267,272	6,045,175	-	1,222,097
	Total Operating Expenditure	7,267,272	-	7,267,272	6,045,175	-	1,222,097
	TOTAL EXPENDITURE	7,267,272	-	7,267,272	6,045,175	-	1,222,097

MINISTRY OF CIVIL SERVICE

HEAD 17 STATEMENT OF LOSSES
FOR THE YEAR ENDED 31 JULY 2019

Loss of Money

There was no loss of money recorded for the year ended 31 July 2019.

Loss of Revenue

There was no loss of revenue recorded for the year ended 31 July 2019.

Loss (other than money)

There was no reported loss (other than money) recorded for the year ended 31 July 2019. However, following the 2018-2019 Board of survey, the items worth \$26,360 were written off as approved by the Permanent Secretary for Economy.

Asset	Amount (\$)
Office Equipment	4,380
Furniture & Fittings	21,980
Total	26,360

MINISTRY OF CIVIL SERVICE

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2019

NOTE 1: REPORTING ENTITY

The Ministry of Civil Service's primary responsibility is to provide guidance for consistent implementation of the central regulations governing hiring, evaluation, promotion, compensation, training and discipline of public employees in line with Government's Civil Sector Reform.

To improve the overall standard of performance in the civil service, the Ministry provides various training and career development opportunities that are open to all civil servants, including courses on leadership, governance, project management and human resources.

The Ministry has six main divisions:

1. *Public Service Commission (PSC) Secretariat* – responsible for providing administrative and analytical support to PSC and for the administration of Permanent Secretaries terms and conditions of service;
2. *Policy Analysis Division* – responsible for the analysis and assessment of ministries' human resource policies to ensure consistency and fairness across the Civil Service;
3. *Training Division* – responsible for coordinating local and international central training programmes focused on the up skilling and capacity-building of civil servants;
4. *Recruitment Division* – facilitates recruitment, contracting, administration and posting of staff and Government doctors;
5. *Business Management Division* – responsible for financial management, procurement and contract management of the Customer Care Call Centre and the Government Service Centre; and
6. *Major Events Division* – coordinates and provides advice on the organisational aspects of major international meetings on behalf of the Government.

NOTE 2: STATEMENT OF ACCOUNTING POLICIES

(a) Basis of Accounting

In accordance with Government accounting policies, the financial statements of the Ministry of Civil Service is prepared on cash basis of accounting. All payments related to purchases of fixed assets have been expensed.

The financial statements are presented in accordance with the Financial Management Act, the requirements of Section 71 (1) of the Finance Instruction 2010 and Finance (Amendment) Instructions 2016. The preparation and presentation of a Statement of Assets and Liabilities is not required under the current Government policies, except for that of the Trading and Manufacturing Accounts.

(b) Accounting for Value Added Tax (VAT)

All income and expenses are VAT exclusive. The Ministry on a monthly basis takes out VAT output on total money received for expenditure from Ministry of Economy. VAT input on the other hand is claimed on payments made to the suppliers and the sub-contractors for expenses incurred.

MINISTRY OF CIVIL SERVICE

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued...)
FOR THE YEAR ENDED 31 JULY 2019

NOTE 2: STATEMENT OF ACCOUNTING POLICIES (continued...)

(b) Accounting for Value Added Tax (VAT) (continued...)

The VAT payment as per the statement of receipts and expenditure relates to the VAT input claimed on payments made to the suppliers and sub-contractors for expenses incurred and VAT payments to Fiji Revenue and Customs Services (FRCS). Actual amount paid to FRCS during the year represent the difference between VAT Output and VAT Input.

(c) Comparative Figures

Where necessary, amounts relating to prior years have been reclassified to facilitate comparison and achieve consistency in disclosure with current year amounts.

(d) Revenue Recognition

Revenue is recognized when actual cash is received by the Ministry.

NOTE 3: DOCTORS SALARY

Included in the established staff expenditure of \$55,984,011 is the personal emoluments and FNPF for Doctors, employed by the Ministry of Health and Medical Services. The Ministry of Civil Service is responsible for the administration of this fund in accordance to the budget appropriated by Parliament.

NOTE 4: SIGNIFICANT VARIATIONS

- a. Revenue decreased by \$358,082 or 96% in 2019 compared to 2018. The revenue amount received in 2018 relates to the Fiji National University (FNU) grant levy refund for 2016 while the revenue amount received in 2019 relates to the payment of bond by resigning Doctors. The Ministry is not a revenue collecting agency.
- b. The Established Staff expenditure increased by \$7,164,636 or 15% in 2019 compared to 2018. The increase was mainly attributed to the increase in the number of recruitment made during the period. A total of 112 intern doctors were hired and the recruitment of 40 new doctors was done including hiring of expatriate doctors which resulted in the corresponding increase in the costs of hiring.
- c. The Purchase of Goods & Services expenditure increased by \$248,069 or 17% in 2019 compared to 2018. The increase was mainly attributed to the increase in number of trainings, leadership trainings and capacity building undertaken during the period. In addition, there was an increase in number of scholarships awarded to Doctors that pursued post graduate studies both locally and overseas. These has resulted in the corresponding increase in training costs.

MINISTRY OF CIVIL SERVICE

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued...) FOR THE YEAR ENDED 31 JULY 2019

NOTE 5: SIGNIFICANT SAVINGS

Significant Savings for the financial year ended 31 July 2019 are as follows:

Head 17

No.	Expenditure	Revised Budget (\$)	Actual Expenditure (\$)	Savings (\$)	Percentage Savings (%)
a.	Maintenance and Operations	476,300	221,707	254,593	53
b.	Purchase of Goods and Services	2,230,853	1,677,693	553,160	25

- a. The significant savings for the Maintenance and Operations expenditure was mainly attributed to the significant savings of \$207,309 under the Customer Care Centre allocation. This was due to the non-implementation of the Ministry of Education Call Centre project as there were delays from Ministry of Education in terms of documentations for tender submissions.
- b. The significant savings for the Purchase of Goods and Services expenditure was mainly attributed to the savings under the Doctors Training allocation. This was due to lack of relievers available for specialist doctors such as psychiatrist, dermatologist and pathologist hence the specialists could not be sent on training. In addition, few doctors nominated did not qualify for post graduate trainings. The zero utilization of Website Development & Hosting budget was due to the Ministry developing its website internally.

Head 13

No.	Expenditure	Revised Budget (\$)	Actual Expenditure (\$)	Savings (\$)	Percentage Savings (%)
c.	Public Service Commission	7,267,272	6,045,175	1,222,097	17

- c. The significant savings in the Public Service Commission allocation was mainly due to four vacant Permanent Secretaries position during the period. In addition, appointment of 8 Permanent Secretaries were made during the mid of financial year thus resulting in saving of salaries for the first 6 months.

NOTE 6: HEAD 13 PUBLIC SERVICE COMMISSION

Public Service Commission was allocated a budget of \$7,267,272 for the financial year 2018-2019 to cater for the salaries, allowances and other expenses for contracted Permanent Secretaries in civil service. The Ministry of Civil Service is responsible for the administration of this fund in accordance with the budget appropriated by Parliament.

For the financial year ended 31 July 2019, expenditure totalling \$6,045,175 was incurred by the Commission. Included as part of the Commission's total expenditure are personal emoluments and related payments totalling \$4,879,694 for permanent secretaries.

MINISTRY OF CIVIL SERVICE

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued...)
FOR THE YEAR ENDED 31 JULY 2019

Description	2019 (\$)	2018 (\$)
Personal Emoluments - Permanent Secretaries	3,825,981	4,024,227
Housing Allowance	94,600	225,000
Gratuity	75,103	93,473
Compensation Salary	388,352	59,864
Acting Allowance	112,765	72,500
FNPF	282,893	294,877
TOTAL	4,879,694	4,769,942

No grant was paid out of this allocation.

NOTE 7: APPROPRIATION CHANGES

Cabinet had approved \$7.7m redeployment from Head 50 to Ministry of Civil Service SEG 1 allocation, to cater for the shortfall in Doctor's Salary, FNPF and allowances.

The Permanent Secretary for Civil Service approved the following transfer of funds during the financial year ended 31 July 2019:

Virement No.	From	Amount (\$)	To	Amount (\$)
DV 1701	1-17101-02999-040322	15,000	1-17101-02999-059115	15,000
DV 1702	1-17101-02999-040322	15,000	1-17101-02999-040354	15,000

The Ministry of Economy approved the following transfer of funds during the financial year ended 31 July 2019.

Virement No.	From	Amount (\$)	To	Amount (\$)
V 17001	1-17101-02999-010101	20,985	1-17101-02999-020401	20,985
V 17002	1-17101-02999-010101	13,039	1-17101-02999-020303	13,039
V 17003	1-17101-02999-020101	3,000	1-17101-02999-020201	3,000

NOTE 8: ASIAN DEVELOPMENT BANK (ADB) 52ND ANNUAL MEETING 2019

The Ministry was charged with leading Fiji's planning and hosting responsibilities for the 52nd Annual Meeting for the Asian Development Bank (ADB) Board of Governors in May 2019. A budget of \$10 million was appropriated under Ministry of Economy Head 50 (Miscellaneous Services) in 2019 to meet the costs for hosting the annual meeting. Allocated funds for the event was paid to the Ministry from Head 50 through its SLG 84 account facility.

MINISTRY OF CIVIL SERVICE

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued...)
FOR THE YEAR ENDED 31 JULY 2019

**NOTE 8: ASIAN DEVELOPMENT BANK (ADB) 52ND ANNUAL MEETING 2019
(continued...)**

All funds received as cash sponsorship from Sponsors and cash donations from member countries towards the 52nd ADB Annual Meeting event were receipted by the Ministry of Economy. All funds received and utilized for the Event would be reflected under Ministry of Economy (Head 50) (Miscellaneous Services) Agency Financial Statement.

6. Acronyms

ADB	Asian Development Bank
CCCC	Customer Care Call Centre
GSC	Government Service Centre
LDP	Leadership Development Programme
MCS	Ministry of Civil Service
MEPIR	Ministry of Employment, Productivity and Industrial Relations
MHMS	Ministry of Health and Medical Services
PS	Permanent Secretary
PSC	Public Service Commission

