



Standing Committee on Public Accounts

Review of the Audit Report on Provincial Councils (Volume Seven)



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Acronyms

IFRS	I nternational F inancial R eporting S tandards
iTAB	<i>i</i> Taukei Affairs B oard
KPI	K ey P erformance I ndicator
OAG	O ffice of the A uditor G eneral
PPE	P roperty, P lant & E quipment
SDG	S ustainable D evelopment G oal
SME's	S mall and M edium-sized E ntities

Chairperson's Foreword



This Report presents the findings of the Auditor-General on the financial audits of eight of the 14 Provincial Councils, as mandated under Regulation 33 of the *iTaukei* Affairs (Provincial Councils) Regulations 1996. The audits have experienced significant delays, ranging from two to six years, primarily due to the late submission of draft financial statements, which are required to be submitted by 1 April of the subsequent financial year.

A total of 275 draft financial statements were received by the Auditor-General for audit, of which 259 (94%) have been completed and reported in Volumes One to Six. Volume Seven contains the most recent audit results for 32 financial statements, including eight statements from four Provincial Councils for the financial years ending 31 July 2017 and 2018, and 24 financial statements from six Provincial Councils for the financial years ending 31 July 2019 to 31 July 2022.

To bring the financial reporting obligations up to date for all Provincial Councils, the audits of 56 financial statements for the financial years ending 31 July 2019 to 2022 remain pending for seven Councils. For 2023 to 2024, all 14 Councils are scheduled to be audited in FY 2025-2026, subject to timely submission of draft financial statements.

The iTAB and the OAG should be congratulated for bringing the reporting obligations up to date.

The audits of the Provincial Councils revealed several recurring and unresolved deficiencies in financial management and reporting. Significant delays in the submission of draft financial statements continue to hinder timely audits, with a lack of capacity identified as a contributing factor. Instances of noncompliance with the International Financial Reporting Standards

(IFRS) for Small and Medium-sized Entities (SMEs) were noted, alongside limitations of scope caused by insufficient supporting documentation.

For the period under review, records management was poor, with missing financial and related records restricting the ability to substantiate balances. Advances to staff were often inadequately documented and poorly managed, resulting in substantial adjustments during audits. Similarly, records of investments with Provincial Holding Companies and other entities were either unavailable or outdated, preventing confirmation of actual holdings.

Furthermore, errors in draft financial statements submitted for audit highlighted weaknesses in review processes and contributed to inaccurate financial reporting. These issues, including delays, noncompliance, poor documentation, weak controls over advances and investments, and discrepancies in reporting, have been repeatedly raised in previous reports.

The Committee visited the following Provincial Councils, namely Ba, Bua, Ra, Naitasiri, Lau, and Rewa, and the Committee was able to ascertain that most provincial councils are committed to improving their financial reporting.

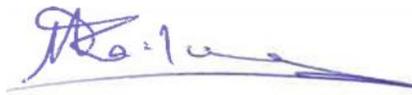
The Committee observed that certain Provincial Councils were adamant that their records were up to date, despite the findings from the audit report. As such, the Committee recommends that future audits be conducted directly at the Provincial Council headquarters to ensure that issues concerning record-keeping are addressed directly at the provincial council level.

On behalf of the Committee, I commend Ba, Bua, Rewa, Naitasiri and Lau Provincial Councils for their efforts to rectify issues arising in Volume Seven of the Report. The Provincial Councils are currently utilising an accounting system called SAGE for the management and integration of their business operations. Regarding the management of payroll and staff leave, a Human Resources Information System (HRIS) has recently been introduced. However, internet connectivity remains an impediment to the recording and transmission of data.

In addition, the Committee observed during their visit that certain Councils were making improvements to their financial reports, record-keeping, internal control management, and strategic plans to guide the Council over the next three to five years. To ensure that the positive momentum is not lost, the Committee recommends that serious consideration be given to the formation of an inter-Ministry and Agency task force. Adequate resourcing through the budget

will be critical to completing the necessary reforms.

The *iTaukei* Affairs Board and the Provincial Councils are encouraged to prioritise corrective actions to address recurring issues and to ensure that credible, transparent, timely and high-quality financial reporting is undertaken immediately.



.....
Hon. Manoa KAMIKAMICA

Chairperson

Standing Committee on Public Accounts

Committee Membership

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



**Hon. Manoa KAMIKAMICA,
Chairperson**



**Hon. Jovesa VOCEA, Deputy
Chairperson**



Hon. Naisa TUINACEVA, Member



**Hon. Alvick MAHARAJ,
Member**



Hon. Hem CHAND, Member



Hon. Sachida NAND, Member

Committee Secretariat

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

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1. Introduction

The Provincial Councils (Councils) are established under Section 7 of the *iTaukei* Affairs Act 1944 and Regulation 3 of the *iTaukei* Affairs (Provincial Council) Regulations 1996, with each Council recognised as a body corporate. Their primary functions include formulating and implementing policies to promote the health, peace, order, welfare, and good governance of *iTaukei*'s residing in the provinces; advancing economic, cultural, and social development; and carrying out additional duties delegated by the Minister for *iTaukei* Affairs or the *iTaukei* Affairs Board.

The operations of the Councils are funded through government subventions disbursed by the Ministry of *iTaukei* Affairs and the *iTaukei* Affairs Board, supplemented by provincial rates and income from investments. In accordance with Regulations 33(2) and 33(3) of the *iTaukei* Affairs (Provincial Councils) Regulations 1996, the Auditor-General is mandated to audit the accounts of every Council, with the draft financial statements required to be submitted annually by 1 April of the subsequent financial year.

This Report presents the audit results of 32 financial statements for eight Provincial Councils for 2019-2022 Serua, Lau, Rewa and Ra; 2017-2022 Ba and Bua; and 2017-2018 Lomaiviti and Kadavu. While audits have been delayed primarily due to non-submission of financial statements, significant progress has nevertheless been made in reducing the backlog from 19 years to between two and six years since the commencement of backlog audits eight years ago. An update on the progress of these audits is provided in Part 1.4 of this Audit Report.

As per the table below, all the Provincial Councils are in the process of preparing 2022-2023, 2023-2024 financials, confirming the significant progress they have made.

Status of Audits as of 31 July 2025

Provincial Council	Draft Financial Statements Received	Audits Completed	Audits in progress	Audits yet to Commence	Draft Financial Statement not yet Received
1. Ba	2001-2022	2001-2022	-	-	2023 -2024
2. Bua	2003 -2022	2003-2022	-	-	2023-2024
3. Cakaudrove	2002-2022	2002-2018	-	2019-2022	2023-2024
4. Kadavu	2002-2022	2002-2018	-	2019-2022	2023-2024
5. Lau	2003-2022	2003-2022	-	-	2023-2024
6. Lomaiviti	2006 -2018	2006-2018	-	-	2019-2024
7. Macuata	2005-2022	2005-2018	-	2019-2022	2023-2024
8. Nadroga/Navosa	2002-2018	2002-2018	-	-	2019-2024
9. Naitasiri	2000-2018	2000-2018	-	-	2019-2024
10. Namosi	2001-2018	2001-2018	-	-	2019-2024
11. Ra	2000-2022	2000-2022	-	-	2023-2024
12. Rewa	2002-2022	2002-2022	-	-	2023-2024
13. Serua	2002-2022	2002-2022	-	-	2023-2024
14. Tailevu	2002-2022	2002-2018	2019-2022	-	2023-2024
Total	275	259	4	12	44

Source: Auditor General's Report

1.1. Committee Procedure

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

In line with this provision, the Committee has resolved that the entity identified in the audit report, the Ministry of *iTaukei* Affairs, shall provide a substantive written submission to the Committee addressing the audit findings.

2. Background

The Office of the Auditor General stands as an independent institution established under the Constitution of the Republic of Fiji and reinforced by the Audit Act 2025. At its helm, the Auditor General serves as the responsible authority, entrusted with safeguarding the integrity of public financial management.

Under the *iTaukei* Affairs (Provincial Councils) Regulations 1996, the Auditor-General is mandated to audit the accounts of all Provincial Councils. Regulations 33(2) and 33(3) stipulate that every Council's accounts must be audited by the Auditor-General and that financial statements are to be submitted by 1 April. This legal framework ensures accountability and transparency in the financial operations of the Councils.

In fulfilling this mandate, the Auditor General reports to Parliament in accordance with Section 152(1) of the Constitution of the Republic of Fiji. Beyond the matters specified in Section 152(2), these reports may also highlight significant issues arising from audits that warrant the attention of Parliament. The current report, therefore, satisfies the requirements of both the Constitution and the Audit Act, serving as a mechanism for oversight.

The Office of the Auditor-General (OAG) recognises the broader impact of its reports on ordinary citizens. By striving for accuracy, high-quality reporting, and practical recommendations, the Office aims not only to add value to the entities under audit but also to strengthen accountability and trust for all stakeholders across Fiji.

3. General Committee Findings

The audits identified significant weaknesses across key operational areas of the Provincial Councils, which were communicated to the *iTaukei* Affairs Board through Management Letters. These related to financial reporting, internal controls, other significant matters, and findings in the Audit Report, Volume Seven.

3.1. Financial Reporting

Financial Reporting is integral to any entity, including the Councils. Therefore, sound financial management is essential for accurate and timely processing of financial statements, in adherence to the principles of accountability and transparency, particularly in the utilisation of public funds.

The two key aspects in assessing the financial reporting of the Councils were, firstly, the quality of the reporting substantiated by clear and precise documentation and adherence to the legislative deadline.

The quality and the timeliness of the Council's financial reporting were assigned modified audit opinions due to significant issues arising, and the draft financial statements were received 30 days after the first day of April in each subsequent year.

Therefore, the quality and timeliness of financial reporting by the eight Councils in the Audit Report were assessed as ineffective and required immediate action.

Assessment of Financial Reporting Processes

Provincial Councils	Financial Year	Financial Reporting	
		Quality	Timeliness
1. Serua	2019 – 2022	Ineffective	
2. Lau			
3. Rewa			
4. Ra			
5. Ba	2017 – 2022		
6. Lomaiviti	2017 – 2018		
7. Bua	2017 – 2022		
8. Kadavu	2017 – 2018		

Source: Auditor General's Report

As tabulated above, the quality and effectiveness of all information provided by the eight provincial councils in the audit years were considered ineffective, resulting in modified opinions. Some of the specific causes were:

- i. **Significant Limitation of Scope** – The independent auditors were unable obtain substantive, relevant audit evidence which severely constrained the audit process. As a result, the limitations were pervasive and material to understanding the financial information provided in the financial statements.

iTAB provided its response concerning the 'limitation of scope' that the financial

statements are now aligned with IFRS for SMEs and is committed to full transparency and towards attaining unmodified opinions with systems in place for timely submission of draft financial reports.

- ii. **Non-Compliance** with the required financial reporting framework (IFRS for SMEs, Section 10 Accounting Policies, Estimates and Errors) for the preparation and submission of draft financial statements.

iTAB stated that it is addressing record-keeping issues by introducing checklists and documentation controls through the implementation of sequential filing, regular audit visits and registry records management. It is undertaking the digitalisation of its records and training staff on records management.

- iii. The significant breakdown in internal controls concerning the collection of provincial rates and *solu vakavanua* could not be correctly ascertained in the draft financial statements provided by the Councils.

A detailed response from OAG and iTAB is attached in Appendix D and summarised below.

iTAB and OAG acknowledge there are issues with the provincial (*solu yasana*) and special levy (*solu vakavanua*). Regarding the Provincial levy, the *iTaukei* Affairs Regulation permits the Provincial Council to impose a provincial rate on all *iTaukei* males between 21 and 60 years of age, except those who are exempt.

However, an up-to-date register of all *iTaukei* males is not maintained at the provincial councils, and the collection is voluntary. This has impacted the collection of the levy and the completeness of the documentation. The provincial levy may therefore be reviewed. On the *solu vakavanua*, the challenges have been the proper receipting by the villagers, given that the contributions are voluntary

3.2. Internal Controls

The audits revealed numerous recurring internal control inefficiencies related to cash management; journals and reconciliations; receipting controls for provincial rates, purchases and payments; and payroll. It was noted by the Committee that these matters have continued to undermine the integrity of financial reporting, as highlighted in the previous Audit Reports of the Provincial Councils (Volumes One to Six).

iTAB, in response to the Management Letter for the eight Provincial Councils, provided their responses below.

i. Cash Management

The bank reconciliations were not prepared or reviewed on time; cash flow statements lacked supporting documents; and essential cash records including lodgment books, cheque books, receipts, and cash books were poorly maintained or missing. These deficiencies made cash management a high-risk area, prone to fraud and mismanagement.

iTAB responded that monthly bank reconciliation is now being enforced, resulting in a general improvement in availability of records. However, the Councils are reminded to improve their record management systems and ensure adequate documentations are kept.

ii. Journals and Reconciliations

The journal vouchers were either absent or inadequately supported, and reconciliations for critical accounts such as receivables, payables, borrowings, and payroll were not performed. As a result, such laxity increased the risk of inaccuracies, undetected errors, and the occurrence of fraud.

iTAB stated that steps have been taken to improve documentation for journal entries and reconciliation of all key accounts. Further, ongoing training of staff is being undertaken to build capacity at the provincial level.

iii. Purchases and Payments

Most of the payments made were not substantiated by proper documentation, with vouchers either misplaced or missing. Therefore, weak internal controls heighten the risk of unauthorised purchases and fraudulent transactions.

iTAB stated that training of staff at the provincial level is ongoing. Recruitment will be strengthened and to be based on merit. The Key Performance Indicators for Assistant Roko Tui and Senior Assistant Roko Tui will include financial targets and compliance.

iv. Payroll

Wage payments were not consistently supported by timesheets or timecards; payroll reconciliations were not performed, and employee leave records were not maintained. Given that payroll represents the largest expenditure for Provincial Councils, these weaknesses expose Councils to payroll discrepancies, fraud, and errors.

With respect to payroll, iTAB stated that financial checks by supervisory officers at the Provincial Councils have been strengthened through awareness training and workshops for *Roko Tui's* and Assistant *Roko Tui's*. iTAB further stated that the installation of new Human Resources Information System (HRIS) should enhance overall administration of leave entitlement.

v. Fixed Asset Register Management

There is an ongoing lack of complete and updated asset valuation, classification, and transfer records across both the Council and its provincial company, resulting in unresolved audit risks and unclear ownership of significant public assets. This includes outdated or incomplete fixed asset registers, pending property valuations, unclear distinctions between Council- and company-owned assets, and missing documentation for legacy contracts and transferred assets.

3.3. Other Significant Matters

The Auditor-General, under the Audit Act 2025, is required to report on other significant matters arising from the audit concerning internal controls. There have been no other significant matters identified apart from those captured in 3.2.

3.4. Governance Instruments in Provincial Councils

The Committee noted that there has been positive development in governance instruments in the Provincial Councils. Several provinces have developed, or are developing, strategic plans. However, the Committee believes that work still needs to be carried out on other governance instruments such as:

- Risk Management Policies
- Disaster Management Plans, and
- Business Continuity Plans.

4. Specific Findings

There were findings unique to several Provinces, and these are captured below:

4.1. Ba Provincial Council

The Committee found that the Council had expended \$29,650 in 2021 to construct new quarters for the Roko Tui Ba. The contract for the foundation and the footing stages of the construction was undertaken without following proper procurement processes, as substantiated through relevant documentation.

Ba Provincial Council agreed that proper process was not followed at that time, which has now been rectified. The original foundation was used to construct the quarters, which was 95% complete by January 2026.

The Committee notes the Council's acknowledgement of its failure to follow proper procurement procedures, which they have subsequently rectified.

4.2. Bua Provincial Council

The Committee found that the Bua Provincial Council did not assess rental income for either VAT or income-tax implications. Despite its rental earnings exceeding the VAT registration threshold, it failed to register for VAT as required.

Bua Provincial Council recorded rental income from Naulumatua House and Rest House of \$131,707 in the Statement of Comprehensive Income. Although the Council is exempt from income tax in accordance with Part 7 (2) of the Income Tax (Exempt Income) Regulation 2016, the rental income from Naulumatua and Rest House is nevertheless a taxable activity. The total income from the Naulumatua House and Rest House from 2019 to 2021 are tabulated below.

Naulumatua House and Rest House	
Years	Total Income
2019	\$131,707
2020	\$192,135
2021	\$173,621

Source: Auditor General's Report

Further, the Council made no provisions for income tax in the financial statements. Section 22(1) of the VAT Act 1991 mandates compulsory VAT registration for entities with annual gross turnover exceeding \$100,000; the Council has not complied.

4.3. Rewa Provincial Council

The Committee found that the Council lacked supporting documents for disposal of motor vehicle sold at a cost of \$25,500 in 2022. During the site visit, the Council informed the Committee that the documents pertaining to the sale were missing.

The Committee notes the Council's observations regarding the need to employ the right personnel for the right roles in accordance with OMRS guidelines, as well as the need for staff capacity building.

5. General Recommendations

The Committee, after reviewing the Audit Report, the responses and subsequent visitation from *iTAB*, recommends as follows:

1. Addressing Audit Issues

1.1. *iTAB* and the Provincial Councils should continue to address all matters that give rise to audit qualifications, internal control deficiencies, and other significant issues identified.

2. Monthly Account Reconciliations

2.1. The Provincial Councils should strengthen the process of preparing and reviewing monthly account reconciliations for all account balances. These reconciliations must be completed in a timely manner and subjected to independent review.

3. Financial Statements Quality and Timeliness

3.1. The Provincial Councils must ensure that qualified Treasurers are appointed to prepare and present draft financial statements on time and in accordance with the applicable financial reporting framework.

3.2. The Treasurers should also receive continuous training in financial management and reporting, particularly in International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs).

4. Information System

4.1. *iTAB* needs to ensure that the current Financial (SAGE) and Human Resources Information System (HRIS) platforms, inclusive of the Employment Self-Service (ESS) features, are fit for purpose and suitable for the needs of the Provincial Councils and *iTAB*.

4.2. The Committee recommends that issues surrounding connectivity and adequate

training are addressed comprehensively so that the Provincial Councils can utilise those systems effectively.

4.3. The Committee also recommends that the Accounting and Finance, Human Resource, and SAGE manuals be updated regularly to reflect the circumstances of the Provincial Councils. We understand that the Accounting and Finance procedures manual is currently being redrafted.

5. Internal Audit Function

5.1. The *iTaukei* Affairs Board should continue to strengthen the Internal Audit Unit (Unit) function by enhancing its capacity and capability to perform audits on financial reporting and internal control systems through the following actions:

- Review and align the Unit's current practices concerning its scope, frequency, and methods with the Unit's key objectives.
- The iTAB Audit Committee is to ensure that the findings of the internal audit are discussed at the Provincial Council.
- The iTAB Audit Committee interacts with the Finance Committee of each Provincial Council to enhance overall oversight.

6. External Audit Process

6.1. The Committee recommends that the Auditor General's office work with iTAB to ensure that, going forward external audits are carried out at the Provincial Councils. This will address the issues regarding insufficient or missing documentation.

6.2. The Committee notes that the current timeline for the presentation of draft financial statements to the Auditor General is nine months. Consideration in future needs to be given to a shorter timeframe of six months.

6.3. The iTAB Audit Committee to reinforce its oversight role through regular monitoring and implementation of the Auditor-General's recommendations.

7. Investments

7.1. Provincial Councils to maintain accurate and up-to-date records of share certificates,

list of investments, dividends received, and any other relevant information about investments within their respective Provincial Holding Companies.

7.2. iTAB to facilitate a comprehensive review of the Councils' investments in provincial and other companies and ventures, to assist and assess the viability of those investments and regularising any inconsistencies arising from such investments.

7.3. The Provincial Councils must adhere to their tax obligations as and when they arise.

7.4. iTAB and Provincial Councils to consider legislative and regulatory framework for Provincial Companies, to bring it within the ambit of Government oversight and responsibility.

8. Fixed Assets Register Management

8.1. All Councils to maintain up-to-date fixed asset registers through the following actions:

- Undertake full asset reconciliation and ownership verification.
- Complete pending asset valuations and update the fixed asset register annually through a Board of Survey.
- Finalise and notarise asset transfer schedules between the Council and the provincial company; and
- Documenting depreciation, write-offs, and all management decisions related to asset changes.

9. Governance Systems and Building Capacity

9.1. The governance systems of iTAB and the Councils should be reviewed holistically, with deficiencies addressed immediately through updated policies and procedures. Finance and Audit Committees should include personnel with strong accounting backgrounds, capable of understanding financial reports and Independent Auditor's Reports, and asking the right questions to the custodians of Council funds.

9.2. The Council should strengthen its Property, Plant and Equipment (PPE) management by conducting full asset valuations in line with IFRS requirements, ensuring that all asset classes are properly assessed. It should also maintain an up-to-date fixed asset register that includes disposal records, valuation reports, and supporting ownership

documentation such as land titles.

- 9.3.** Prior-year adjustments should be corrected in full compliance with IFRS for SMEs, supported by complete documentation, and accompanied by clear disclosure in the financial statements explaining both the rationale for the adjustments and their impact.
- 9.4.** Strengthening provincial rates collection will require tighter internal controls, including regular reconciliations between receipts, accounting ledgers, and bank deposits. The Council should also consider introducing independent verification of rate collections to provide assurance over the completeness and accuracy of amounts received.
- 9.5.** Clarifying expense classifications requires a thorough review to identify and reclassify any misallocated expenses, ensuring they are recorded in the correct accounts. All expenses should be supported by appropriate documentation to strengthen accountability and the reliability of financial reporting.
- 9.6.** iTAB to promote and encourage training, upskilling, and capacity building of its staff through in-house training and short courses, both online and in person. iTAB is therefore urged to provide or assist in securing scholarships in areas of need including finance due to the recent changes in the minimum qualification requirements of its staff.
- 9.7.** iTAB is urged to incorporate in the Minimum Qualification Requirements for its Chief Executive Officer the need for sound financial knowledge and expertise to administer substantial financial oversight in its operation.
- 9.8.** During its meetings, the Provincial Council shall provide members with updates on key matters of governance and accountability through presentations covering:
- Draft Financial Statements – presented at the close of each financial year.
 - External Audited Accounts – including completed reports and the auditors’ findings.
 - Provincial Companies and Investment Portfolios – a status update on performance and progress.
 - Internal Audit Reports (iTAB) – findings to be tabled for members’ information, discussion, and input.

9.9. The Committee recommends that the Provincial Council set clear criteria and guidelines for disbursement of grants allocated to schools, and to monitor their utilisation in conjunction with the school.

9.10. The Committee recommends that the Provincial Councils complete the development of governance instruments such as Risk Management Policies, Disaster Management Plans, and Business Continuity Plans.

9.11. The Committee recommends that, should the Provincial Council wish to continue to collect provincial levies (*solu yasana*), the Provincial Councils maintain proper financial register of all eligible *iTaukei* males aged 21 to 60 years and devise a system of formally taxing them. This will require changes to the legislation if pursued. For the special levies (*solu vakavanua*) proper receipt procedures need to be introduced to provide transparency in collection of the special levies at the village level.

10. Synopsis

10.1. The Committee, further to its recommendation, urges that iTAB and Provincial Council work in a collaborative and coherent manner. As such, the Committee proposes the establishment of a Task Force consisting of key personnel with financial and administrative backgrounds from iTAB, the Provincial Council, the Ministry of Finance, the Standing Committee on Public Accounts, and the Office of the Auditor General, as required.

The primary role of the Task Force will be to oversee the completion of the reforms addressing the current challenges relating to quality and timeliness of financial reporting and proper governance. A high-level strategic document was provided by iTAB to the Committee in January 2026, appended as Appendix 3. A more detailed strategy would be required to operationalise the reforms in iTAB and Provincial Councils.

10.2. The Committee recommends that adequate resources be provided to iTAB and the Provincial Councils, commencing with the budgetary allocations in 2026-2027, to ensure that the reforms currently undertaken are successfully achieved.

6. Sustainable Development Goals

The Committee notes that the Fiji Parliament, through its six Standing Committees—including the Public Accounts Committee—has broadened its mandate and undertaken significant initiatives to enhance its contribution to the promotion, implementation, and monitoring of the Sustainable Development Goals (SDGs). These efforts are aligned with Fiji’s 5-Year and 20-Year National Development Plan and the global 2030 Agenda.

Agenda 2030 reaffirms the essential role of national parliaments in achieving the SDGs, particularly through legislative functions, budget approval, and oversight mechanisms that ensure accountability for effective implementation. In Fiji, this responsibility is operationalised through the targets and indicators set out in the National Development Plan.

Within this context, the Public Accounts Committee examines entities featured in the Auditor-General’s Reports and, through its oversight role, scrutinises the implementation of various systems in the Provincial Council. The Committee sought clarification from iTAB on how it addresses development challenges reflected across the 17 SDGs, using relevant NDP targets and indicators as reference points. Questions also focussed on staff awareness of the SDGs and the NDP, as well as the entity’s plans to achieve the targets applicable to its mandate.

The *iTaukei* Affairs Board supports the Sustainable Development Goals (SDGs) by integrating traditional knowledge with modern conservation practices. Through its Conservation Unit, the Board works with traditional governance structures to strengthen community-based resource management and reinforce government conservation efforts. This ensures that *iTaukei* communities maintain their customary stewardship of natural resources, positioning the Board as an important link between national policy, international partners, and community-level implementation.

6.1. Gender Equality

The Committee noted the importance of gender equality while scrutinising the Auditor-General’s Reports and it has encouraged all entities to incorporate this principle in accordance with the objectives of OMRS, particularly in the recruitment policy. The Committee also emphasised the provision of relevant accounting trainings for staff responsible for Accounts or Finance Sections, especially basic accounting and reporting training. This approach addresses

audit issues identified and strengthens staff capacity, benefitting both men and women in those entities.

Gender Composition of iTAB and Provincial Council Staff

Entity	Male	%	Female	%	Dif %
<i>iTaukei</i> Affairs Board	37	54	32	46	9
Provincial Councils	100	58	72	42	16
Total	137	57	104	43	14

Source iTaukei Affairs Board

Tabulated above are the total number of staff employed by iTAB and the Provincial Councils, respectively. The total number of staff at iTAB is 69, of which 54% are male and 46% female. At the Provincial Council there is a total of 172 staff, and due to the nature of work, 58% of the staff are male. The level of difference between the genders is nine percent at iTAB, 16% at Provincial Councils, and a total of 14% for the combined staff.

7. Conclusion

The Committee notes the audit findings relating to the Provincial Councils concerning the quality and timeliness of their financial reporting. The Committee examined the audit opinions, the reasons underpinning those opinions, the internal control assessments, and other significant issues identified during the audits, together with the recommendations provided by the Auditor-General.

The Committee underscores the critical importance of preparing high-quality draft annual financial statements in a timely manner. This remains a key area requiring urgent attention from those charged with governance within the Provincial Councils. The Committee further encourages the active involvement of the *iTaukei* Affairs Board in strengthening accountability and supporting improvements in financial management practices across the Councils.

It has been observed that prolonged delays in preparing annual accounts create substantial backlogs, making it increasingly difficult to produce accurate and complete financial statements. The Committee therefore urges the management of the *iTaukei* Affairs Board to guide and support the Councils in preparing and submitting draft financial statements annually, while also monitoring the economic performance of each service.

In addition to financial reporting concerns, the Committee highlights the absence of essential governance instruments such as Risk Management Policies, Disaster Management Plans, and Business Continuity Plans at Provincial Council levels.

Accordingly, the Committee expects the Provincial Councils to take prompt and decisive action to implement the recommendations issued by both the Auditor-General and the Public Accounts Committee. Strengthening financial accountability and governance practices is essential to improving public trust and ensuring the effective management of resources. The Committee further encourages the *iTaukei* Affairs Board to continue monitoring the performance of all Provincial Councils, given its pivotal role in supporting economic and community development.

Finally, the Committee would like to commend iTAB, the Provincial Councils and Office of

the Auditor General on the positive progress being made in financial reporting and governance reforms. The delays of 19 years in delivery of proper financial statements and related breakdown in internal controls and governance, have now been reduced to two to six years.

However, it is critical to sustain this momentum so that the reforms can be completed successfully, and financial reporting are brought up to date to the current financial year with unmodified opinions for the Councils.

As such, the Committee recommends:

- i. The formation of an Inter-Ministry and Agency Taskforce to oversee completion of reforms.
- ii. Completion of Strategic plans and other governance instruments for all provincial councils.
- iii. Continued focus by iTAB on recruiting right people for right roles, strengthening internal controls, and building staff capacity.
- iv. Adequate budgetary allocation for the next two to three years to support the successful execution of reforms.

8. Members' Signature

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



.....
Hon. Manoa KAMIKAMICA
(Chairperson)



.....
Hon. Jovesa VOCEA
(Deputy Chairperson)



.....
Hon. Naisa TUINACEVA
(Member)



.....
Hon. Sachida NAND
(Member)



.....
Hon. Alvick MAHARAJ
(Member)



.....
Hon. Hem CHAND
(Member)

9. Appendices

All written and transcribed evidence gathered during the public submission is available on the Parliament website at: <https://www.parliament.gov.fj/committees/standing-committee-on-public-accounts/>

Appendix 1 **Provincial Council Findings and Recommendations**

Appendix 2 **Report on Site Visit to Western and Northern Division 12-24
January 2026**

Appendix 3 **iTAB's Organisational Improvement Plan**

Appendix 4 **iTAB' s Response to Provincial Rates and Levy**