



OFFICE of the AUDITOR GENERAL  
Republic of Fiji

# ANNUAL REPORT 2022



PARLIAMENT OF FIJI  
PARLIAMENTARY PAPER NO. 29 OF 2024

A photograph of two men in an office setting. The man on the left is wearing a grey suit jacket over a light blue shirt and is pointing at a document. The man on the right is wearing a light blue button-down shirt and is smiling while looking at the document. They are sitting at a desk with a laptop, a telephone, and some papers. A blue semi-transparent box is overlaid on the bottom left of the image, containing text.

## OUR VISION

Promoting public sector accountability and sustainability through our audits.

## OUR MISSION

To provide independent value-adding audit services.

To provide an environment where our people can excel.

## OUR VALUES

- Respect
- Integrity
- Transparency
- Confidentiality
- Competence
- Independent & Objective

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# The Auditor General's Foreword

I am pleased to submit the Annual Report for the financial year 2022.


I took over the role of Acting Auditor General on 24 February 2022 after the tenure of Auditor General Ajay Nand ended in January 2022. We acknowledge the former Auditor General's various contributions to the development of the Office of the Auditor General (OAG) over the past five years and towards the vision of "Promoting public sector accountability and sustainability through our audits".

It was indeed a challenging year; however, we remained focused on the strategic priorities set out in our Strategic Plan 2021 – 2025, with specific emphasis on our core role and on continuous improvements in the timeliness and quality of audits.

The Office progressively opened for operation on 29 August 2022 after over three months of working from home due to the COVID-19 Pandemic lockdowns. Extended periods of working from home was a new experience with challenges such as internet connectivity, proper workspace at home, accessibility to our clients' records, that significantly impacted the progress and/or completion of audits and the overall delivery of planned work for the year.

In February 2022, we reviewed our annual work plan and reprioritized resources to the Financial Audit





Program as we tried to get back to pre-COVID level, specifically, on updating the backlog audits. We recorded a completion rate of 70% for the Financial Audit Program, a significant improvement from 43% reported in 2021. We intend to build on this progress and better the completion rate to above 70% in 2023.

A total of 7 Reports of the Auditor General were submitted to Parliament during the year. The submission to Parliament of an additional 7 reports, containing the results of financial audits undertaken in 2022, were deferred to the financial year 2023.

The COVID-19 pandemic lockdowns provided the impetus to upgrade our IT infrastructure. With technical and funding assistance from the Pacific Association of Supreme Audit Institutions (PASAI), the audit management tool that we use was upgraded to web-based TeamMate Plus. Our auditors are now able access their work from anywhere with internet connectivity.

We persisted with our strategic goal of embracing technology in all aspects of our operations. We now have standalone accounting and payroll software, separate from the Financial Management Information System of Government. This has assisted us to prepare and present our annual financial statements in accordance with the International Financial Report Standards for Small and Medium-sized Entities (IFRS for SMEs).

Restrictions in movements did not deter our plan to continue developing the capacity of our people. Meetings, conferences, workshops and other trainings were delivered or attended virtually for most part of the year. The Head of SAI Fiji remained the Chair of the PASAI Governing Board and will continue until the PASAI Congress in 2023.

Like other organizations, the post pandemic impact and reopening of international borders have resulted in a significant number of our people migrating for better opportunities overseas. A total of 20 employees exited the Office during the year. Staff recruitment and retention will be our focus in the coming years as we compete to attract and retain a highly competent workforce that can sustain the level of service delivery expected by our stakeholders.

After a lapse of 8 years, we again participated in the Fiji Business Excellence Award and was recognized with the Prize Award during the award function in December 2021. A continuation of OAG's excellence journey which started 13 years back. We will continue to work towards the level of achievements set out in the Strategic Plan 2021 – 2025 and also focus on our competitiveness to attract and retain high quality staff.

I would like to express my sincere appreciation to the Executive Management and staff of OAG for getting through a very challenging year, and Members of the Standing Committee on Public Accounts, Permanent Secretaries and Heads of various Public Entities, PASAI, development partners and other stakeholders for their support during the year.

Vinaka Vakalevu



Sairusi Dukuno  
**Acting Auditor-General**

# 2022 at a Glance

## Strategic Priority 1 : Independent & Value Adding Audit Services



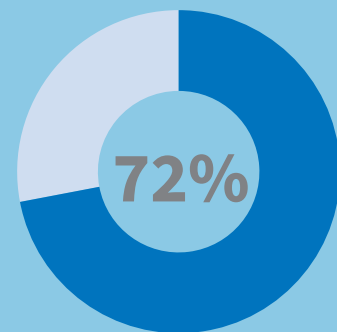
Number of financial audits completed



Number of audit opinions signed



Number of reports tabled in Parliament



FINANCIAL AUDIT COMPLETION RATE



Number of performance audit reports



Number of financial audit reports

### Strategic Priority 2 : Institutional & Workforce Capacity Building



**Policies/Manuals introduced/reviewed during the year**



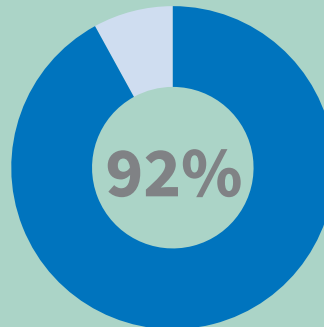
Number of training sessions delivered/facilitated



### Strategic 3 : Engagement with Clients & Other Stakeholders



Number of PAC meetings attended & supported



CLIENT SURVEY SATISFACTION RATE

Visits to FB and Website Social media followers



# About the Office of the Auditor General



## **The Executive Management Team**

**Standing (L-R) Assistant Auditor General, Moshin Ali and Acting Assistant Auditor General, Abele Saunivalu.  
Sitting (L-R) Acting Deputy Auditor General, Finau Nagera and Acting Auditor General, Sairusi Dukuno.**



This section provides an overview of the OAG and our strategy.

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

The Auditor General provides independent assurance to Parliament and the public at large that public sector agencies have used public funds for the purposes they have been appropriated and in accordance with legislations, financial management rules and regulations. The Constitution requires the Auditor General to inspect, audit and report to Parliament once every year on the public accounts of the State, the control of public money and public property of the State and all transactions with or concerning the public money or public property of the State.

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

The Audit Act 1969 elaborates on the powers of the Auditor General with specific mandate to conduct financial, compliance and performance audits, and special investigations and the reporting of the results of these audits to the Parliament.

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## 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. This 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.

## OUR 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 1969.

The Auditor General is the administrative head of OAG, whose duties and functions are defined in the Constitution of the Republic of Fiji. 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 & Customer Advisory Support 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 also include compliance audit, IT audit and special investigation. The three Audit Groups are headed by Assistant Auditors General who report directly to the Auditor General.

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

The Deputy Auditor General 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

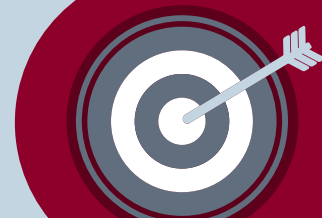


**Independent & Value Adding Audit Services**

**Institutional & Workforce Capacity Building**

**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

# Risk and Strategy

	INDEPENDENT & VALUE ADDING AUDIT SERVICES	INSTITUTIONAL WORKFORCE & CAPACITY BUILDING	ENGAGEMENT WITH CLIENTS & OTHER STAKEHOLDERS
GOALS	<ul style="list-style-type: none"> <li>Timely delivery of reports to Parliament.</li> <li>Delivery of quality audit service.</li> </ul>	<ul style="list-style-type: none"> <li>Visionary leadership.</li> <li>Embrace technology and encourage innovation.</li> <li>Better governance, risk management and compliance.</li> </ul>	<ul style="list-style-type: none"> <li>Strengthened relationships with clients and other stakeholders.</li> <li>Improved collaboration with the Public Accounts Committee.</li> <li>Increased visibility and awareness.</li> </ul>
RISKS	<ul style="list-style-type: none"> <li>Not adapting to changes in our regulatory environment.</li> <li>Not addressing delays and minimizing costs to our audit processes.</li> <li>Not upholding our values, professional competence and quality standards in our work.</li> </ul>	<ul style="list-style-type: none"> <li>Not maintaining the ability to sustain audit services delivery at required level.</li> <li>Unable to secure funding for implementation.</li> <li>Not fully utilizing technology in audit services delivery.</li> </ul>	<ul style="list-style-type: none"> <li>Not engaging to properly understand our stakeholders' contexts and change to meet their varying needs.</li> </ul>
STRATEGY	<ul style="list-style-type: none"> <li>Continue to advocate for a modernized Audit Act.</li> <li>Continuous realignment of our audit practices, with international standards.</li> </ul>	<ul style="list-style-type: none"> <li>Secure funding and continue to invest in organizational and professional developments.</li> <li>Invest in technology that will streamline our audit practices and business processes.</li> <li>Monitoring of governance, risk management and compliance.</li> </ul>	<ul style="list-style-type: none"> <li>Better understand our stakeholders and adapt our services to their needs.</li> <li>Engage to impact and build productive relationships based on respect.</li> </ul>
INDICATORS OF SUCCESS	<ul style="list-style-type: none"> <li>Results of audits are reported to Parliament on time.</li> <li>Financial audits are brought up to date.</li> <li>Satisfactory rating for quality assurance reviews.</li> </ul>	<ul style="list-style-type: none"> <li>An engaged, capable and professional workforce</li> <li>Increased productivity by our workforce</li> <li>Modernized work processes and work environment.</li> </ul>	<ul style="list-style-type: none"> <li>Stakeholders benefit from and value the services we provide.</li> <li>An informed and satisfied Public Accounts Committee.</li> <li>Increased stakeholder participation in our audits.</li> </ul>

# Auditor General Ajay Nand

(January 2017 – January 2022)



In recognition of his exemplary leadership, we acknowledge the achievements of the former Auditor General, Ajay Nand, which will continue to inspire and guide us.

Ajay began his career at the OAG in 1987. He left OAG as a Director of Audit joining the Fiji National Provident Fund in 2007 before returning in January 2017 when he was appointed the Auditor General.

During his tenure as the Auditor General, OAG submitted 65 Audit Reports to Parliament on all three streams of audits and 4 Annual Reports. He played a pivotal role in the PASAI Region, as Head of SAI Fiji, when he took up the role of Chairperson of the PASAI Governing Board in August 2019 at the 22nd PASAI Congress and continued in this role through the challenges of the COVID-19 pandemic until he exited OAG in January 2022.

Other notable contributions that we will remember from his tenure, amongst others, include:

- Restructured OAG including the review of remuneration and benefits for all positions. He believed that a competent and skilled workforce should be appropriately remunerated.
- Re-established the performance, IT and compliance audit programs.
- Introduction of environmental audits covering climate change and extractive industries.
- Opening of an Office in Nadi to oversee the audits of clients in the Western and Northern Divisions.
- Establishment of the Quality Assurance Unit and Risk & Compliance Unit.
- Reviews of audit manuals/guidelines to international standards and practices.
- Strengthened governance through the revision/establishment of various policies and manuals to guide the operation of OAG.

- Strongly encouraged international participation and contribution resulting in increased membership of OAG Fiji in the INTOSAI working groups.
- Successfully hosted a meeting of the INTOSAI Working Group on IT Audits.
- Expansion of support functions within the Corporate Services Section.
- Successful transition of OAG from the Finance Management Information System of Government to OAG's standalone accounting and payroll systems.
- OAG transitioned from cash to accrual accounting.
- Upgrade of IT software and hardware and IT security.
- Strongly encouraged innovation, application of technology in all aspects of OAG operation.
- Flexible work arrangements as the way forward post COVID-19.
- Re-established OAG's participation in the Fiji Business Excellence Awards after a lapse of 8 years.

In 2018–2019, an independent review of the OAG was initiated under the international standards SAI Performance Management Framework (SAI PFM) with the support of PASAI. The result of the assessment was voluntarily reported to Parliament together with an Action Plan on areas of operation that needed improvements. Additionally, he initiated the process to modernize the primary legislation, the Audit Act 1969, which commenced during this same period.

In 2020, OAG signed a Memorandum of Agreement with the Office of the Secretary General to Parliament to clearly demarcate the role and responsibility of appointing the external auditor for OAG. This significant step was undertaken as stipulated under Section 14(1) of the Audit Act 1969 and to promote the independence of the process.

The former Auditor General was a strong advocate for women empowerment and health establishing an OAG Women's Committee to identify other training opportunities for female staff, provide a forum to encourage each other and seek advice on a variety of issues including health and leadership challenges and to create awareness within OAG on issues affecting women.

We also remember the former Auditor General as an avid writer, a passion he tried very hard to instill with other members of the Executive Management of OAG.

Ajay Nand's influence through the changes he instituted will continue to resonate within OAG, reminding us that the pursuit of public sector accountability and good governance, is a collective endeavor, one he championed with utmost integrity.

We express our deepest gratitude for his service to the Office of the Auditor General.

## 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

- **6 out of 7 planned Audit Reports submitted to Parliament as a breakdown of the 6 Audit Report, 2 Performance Audit Reports & 4 Financial Audit Report'**
- **86% completion rate**
- **1 Annual Report submitted to Parliament**

We targeted to submit to Parliament 7 audit reports and the 2021 Annual Report by 31 July 2022.

The number of reports to be submitted to Parliament was revised downward in the 3rd Quarter, particularly for performance and compliance audits, because of the reallocation of resources from the Performance/Compliance/IT Audits Program to the Financial Audit Program. This was necessary to resource the high number of the backlog draft financial statements received.

We submitted to Parliament 6 of the 7 planned reports as follows:

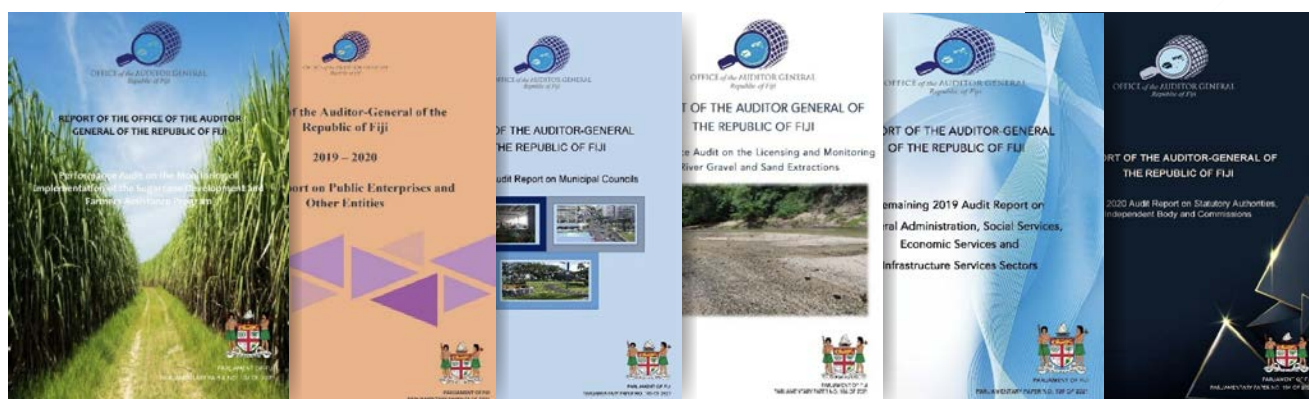
Auditor General's Reports to Parliament	Date of Submission to Parliament
<b>Financial Audit</b>	
1. 2019 – 2020 Audit Report on Public Enterprises and Other Entities	7 September 2021
2. Remaining 2019 Audit Report on General Administration, Social Services, Economic Service and Infrastructure Services Sector	29 November 2021
3. 2019 – 2020 Audit Report on Statutory Authorities, Independent Bodies & Commissions	29 November 2021
4. 2019 – 2020 Audit Report on Municipal Councils	29 November 2021
<b>Performance Audit</b>	
5. Licensing and Monitoring of River Gravel and Sand Extractions	29 November 2021
6. Monitoring of Implementation of the Sugarcane Development and Farmers' Assistance Program	29 November 2021

The report on the audits of Provincial Councils (2011-2012) was not ready for submission to Parliament by 31 July 2022, thus deferred to 2023.

Our 2021 Annual Report was also tabled in Parliament during the year.

The submission to Parliament of the following additional 7 reports, containing the results of financial audits undertaken during the year, were deferred to the financial year 2023:

- 2021–2022 Report on Public Enterprises and Other Entities
  - 2021–2022 Report on Municipal Councils
  - 2020 Report on Ministries and Departments (Sector Reports)
  - 2021 Report on Ministries and Departments (Sector Reports)
  - 2021–2022 Report on Statutory Authorities
  - 2019 Report on Financial Statements of Government
  - 2020 Report on Financial Statements of Government
- carried out.

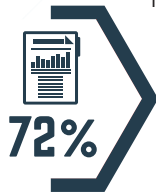




175 financial statements audits completed



Number audit opinions signed: 5 audited financial statements issued for signing



72% completion rate against an 80% target

### FINANCIAL AUDIT PROGRAM

We achieved a 72% audit completion rate. Although below the 80% target, it was a substantial improvement from the 43% completion rate reported in the previous year.

We had planned to audit 257 draft financial statements; however, this was reduced to 244 as the audits of 6 financial statements for two statutory authorities were suspended and 7 draft financial statements were not submitted by year end. Of the 244 financial statements, the audits of 175 (72%) were completed, 62 (25%) audits were still in progress and the audits of 7 (3%) did not commence by 31 July 2022.



The details of completed audits are provided below:

Type of Entity	Draft Financial Statements Received	Completed	Percentage Completion Rate
Financial Statements of the Government	2	1	50%
Ministries & Departments	67	51	76%
Independent Bodies & Commission	13	10	77%
Statutory Authorities	47*	29	59%
Public Enterprises	53	34	62%
Municipal Councils	25	13	52%
Provincial Councils	28	28	100%
Projects	9	9	100%
TOTAL	244*	175	72%

\*Excludes the 6 audits that were suspended, and 7 draft financial statements not submitted

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 developed from the International Standards on Auditing (ISA) and the International Standards for Supreme Audit Institutions (ISSAI).

#### Progress of Updating Backlog Audit

The high number of financial audits 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 the FY 2022, 50% of the planned work for the Financial Audit Program relate to backlog financial statements.

During the year, we made progress in the updating of backlog audits by completing 86 or 69% of the planned 124 financial statements audits and updated the audits of 10 entities. There were 27 (22%) backlog audits still in progress by the financial year end.

#### Cooperative Audit – Audit of Financial Statements of Government

A Memorandum of Understanding (MoU) was signed in January 2021 between the Pacific Association of Supreme Audit Institutions (PASAI), INTOSAI Development Initiative (IDI) and the Fiji Office of the Auditor General for participation in a cooperative audit program on Financial Statements of Government with specific focus on high quality financial audits.

The MoU established a co-operation process to conduct the audit of the 2019 Financial Statements of Government (FSG) in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). The ISSAIs are the authoritative international standards on public sector auditing.

The Audit Team was assisted with online support by technical experts from IDI and PASAI, during the audit. Faced with significant challenges that impacted the timely completion of the audit, particularly accessibility to records and information due to a cyberattack on the Government's network and the COVID-19 pandemic, the audit was successfully completed and reported to Parliament in August 2022.

The cooperative audit program also involved a Quality Assurance (QA) review component, carried out after the issuance of the FSG audit report in January 2022. The QA review, performed onsite by reviewers from the Auditor General's Department of Trinidad and Tobago and PASAI, affirmed the adoption of appropriate quality control procedures throughout the audit. The Audit Team was highly commended of the quality outcomes and the work towards sustained adherence to ISSAI compliant financial audit practices.

*“The audit was generally well planned and executed by the audit team. The team displayed a good understanding of the requirements of the ISSAIs at all phases of the audit. There was evidence of appropriate quality control procedures throughout the audit engagement. Despite several challenges encountered during the course of the engagement, including the covid-19 pandemic, the audit team displayed resilience and was able to conduct the audit in an effective manner.” (Source – QAR Report)*

## PERFORMANCE & COMPLIANCE AUDIT PROGRAM

The year started off with plans to undertake a number of performance and compliance audits, however, this plan changed in January 2022 when the need to resource the high number of backlog draft financial statements received took priority.

Resources from the Performance and Compliance Audit Program were temporarily reallocated to the Financial Audit Program until 31 July 2022. Nevertheless, the outcome of two performance audits completed earlier in the financial year were reported to Parliament.

### Audit Impact – Licensing and Monitoring of River Gravel and Sand Extractions

Our Performance Audit Report on the Licensing and Monitoring of River Gravel and Sand Extractions found that:

- Plans to phase out river gravel and sand extractions were blurred by the large demand for gravel and sand;
- Information on potential river gravel and sand extraction sites could be improved through the development of a centralized database;
- Components of effectiveness and efficiency were lacking in the licensing process; and
- Certain areas in the monitoring and reporting process needed to be improved.

We recommended that improvements in the areas of geological exploration or similar surveys, licensing and monitoring, needed to be actioned by the Ministry of Lands and Mineral Resources, in consultation with relevant stakeholders, in order to ensure the safeguarding of the environment and society.

This resulted in the signing of a Memorandum of Understanding between the Ministry and the Fiji Police Force as a coordinating mechanism to minimize illegal extractions. The Ministry is also formulating a river gravel extraction and management guideline to ensure sustainable extraction practices and processes.



### ADB Funded Assistance - Supporting Public Financial Management Reform

We are committed to the continuous professional development of our people. A Performance Audit (PA) Specialist engaged through the support and funding from the Asian Development Bank (ADB) assisted in guiding a Performance Audit Team through an actual audit and also delivered trainings to enhance the capability of 15 performance auditors at various levels.

Assistant Auditor General Performance Audit, Ms. Claudia Migotto, from the Audit Office of New South Wales commenced her engagement with our Performance Audit Program in April 2020 with the initial plan to conclude in November 2020. However, due to the impact of the COVID-19 pandemic, this was deferred and concluded in December 2021.

The PA Specialist guided a Performance Audit Team in the audit of *Monitoring of Implementation of the Sugarcane Development and Farmers Assistance Program*. The outcome of this audit was a report tabled in Parliament in December 2021.

## QUALITY ASSURANCE & CUSTOMER ADVISORY SERVICES

We recognize the importance of audit quality in achieving our vision and the reviews of audits annually supported by a sound quality assurance program. The Quality Assurance function performs a critical role that includes the review of the quality controls in place for audit engagements, its proper implementation, and identifying areas of improvement through a review of selected high-risk audits. The function also identifies improvements, and corrective measures to be taken for audit working procedures. A QA Compliance Audit Checklist is available as developed using the IDI QA tool for Compliance Audit.

Financial audit reviews may be coaching reviews (hot), where files are reviewed while audits are in progress, or monitoring reviews (cold), where files are reviewed on audit completion. In 2022, two engagement files were reviewed:

1. Fiji Roads Authority
2. Ministry of Education

The QA review findings were communicated to Preparers and Reviewers in an awareness presentation session.

Commendable practices were noted from the financial audit reviews and areas to improve when benchmarked to quality standards, in particular improving audit documentation. Overall, the QA reviews found that the assurance conclusions for the reviewed audits were appropriate.

There has been marked improvement over the years in meeting audit quality standards for OAG and with the Customer Advisory Services functions which offer advisory sessions for smaller audited entities on selected themes and developing related best practices guides.

From the 3rd Quarter, other assignments and audit tasks from the Financial Audit Program were allocated to the Unit.



## OUR PERFORMANCE INSTITUTIONAL & WORKFORCE CAPACITY BUILDING

(This section outlines the result of activities and the progress we have made to building capacity, better governance and application of technology to improve productivity)



### 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.

A workshop was held on 14 –15 July 2022 to finalise annual plans for the financial year 2023. The planning workshop was attended by staff at Senior Auditor level and above with supervisors in the Corporate Services Unit. Prior to the workshop, each business Units conducted their planning meetings allowing all staff to participate and contribute to the annual plans.

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. 2022 Business Plan
3. 2022 Annual Overall Audit Plan

The Business Plan and the Annual Overall Audit Plan were reviewed in March 2022 to capture strategic changes made to the Audit Services Programs during the year.

### BETTER GOVERNANCE AND IMPROVING OUR PERFORMANCE STANDARDS

- **3 new policies developed**
- **4 policies & 1 manual reviewed**

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:

- Paper Reduction Policy
- Remote Auditing Policy
- Guideline on Preparation of the Auditor General’s Reports to Parliament

We also reviewed a number of existing policies and manuals with amendments to align to changes in the law or current practices:

- Recruitment & Selection Policy
- Leave Policy
- Conflict of Interest Policy
- Remuneration Policy
- Quality Assurance Review Manual

In addition to the above, the development of these various audit guidelines were also in progress during the year:

- Climate Change Audit Guideline
- Extractive Industry Audit Guideline
- Environmental Audit Guideline
- Special Investigation Manual

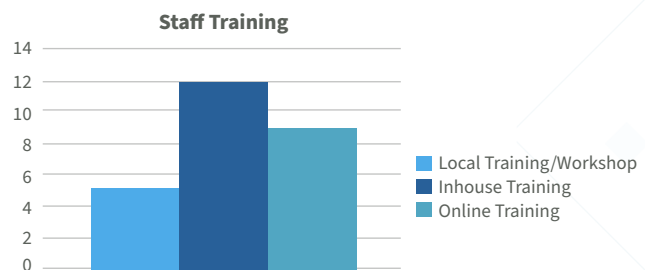
A database of all our policies and manuals are maintained by the HRM & Policy Unit.

### LEARNING AND DEVELOPMENT

- **26 training sessions or 204 hours of training delivered/ attended**
- **58 or 74% of staff attended 2 or more training sessions**
- **14 staff attended professional development courses**
- **3 staff graduated from Postgraduate studies**
- **1 induction program delivered**
- **41% or 32 staff have professional qualifications or are members of professional associations**

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.

In 2022, we delivered and/or facilitated twenty-six (26) training sessions against a planned 39 sessions, which included local, inhouse and online trainings. A total of fifty-eight (58) staff or 74% attended two or more training sessions.



Additionally, the training sessions delivered/facilitated equate to a total of 204 hours of training provided during the year as detailed below:

- Audit related subjects – 67.5 hours
- General subjects – 136.5 hours

The delivery of training sessions also ensure that our people meet the required hours of Continuing Professional Education (CPE) internally as stated in OAG CPE Policy and with the relevant professional associations.

Eight (8) new staff participated in an induction program held in February 2022. A total of 14 staff took professional development courses for Postgraduate Studies and Undergraduate Studies with three staff successfully graduating with Postgraduate qualifications. 32 or 41% of our staff are members of various professional associations with 5 staff attaining their professional qualifications with FICA and CPAA during the year.



OAG staff graduating with Postgraduate qualifications (L-R)  
Aarti Goundar, Sitiveni Naivota and Jane Motufaga

We acknowledge the assistance of our affiliates, the Pacific Association of Supreme Audit Institutions (PASAI), INTOSAI Development Initiative (IDI) and other developing partners for the training opportunities provided to our people during the year.

## RECOGNITION OF OUTSTANDING EMPLOYEES

We recognize the contributions of our employees for outstanding works during the year. An annual event in the OAG calendar is the Year End Function and Awards Night organized by the Sports and Social Club.

The Year-end function and awards night was held at the Fiji Marriott Resort on 4 December 2021 where our people were recognized for outstanding performance:


1. Outstanding Contract Graduate Auditor – Mr. Nasoni Balenacagi
2. Outstanding Graduate Auditor – Ms. Nilufa Khan
3. Outstanding Auditor – Ms. Manshika Ram
4. Outstanding Senior Auditor – Ms. Lee Filipe
5. Outstanding Audit Manager – Ms. Lowata Yalovia
6. Outstanding Corporate Services Staff – Mr. Josefa Celua
7. Outstanding Group – Corporate Services Group

Special awards were given to our Support Staff, Mr. Isikeli Guivalu and Mr. Ashish Chand, for the important roles they played during the COVID-19 lockdown period.


Our Sports and Social Club, managed and funded by the staff, plays a significant role in promoting workplace wellness and well-being.




## UPGRADING TO TEAMMATE+



70+ Administrators and End Users completed training on TeamMate+



TeamMate upgraded from R12 version to TeamMate+



Web-based accessibility for TeamMate+

## EMBRACING TECHNOLOGY IN OUR WORK PROCESSES

We successfully transitioned from the TeamMate R12.0 version to TeamMate+ in July 2022 through the combined efforts and support from PASAI. During the transition period, over 70 end-users including administrators/champions also completed training on TeamMate+.

The TeamMate+ Migration Project, managed by an internal committee working virtually with a consultant, was an enormous effort over a period of six months that involved:

- Infrastructure upgrade through the procurement and installation of a new server.
- Installation and deployment of TeamMate+
- Migration of data from the old TeamMate server to the new server including analysis and configuration.
- Training of end-users and administrators/champions
- Deployment to production backup TeamMate+ development database and restoration to TeamMate+ production
- Implementation of TeamMate+ web-based platform.

The upgraded TeamMate+ positively impacted our team's efficiency, enabling real-time reviews with the use of tracked coaching notes accessible to audit project members. TeamMate+ is now web-based, allowing access anytime and anywhere with internet availability, a marked improvement over the previous version.

The enhanced functionality of TeamMate+ translated into measurable improvements, with dashboards presenting a clear view of audit progress at planning, procedural, and reporting levels. The dashboard, comprising widgets for tracking work in progress, allows customization to meet individual information needs. It includes scoring risks and rating controls at the strategic/organizational level, offering a user – friendly interface. All modules are integrated into one interface, streamlining accessibility without the need to log out between modules.

The upgraded TeamMate+ also allows project scheduling directly linked to the audit plan, enabling project owners to manage and monitor resources by audit phases and assigned activities. It supports multiple "Tab View" access, a feature not available in the old version, and incorporates build in email exchange functionality for notifications, time sheet approvals, rolling forward of audit projects, and status tracking.

Further plans to enhance the functionality of TeamMate+ include populating audit issues in the issue tabs, generating audit management letters, audit engagement letters, and audit plans. We aim to leverage the Risk Module capabilities at the operational and transactions level and integrate TeamMate Data Analytics with TeamMate+ for improved financial audits. The office also advocates using TM+ capabilities for Audit Follow – Ups to track prior year unresolved issues and update workflows.

We have been using TeamMate, an audit management software, since 2013.

## UPGRADING IT INFRASTRUCTURE

The Disaster Recovery (DR) initiative was made possible through the assistance of INTOSAI from the 'SAI Continuity during COVID-19' Grant, providing Euro 11,428 (FJD \$27,970) in funding. This funding facilitated the procurement of a server, along with DR replication and backup software, totaling \$25,924.30. Currently, crucial systems like PayGlobal, Employment Self-Service, and Navision are replicated to the DR server, ensuring a backup option in case of a main server failure during payroll production.

The TeamMate's transition to a web-based application, the move from a desktop-based setup to TeamMate Plus was supported by the TeamMate Plus Tech Team. TeamMate Plus is accessible through the internet with the purchase of an SSL Certificate, allowing staff to use it from anywhere with an internet connection.

The shift to a web-based platform enhances flexibility and accessibility for our auditors. Notably, the TeamMate Plus Tech Team played a key role in this transition, ensuring a seamless evolution from a desktop to a web-based application. This progress aligns with our commitment to adapt and improve our systems for enhanced efficiency and accessibility.

## SUCCESSFUL IMPLEMENTATION OF IT SUPPORT STRATEGIC PLAN 2018 - 2021

The implementation of the IT Support Strategic Plan 2018 – 2021 resulted in some significant achievements, one of which was the internal transformation involving the integration of financial and payroll systems with the banking portal.

The other achievements from the implementation of the plan include the following:

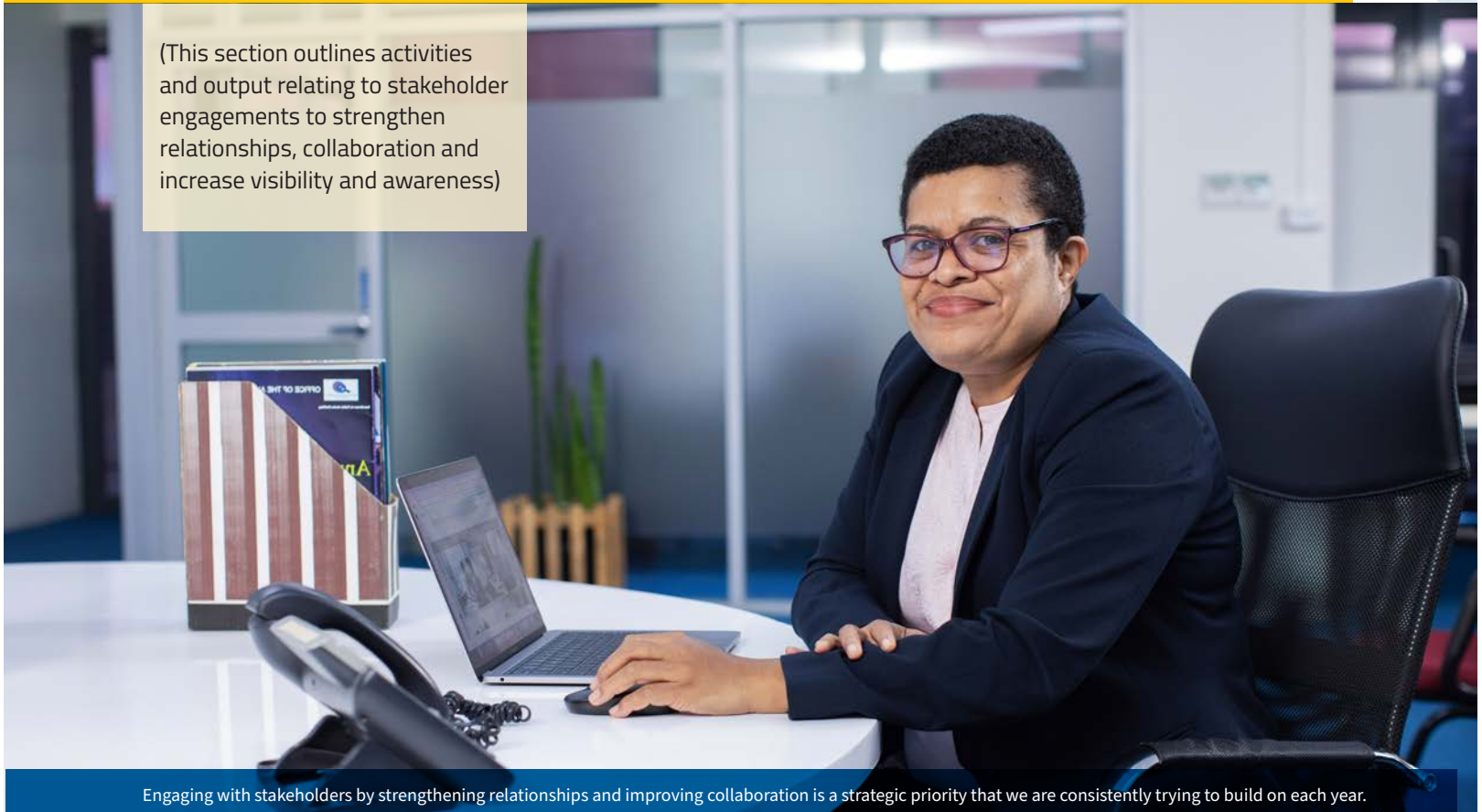
- The implementation and installation of standalone payroll software, PayGlobal and the financial system software, Navision. This was necessary when we moved away from the Financial Management Information Systems of Government.
- The implementation and installation of HR software, Employee Self Service (ESS).
- Structured cabling of the new offices in Suva and Nadi for better connectivity. This was done during the relocation of the offices. This initiative was aimed at providing staff with efficient connections to the office extension, ensuring faster network access and a more streamlined workflow. This also included the Private Automated Branch Exchange (PABX) – a telephone system for a responsive communication system for our team. We also successfully relocated our server and network equipment.
- The TeamMate Server was able to be hosted inhouse. This is an integral part of our technological evolution to upgrade the TeamMate server to TeamMate+. This software, hosted at the ITC Data Centre, ensures that our auditors collaborate and work from any location with internet access. The upgrade has proven instrumental in fostering a dynamic and flexible work environment.
- Offsite backup and Disaster Recovery (DR) Server located at the ITC Data Centre. This was done through the Saudi Fund Emergency Grants to Enhance SAI Resilience through ICT Solutions. This server acts as a fail-safe, replicating our production server's data to ensure that we maintain a secure and reliable backup. This strategic initiative is in line with our commitment to safeguarding critical data and ensuring business continuity.
- Development and implementation of a comprehensive IT Security Policy.



## 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.

#### SUPPORT FOR PARLIAMENT-STANDING COMMITTEE ON PUBLIC ACCOUNTS

### ■ 20 PAC public hearing sessions supported

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.

In 2021-2022, we supported 20 (19 in person & 1 virtual) of PAC's public hearing sessions. The sessions relate to the deliberation of issues highlighted by our financial audit works on 11 Municipal Councils and compliance audits of various government programs in response to the COVID-19 pandemic. The sessions were attended by the Audit Team Leaders and the responsible Assistant Auditors General, and in some occasions, the Auditor General and/or Acting Auditor General.

We also responded to 3 requests by the PAC to formulate sample questions on matters raised by the Auditor General in the reports submitted to Parliament and 1 request for written responses to questions and clarifications on the 2021 Annual Report.

A summarized report on the assessment of the Office against international standards, SAI Performance Measurement Framework, together with an action plan for improvements was voluntarily transmitted to Parliament. We attended 1 meeting called by the PAC on 14/10/2021 for the deliberation of the report.

An annual survey is usually conducted to gather feedback from members of the PAC on the support that we provide to help them improve the delivery of their services. The survey was not conducted for 2022 due to the dissolution of Parliament for the general election.



#### RESULT OF INDEPENDENT CLIENT SURVEY

- **Overall satisfaction – “Net 92% of our clients are satisfied with the most recent audit conducted by the OAG”**
- **Overall, the clients that responded to the 2022 survey were extremely positive regarding our performance.**

We normally conduct a survey each year to determine our clients' perceptions of the services we deliver, engagement levels of our employees, satisfaction with its services, and request feedback to help improve the quality of future audits.

For the first time, OAG commissioned Tebbutt Research in 2022 to undertake an independent client survey on our behalf. Tebbutt Research undertook the survey using an online approach. Utilizing the list we provided, clients were forwarded a secure email link to undertake the surveys. To maximize the response rates, clients were sent a series of follow-up reminder invitations to complete the survey. Just over 50% of the clients responded to the survey.

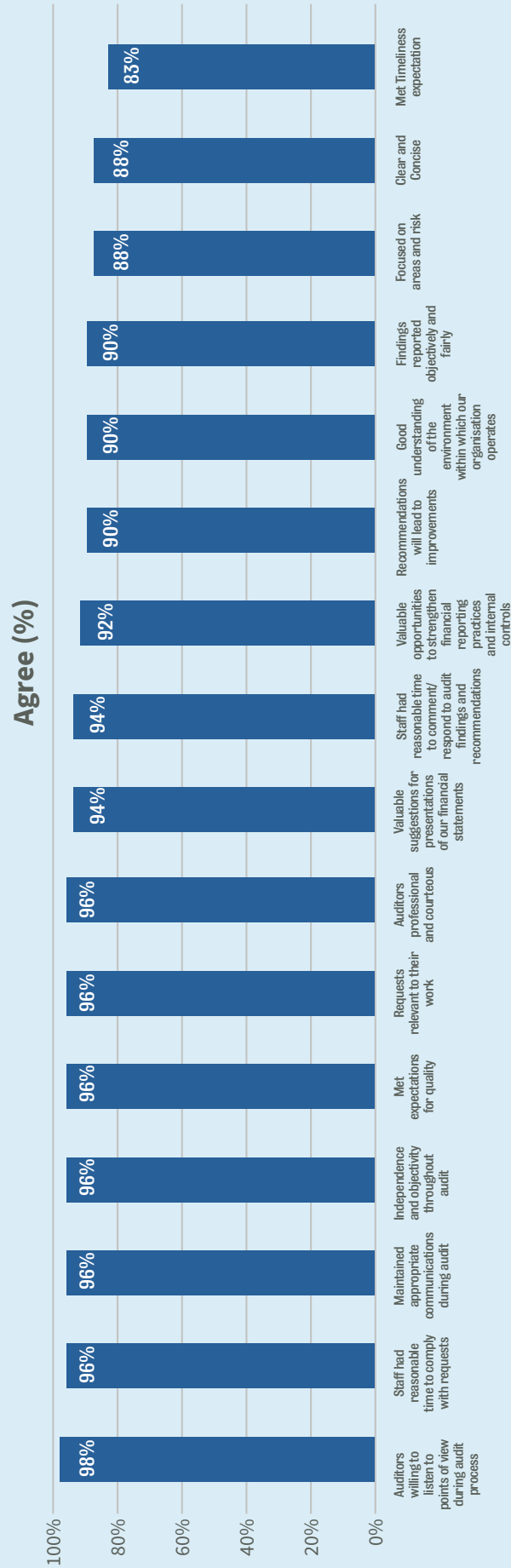
The survey reflected highly positive feedback from clients regarding our performance and service quality. Key areas of satisfaction include communication, engagement, and the objectivity of audit findings. Clients indicated that when undertaking audits, the OAG excelled in demonstrating a willingness to listen to points of view during the audit process (98% agree). Almost all clients also greatly agreed (at 96% for each) that staff had reasonable time to comply with requests; auditors maintained appropriate communications, independence and objectivity throughout audit, met expectations for quality, were professional and courteous and only made documentation requests relevant to their work.

Additionally, the weakest response is reported for meeting expectations for timelines at 83%, however still positive

Our clients' suggestions for improvement underscore our commitment to enhancing service delivery, which include streamlining audit processes and providing support for adherence to the relevant accounting standards.

Feedback from our clients are invaluable for continuous improvements.

Detail results of the survey are provided below:



## PARTNERSHIP WITH THE FIJI NATIONAL UNIVERSITY (FNU)

### Our Commitment to Excellence

We were recognized with the Prize Award at the 22nd Fiji Business Excellence Award (FBEA) function held at the Grand Pacific Hotel in Suva on 10 December 2021. The Prize Award portrays an organization as demonstrably amongst the best in Fiji where other organization can learn from and adopt practices to their benefits.

The award was received by the than Auditor-General Ajay Nand. In receiving the award, he acknowledged the staff of OAG in continuously striving for excellence in the work that they do.

Participating in the Fiji Business Excellence Award is not new as OAG's excellence journey began in 2007 when it was first recognized with an Achievement Award and later in 2013 with the Prize Award. In early 2021, we revamped the Business Excellence Committee to spearhead our participation in the award, after a lapse of 8 years.

With the feedback from the evaluation, we are working towards the implementation of recommendations for improvements in areas such as stakeholder engagement, benchmarking with other organizations, IT and training, in preparation for the next level of recognition which is the President's Award.

### FNU Award

Since 2018, we have partnered with FNU through the sponsorship of the Office of the Auditor General (Fiji) Prize for the "Best Post Graduate Auditing Student" award.

Each semester, up to two students are recognized for their achievement.

In the Gold Medal & Special Awards function held on 8 December 2021, the "Auditor-General's Award" was presented to Mr. Sheikh Tanzil and Mr. Shivneet Vikash.

On 25 March 2022, Ms. Lynett Reddy received the award for her achievement in the Post Graduate Diploma in Accounting program.

We plan to extend our sponsorship with FNU.



OAG Team with His Excellency the President at the 22nd FBEA Awards Function

# THE ROLE OF THE AUDITOR GENERAL

## in the eyes of Primary School Students

1



**Drawing Competition for Primary School**  
Our work on creating awareness and increasing visibility for OAG included a Drawings Competition for Primary Schools in Fiji on the theme “Role of the Auditor General”.

The winners of the competition were:

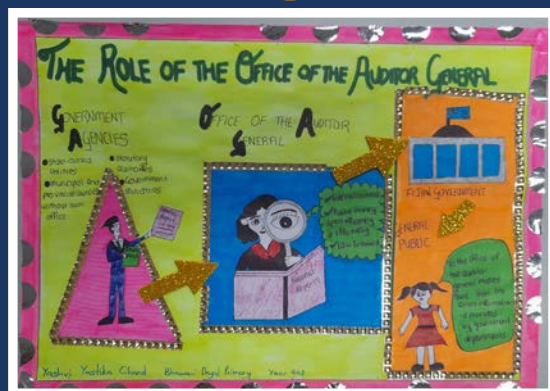
**1st Prize winner**  
**Zulfaz Rauv**  
**Malamala Public School in Nadi**

**2nd Prize winner**  
**Yastika Chand**  
**Bhawani Dayal Primary in Nasinu**

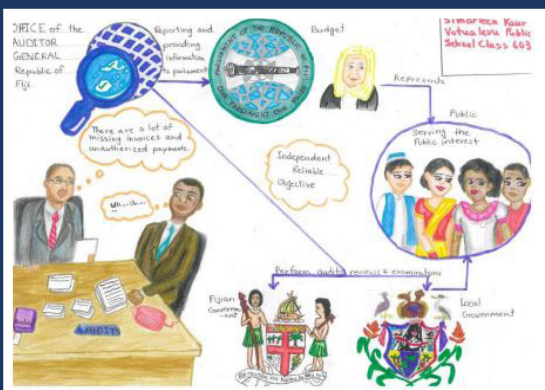
**3rd Prize winner**  
**Simarleen Kaur**  
**Votualevu Public School in Nadi**

The prizes were awarded in a virtual ceremony.

2



3



## OUR PEOPLE

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



Our goal is to provide an environment where our people are empowered to excel and maximize their potential, be continually better at what they do and embrace technology to enhance work systems and processes.

Financial year 2022 was challenging as we tried to return our operation to pre-COVID-19 level with a new hybrid way of working while faced with difficult situations. We progressively returned to work at the Office from 30 August 2021 after the COVID-19 pandemic lockdowns. We moved to a new Office location in December 2021, and in January 2022, the tenure of the Auditor General ended.

The reopening of international borders, volatility in the job market coupled with the difficult situation at the Office saw an increasing number of staff leaving OAG from the second half of the year.

### WORKFORCE PROFILE

From our staff establishment of 102 positions, 78 full-time positions were filled consisting of 69 technical staff and 9 support staff. Female staff made up the majority of our workforce at 55% (male – 45%). Our

senior leadership team of four (5%) consisted of the Acting Auditor General, Acting Deputy Auditor General, an Assistant Auditor General and an Acting Assistant Auditor General while 10 (12%) staff at middle management level.

We had a young workforce with 52% 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 50% 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 70 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. Sixteen 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.

Over 40 of our staff have professional qualification through memberships with the Fiji Institute of Chartered Accountants, CPA Australia and the Institute of Internal Auditors (Fiji).

The progress we have made during the year towards further supporting and capacity developing our people is discussed in Section 5B, page 21 of the report.

### **ANNUAL DECLARATION - CODE OF CONDUCT & ETHICS AND DECLARATION OF INTEREST**

The adoption and application of OAG Policy 38/2020 on Code of Conduct and Code of Ethics as compliant to ISSAI 130 will promote trust and confidence in our people and their work.

The International Professional Practices Framework (IPPF) – Implementation Guidelines are practices we have adopted and customized to acknowledge our responsibility to the code of conduct and ethics and to abide by them. Since 2020, the practice of making annual declaration became mandatory for all staff.

The annual declaration is not restricted to staff but is applicable to any entity or third party/person(s) engaging with OAG.

Our Conflict-of-Interest Policy provide guidance to staff to enable them to avoid situations in their personal activities and financial affairs which are, or may appear to be, in conflict with their responsibility to act in the best interests of the Office.

All staff and contractors are required to embrace and act in accordance with the OAG values validated through an annual declaration using a Conflict-of-Interest form. Our people are expected to also abide by the code in the conduct of their personal life.

Aside from the annual declaration, our people are also expected to declare any interest for every audit performed.

We have zero tolerance for bribery, corruption, fraud, and violations of our code of conduct and ethics.

### **RECRUITMENT, RETENTION AND STAFF TURNOVER**

Recruiting to fill in the high number of vacant positions and retaining high quality staff were 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 13 new staff and promoted 11 existing staff to high level positions. There were 22 staff that departed OAG in 2022, of which 20 resigned and 2 with the expiry of employment contract. More than 80% of staff that resigned were for migration purposes and to take up job opportunities overseas.

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.

### **OCCUPATIONAL HEALTH AND SAFETY**

We are committed to the health and safety of our people.

Our OHS Committee, established as required under Section 18(1) of the Health and Safety at Work Act 1996, works closely with Management to resolve health and safety matters in the workplace. The committee includes management and staff representatives.

We ensure that our fire wardens and first aid officers undergo training annually on fire safety and dealing with OHS issues in the workplace.

While efforts have been focused on the physical health of our people, the impact of the COVID-19 pandemic proved to be stressful. To help our people overcome these mental strains, we organized a virtual wellness session facilitated by Empower Pacific on healthy coping mechanisms for dealing with change. In this session, staff openly spoke about stress, difficulties and opportunities related to COVID-19 and issues related to working from home.

Our sickness absence rates was high, which averaged 10.3 days per staff. This was attributed to a good number of staff having to take sick leave with COVID-19 related symptoms after we progressively opened the Office in August 2021.

With 97% staff being fully vaccinated, only 3% staff are yet to receive their second dose of the COVID -19 vaccine.

Our people are our greatest asset, and we will continue to establish plans, policies and provide a conducive environment for their wellbeing.

## OUR FINANCES

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



- **Unqualified audit opinion**
- **No audit matters reported**
- **93% budget utilization during the year**
- **29% increase in audit fees collected**

As an independent body, the Office operate autonomously. Our operation is fully funded through an annual budget appropriation approved by Parliament. With effect from 1 August 2017, we received a “one-line” budget in line with Section 37A of the Financial Management (Budget Amendment) Act 2017 which ensures that independent bodies may independently and effectively exercise its powers and performs its functions and duties.

We utilized 93% of the budget allocated which demonstrate effective budget control during the year.

The audit for the year resulted in an unmodified (unqualified) audit opinion. Moreover, there were no significant matters identified from the audit. OAG is audited by an external auditor appointed by the Speaker of Parliament in accordance with Section 14 of the Audit Act 1969. EY was appointed as the external auditor for the financial year 2022.

In managing our finances, we aim to efficiently use our financial resources and be an exemplary organization to the public sector.

Full details of the audited financial statements is presented as Appendix 1 of this report.



## BUDGET APPROPRIATION

OAG prepares its 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 that we follow.

In the 2021 – 2022 Budget, OAG was allocated a sum of \$4.9 million, a decrease of \$146,000 from the previous year.

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

Financial Year	2020	2021	2022
Budget Appropriation (\$)	5,606,269	5,048,231	4,902,010
Percentage of Budget Utilized (%)	100%	93%	93%

Budget utilization for the past three years demonstrated effective budget control across all categories of expenditures.

## INCOME AND EXPENDITURE

At the end of the financial year, we received a total of \$4.7 million in Government Grant, remitted by the Ministry of Finance on a quarterly basis.

Our total expenditure was \$4.6 million, indicating a spending at 93% of the budget. Significant cost drivers during the year include:

Salaries, wages and other benefits which is normally around 80% of our total expenditure. Staff-related costs during the year was \$3.8 million against a budget of \$4.4 million. The variance of \$0.6 million resulted from positions left vacant through the high number of resignations and we were unable to fill the positions quickly because of the highly competitive recruitment markets locally and overseas.

The remaining 20% of our expenditure relate mostly to the cost of outsourcing audits, communication and operating expenses such as utilities, repairs and maintenance and printing of reports to Parliament.

## AUDIT FEES COLLECTED

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

The total audit fees collected was \$595,314 compared to \$462,764 in 2021, an increase by \$132,550 or 29%. The increase was attributed to increase in work to complete audits carried forward due to the COVID 19 lockdown.

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

Financial Year	2020	2021	2022
Audit Fees Collected (\$)	418,518	462,764	595,314

## ASSETS AND LIABILITIES

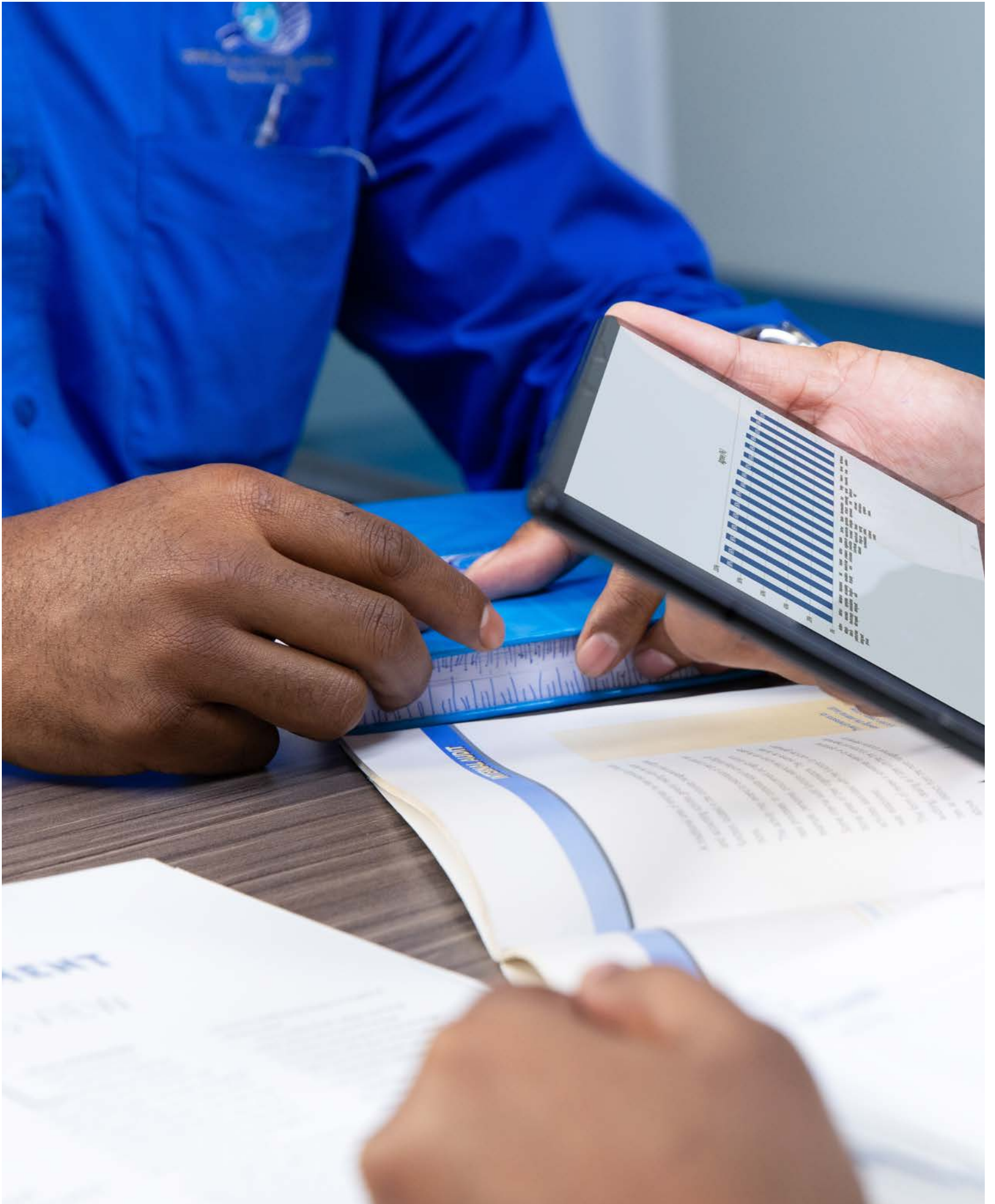
Our assets and liabilities as set out in the Statement of Financial Position mainly comprised of cash, property, plant & equipment, intangible assets, and current liabilities of accounts payable, employee benefits and unutilized grant.

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. We will recognize the cost of outsourced audits as accounts payable when invoices are received from our contract auditors.

The upgrade of our IT infrastructure <sup>1</sup> led to the significant change in the value of our property, plant and equipment, and intangible assets by over 100%. We also purchased additional furniture & fittings and office equipment when we relocated to a new office space in December 2021.

We recorded more liabilities than assets because of the high unutilized grants and employee benefits balances at year end. Employee benefits relate to annual leave due which have not been utilized. A series of actions will be implemented to reduce the balance in the coming years.

<sup>1</sup> Refer to section 5, page 23 of the report



OFFICE OF THE AUDITOR GENERAL

# FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

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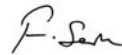
We certify that the accompanying Financial Statements:

- 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 2022; and
- b) have been prepared in accordance with the requirements of the International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs) and the Financial Management Act 2004.

Dated at Suva this 5th day of May 2023.



Sairusi Dukuno  
Acting Auditor-General



Finau Nagera  
Acting Deputy Auditor-General



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## INDEPENDENT AUDITOR'S REPORT

### To the Minister of Economy

Report on the Audit of the Financial Statements

### 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 2022, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Office as at 31 July 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs).

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Office in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with 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

The Office is responsible for the other information. The other information comprises the statement of the Office but does not include the financial statements and the auditor's 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 identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the audit, or otherwise appears to be materially misstated. If, based upon 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 the management and those charged with governance for the Financial Statements

The management and the Office are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS for SMEs and for such internal control as the management and the Office determine 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, the 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 the management either intend to liquidate the Office or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Office's financial reporting process. A member firm of Ernst & Young Global Limited



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## INDEPENDENT AUDITOR'S REPORT continued

### Auditor's 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 auditor's 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 ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud and 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, we exercise professional judgement 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 the 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 material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Office to cease to continue as a going concern; and
- 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Chartered Accountants

Sikeli Tuinamuana  
Partner  
Suva, Fiji

5 May 2023

5 May 2023

<b>OFFICE OF THE AUDITOR GENERAL STATEMENT OF COMPREHENSIVE INCOME</b>	<b>Notes</b>	<b>31 July 2022 \$</b>	<b>31 July 2021 \$</b>
<b>FOR THE YEAR ENDED 31 JULY 2022</b>			
<b>Income</b>			
Grant Income	<b>4(a)</b>	4,709,322	4,688,466
Interest		228	30
Other income	<b>4(b)</b>	6,094	10,180
<b>Total Income</b>		<b>4,715,644</b>	<b>4,698,676</b>
<b>Expense</b>			
Salaries, wages and other benefits	<b>5(a)</b>	3,734,693	3,923,245
Travel, accommodation and communications	<b>5(b)</b>	51,004	43,209
Maintenance	<b>5(c)</b>	19,835	8,903
Contract audit fees		181,647	71,400
Other operating expenses	<b>5(d)</b>	221,258	239,879
Computers & IT services	<b>5(e)</b>	9,335	33,399
Special expenditure	<b>5(f)</b>	17,814	-
Depreciation expense	<b>8(b)</b>	71,161	65,687
Amortisation expense	<b>9</b>	20,314	17,251
Annual leave expense		312,187	230,883
Audit fees		8,400	8,400
<b>Total Expenditure</b>		<b>4,647,648</b>	<b>4,642,256</b>
<b>Net surplus for the year</b>		<b>67,996</b>	<b>56,420</b>

The accompanying notes form an integral part of this Statement of Comprehensive Income.

**OFFICE OF THE AUDITOR GENERAL  
STATEMENT OF CHANGES IN EQUITY**

FOR THE YEAR ENDED 31 JULY 2022

**31 July 2022**  
\$

**31 July 2021**  
\$

Balance as at 1 August 2021

(192,654)

(249,074)

Net surplus for the year

67,996

56,420

**Balance as at 31 July 2022**

**(124,658)**

**(192,654)**

The accompanying notes form an integral part of this Statement of Changes in Equity.



<b>OFFICE OF THE AUDITOR GENERAL STATEMENT OF FINANCIAL POSITION</b>	<b>Notes</b>	<b>31 July 2022</b>	<b>31 July 2021</b>
<b>FOR THE YEAR ENDED 31 JULY 2022</b>		<b>\$</b>	<b>\$</b>
<b>Current assets</b>			
Cash and cash equivalents	6	561,442	365,561
Other current assets	7	105,523	48,295
		<b>666,965</b>	<b>413,856</b>
<b>Non-current assets</b>			
Property, plant and equipment	8	295,875	140,740
Intangible assets	9	116,125	41,689
		<b>412,000</b>	<b>182,429</b>
<b>Total assets</b>		<b>1,078,964</b>	<b>596,285</b>
<b>Current liabilities</b>			
Accounts payable	10	236,353	107,031
Employee benefit	11	340,008	342,085
Unutilized grant	12	535,574	339,823
Deferred income	15	91,687	-
		<b>1,203,622</b>	<b>788,939</b>
<b>Total liabilities</b>		<b>1,203,622</b>	<b>788,939</b>
<b>Net assets/(deficiency in assets)</b>		<b>(124,658)</b>	<b>(192,654)</b>
<b>Equity</b>			
Accumulated surplus/(losses)		(124,658)	(192,654)
<b>Total equity</b>		<b>(124,658)</b>	<b>(192,654)</b>

The accompanying notes form an integral part of this Statement of Financial Position.

**OFFICE OF THE AUDITOR GENERAL  
STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED 31 JULY 2022

Note

31 July 2022  
\$31 July 2021  
\$**Cash flows from operating activities**

Receipt from grants	5,002,851	5,038,469
Interest received	228	30
Payment for contracted audit services	(181,644)	(93,059)
Payment to employees	(4,041,105)	(4,244,996)
Payment to suppliers and vendors	(263,403)	(291,457)
<b>Net cash from operating activities</b>	<b>516,927</b>	<b>408,987</b>

**Cash flows from investing activities**

Payment for property, plant & equipment	(321,046)	(50,511)
<b>Net cash used in investing activities</b>	<b>(321,046)</b>	<b>(50,511)</b>

Net increase/(decrease) in cash equivalent	195,881	358,476
Cash and cash equivalents at beginning of financial year	365,561	7,085
<b>Cash and cash equivalents at end of financial year</b>	<b>561,442</b>	<b>365,561</b>

6

The accompanying notes form an integral part of this Statement of Cash Flows.

## OFFICE OF THE AUDITOR GENERAL NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

### 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 Accountants. The Financial Management Act 2004 requires that the Ministry of Finance appropriate adequate funds to any independent office to ensure that the office independently and effectively exercise its powers and perform its functions and duties.

### NOTE 2 PRINCIPAL ACTIVITY

The Office of the Auditor-General is an independent Office established under Section 151 of the Constitution with the function to inspect, 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.

### 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).

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 the OAG in the preparation of the financial statements for the year ended 31 July 2022.

#### 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 Fijian currency. All financial information presented in Fijian currency has been rounded to the nearest dollar.

#### d) Foreign Currency

Foreign currency transactions are translated to Fijian currency at rates of exchange ruling at the dates of the transactions. Amounts receivable and payable in foreign currencies are converted to Fijian currency at the rates of exchange ruling at balance date. All exchange gains or losses whether unrealized are included in the income statement.

#### e) Cash

Cash and cash equivalents 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 operating grant from the Fiji Government. Operating grants that compensate the Office for expenses incurred are recognised as income in the income statement on a systematic basis in the same period in which the expenses are incurred. Operating grants that are used to compensate the cost of an asset are recognised in the income statement as income on a systematic basis over the useful life of the assets.

**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:

- Computer Hardware (20%- 25%)
- Motor Vehicles (20%- 25%)
- Office Equipment (10%- 25%)
- Fixtures & 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 amortisation and any accumulated impairment losses. It is amortised over its estimated life using the straight-line method. Software has an estimated useful life of more than 5 years.

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

- Computer Software (10%- 25%)

**j) Impairment of Assets**

At each reporting date, property, plant, and equipment are assessed to determine whether there is any indication of impairment. 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 amortised 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) Comparative Information**

Comparative information has been restated where necessary to achieve consistency in disclosure with current year amounts.

**OFFICE OF THE AUDITOR GENERAL  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
(CONTINUED)**

FOR THE YEAR ENDED 31 JULY 2022

**31 July 2022**      **31 July 2021**  
**\$**                      **\$**
**NOTE 4 INCOME****(a) Grant Income**

Government of Fiji - Operating Grant	4,706,259	4,666,632
INTOSAI Grant	-	21,834
PASAI Grant	3,063	-
	<b>4,709,322</b>	<b>4,688,466</b>

**(b) Other Income**

Commission	-	3,080
Other income	6,094	7,100
	<b>6,094</b>	<b>10,180</b>

**NOTE 5 EXPENSES****(a) Salaries, wages and other benefits****Established Staff**

Salaries	3,274,092	3,564,378
Fiji National Provident Fund	208,167	164,621
Acting Allowance	118,002	43,827
Health Insurance Benefit	56,209	64,759
FNU Levy	37,118	42,494
Fringe Benefit Tax	768	769
<b>Total Established Staff</b>	<b>3,694,356</b>	<b>3,880,848</b>

**Total Unestablished Staff****26,941**      **27,812****Breakdown for Salaries and Wages accrued is as follows:**

Payroll Accrual (Established Staff)	13,146	14,348
Payroll Accrual (Unestablished Staff)	250	237
<b>Total Salaries &amp; Wages accrued</b>	<b>13,396</b>	<b>14,585</b>

**Total Salaries, Wages and Other Benefits****3,734,693**      **3,923,245**

The number of employees at the end of the financial period was 81 (2021: 91).

Established: 79 (2021: 89)

Unestablished: 2 (2021: 2)

**(b) Travel, accommodation and communications**

Subsistence	11,370	11,390
Telephone and internet	28,279	28,025
Travel	11,355	3,794
	<b>51,004</b>	<b>43,209</b>

**(c) Maintenance**

Maintenance	9,543	1,958
Motor vehicle expenses - Fuel	10,292	6,945
	<b>19,835</b>	<b>8,903</b>

**OFFICE OF THE AUDITOR GENERAL  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
(CONTINUED)**

FOR THE YEAR ENDED 31 JULY 2022

**31 July 2022**      **31 July 2021**  
**\$**                      **\$**
**NOTE 5 EXPENSES (CONT'D)**
**(d) Other operating expenses**

Advertising	1,959	1,416
Awareness	8,256	4,997
Bank charges	1,150	785
Professional Fee - Consultancy	10,095	-
Books, pamphlets and publication	7,574	938
Electricity and power supply	34,818	19,765
Incidentals	11,838	6,357
Repairs & Maintenance - Furniture & Fittings	1,251	1,200
Legal fees	-	-
Occupational Health & Safety (OHS)	4,833	2,180
Office cleaning services	19,593	15,274
Office equipment	13,937	1,521
Office meeting logistics	569	366
Repair & Maintenance - Office Equipment	1,211	688
Software license fees	37,895	108,221
Stationery & printing	47,156	61,918
Strategic planning workshop	1,448	-
Subscription fees	14,287	13,596
Team building	-	300
Training	2,550	55
Uniform	837	301
	<b>221,258</b>	<b>239,879</b>

**(e) Computers & IT services**

Software	5,272	28,633
Hardware	-	2,554
Website	325	650
Others	3,738	1,562
	<b>9,335</b>	<b>33,399</b>

**(f) Special expenditure**

INTOSAI & AG Commonwealth	17,814	-
	<b>17,814</b>	<b>-</b>

**NOTE 6 CASH AND CASH EQUIVALENTS**

Cash on hand	107	8
Cash at bank: (Operating - ANZ)	531,403	335,651
Cash at bank: (Operating - HFC)	28,938	28,838
Cash at bank: (Drawings - BSP)	-	-
Cash at bank: (Cheque - BSP)	994	1,064
	<b>561,442</b>	<b>365,561</b>

**Reconciliation of cash and cash equivalents**

For the purposes of the statement of cash flows, cash and cash equivalents include cash at bank and cash on hand.

Refer to Note 12(a) for restricted cash.

**OFFICE OF THE AUDITOR GENERAL  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
(CONTINUED)**
31 July 2022  
\$31 July 2021  
\$

FOR THE YEAR ENDED 31 JULY 2022

**NOTE 7 OTHER CURRENT ASSETS**

Prepayments	26,507	37,228
Refundable Deposits	1,416	1,988
Pandemic Leave Receivable	-	9,079
Accountable Advance	222	-
Value Added Tax Receivable	77,378	-
	<b>105,523</b>	<b>48,295</b>

With reference to the OAG Pandemic Leave Policy (POL 44/2021), pandemic leave is available for all staff where 50% of the hours utilised will be recovered within six months from the end of the pandemic leave through working outside the normal working hours.

**NOTE 8 PROPERTY, PLANT AND EQUIPMENT****(a) Computer Hardware**

At Cost	261,158	97,251
Accumulated depreciation	(70,412)	(38,208)
	<b>190,745</b>	<b>59,043</b>

**Motor Vehicles**

At Cost	43,111	43,111
Accumulated depreciation	(43,111)	(43,111)
	<b>-</b>	<b>-</b>

**Furniture and Fittings**

At Cost	56,758	19,339
Accumulated depreciation	(17,302)	(13,730)
	<b>39,456</b>	<b>5,609</b>

**Office Equipment**

At fair value	297,196	272,225
Accumulated depreciation	(231,522)	(196,137)
	<b>65,673</b>	<b>76,088</b>

**Net book value**

	<b>295,875</b>	<b>140,740</b>
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**(b)** 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:

	<b>Computer Hardware</b>	<b>Motor Vehicle</b>	<b>Furniture and Fittings</b>	<b>Office Equipment</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cost					
Balance as at 31 July 2021	97,251	43,111	19,339		431,926
Acquisitions	163,906	-	37,419		226,296
Disposal	-	-	-		-
Balance as at 31 July 2022	<b>261,158</b>	<b>43,111</b>	<b>56,758</b>		<b>658,222</b>
Accumulated Depreciation					
Balance as at 31 July 2021	38,208	43,111	13,730		291,186
Depreciation for the Year	32,204	-	3,572		71,161
Disposal	-	-	-		-
Balance as at 31 July 2022	<b>70,412</b>	<b>43,111</b>	<b>17,302</b>	<b>231,522</b>	<b>362,348</b>
Carrying amount					
<b>As at 31 July 2021</b>	<b>59,043</b>	<b>-</b>	<b>5,609</b>	<b>76,088</b>	<b>140,740</b>
<b>As at 31 July 2022</b>	<b>190,745</b>	<b>-</b>	<b>39,456</b>	<b>65,673</b>	<b>295,875</b>



**OFFICE OF THE AUDITOR GENERAL  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
(CONTINUED)**
**31 July 2022**  
\$

**31 July 2021**  
\$

FOR THE YEAR ENDED 31 JULY 2022

**NOTE 9 INTANGIBLE ASSETS**
**Software**
**Cost:**

Balance as at 1 August 2021	485,460	485,460
Additions	94,750	-
Balance as at 31 July 2022	580,210	485,460

**Accumulated Amortisation**

Balance as at 1 August 2021	443,771	426,520
Amortisation for the year	20,314	17,251
Balance as at 31 July 2022	464,085	443,771

**Net amount**

	116,125	41,689
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Software licenses are made up of the OAG's 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 costs) 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	717	729
Fringe Benefit Tax (FBT) Payable	65	65
Trade Payables	222,056	83,228
Value Added Tax Payable	-	8,278
Salaries & Wages Payable	13,515	14,731
	236,353	107,031

**NOTE 11 EMPLOYEE BENEFIT**

The movement in Employee Benefit liability during the year is as follows:

As at 1 August	342,085	364,041
Arising during the year	(2,077)	(21,956)
Utilized	-	-
As at 31 July	340,008	342,085
<b>Represented by:</b>		
Current	340,008	342,085

**OFFICE OF THE AUDITOR GENERAL  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
(CONTINUED)**
**31 July 2022**  
\$

**31 July 2021**  
\$

FOR THE YEAR ENDED 31 JULY 2022

**NOTE 12 UNUTILIZED GRANT**
**(a) INTOSAI Unutilized Grant**

	Opening Balance	4,171	-
Add:	Grant received	-	27,970
Less:	Grant utilized	-	23,799
	Closing Balance	4,171	4,171

The INTOSAI SAI Continuity grant was launched in early October 2020. The INTOSAI-Donor Cooperation (IDC) in cooperation with the INTOSAI Policy, Finance and Administration Committee (PFAC) considered this initiative to be a unique measure to offer assistance given the global emergency. The aim of this grant is to assist its SAI members with continuity of operations, through ICT and staff safety measures support, to respond to 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 is held as restricted cash in the HFC Bank Operating account.

**NOTE 12 UNUTILIZED GRANT (cont'd)**
**(b) Government Unutilized Grant**

	Opening Balance	335,652	-
	Grant received	4,902,010	5,048,231
Add:	Grant utilized	4,706,259	4,712,579
Less:	Closing Balance	531,403	335,652
	Prior Year Unutilized Grant	335,652	-
	Current Year Unutilized Grant	195,751	-
		531,403	-
	<b>Total Unutilized Grant</b>	<b>535,574</b>	<b>339,823</b>

Unutilised Government Grant of \$531,403 were funds committed to outsourcing of audits which were in progress at year end and will only be realised when invoices are received from contract auditors in the subsequent year.

**NOTE 13 AUDIT FEES**

Audit Fees	595,314	462,764
	595,314	462,764

Accounting treatment under the accrual convention requires revenue to be recognized for audit services that have been rendered and clients billed, however, payments is yet to be received. Audit fees is state revenue therefore it is only disclosed in the notes to the financial statements only.

**NOTE 14 ACCOUNTS RECEIVABLE**

Audit Fees Receivable	140,917	258,830
	140,917	258,830

Audit fees receivable belongs to the State hence disclosed as notes to the financial statements only.

**OFFICE OF THE AUDITOR GENERAL  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
(CONTINUED)**

FOR THE YEAR ENDED 31 JULY 2022

**31 July 2022**      **31 July 2021**  
**\$**                      **\$**
**NOTE 15 DEFERRED INCOME**

Grant by PASAI	94,750	-
Amortisation:		
Opening Balance	-	-
Released to profit or loss	3,063	
Closing Balance	3,063	-
Net deferred income	<b>91,687</b>	<b>-</b>

PASAI funded for Teammate + software fees on behalf of office of the Auditor General effective from 02nd June 2022. the original cost taken in books for accounting purpose.

**NOTE 16 COMMONWEALTH AUDITORS GENERAL CONFERENCE FUNDING**

Due to the COVID-19 pandemic, the Commonwealth Auditors-General Conference (CAGC) to be hosted by the Fiji OAG in May 2020 was postponed. A sum of \$100,000 was received from the Commonwealth Secretariat for this event of which \$17,814 was utilized which included a \$15,234 deposit for accommodation valid till 20 December 2022. The Ministry of Economy had custody of the funds.

On 8 April 2022, the funds provided for the XXIV CAGC was refunded to the Commonwealth Secretariat (CAGCF) after Fiji OAG withdrew from hosting the conference.

**NOTE 17 LITIGATION CLAIM**

A defamation action against the Auditor-General was taken by Aliz Pacific & Dr Nur Bano Ali in which the plaintiffs are seeking 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 the case. On 28 October 2022, the judgement of the Supreme Court was delivered in which the petition of the plaintiffs was successful. The matter has been referred to the Master of the High Court for assessment of special and general damages and that costs totalling \$15,000 are to be paid by the Auditor-General. The ultimate outcome cannot be presently determined; accordingly, no provision has been made in the books of account.

**NOTE 18 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 19 COMMITMENTS**

As at 31 July 2022, there were no capital expenditure commitments for the Office of the Auditor-General (2021: \$Nil)

**NOTE 20 RELATED PARTY TRANSACTIONS**

As at 31 July 2022, there were no related party transactions for the Office of the Auditor-General (2021: \$Nil)







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