




SAMOA AUDIT OFFICE

UNDERSTANDING AUDIT REPORTS

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TYPES OF REPORTS

There are three main reports that the Samoa Audit Office is involved in, and have been the subject of public discussion. One is the responsibility of the Ministry of Finance (MOF), and two are the responsibility of the Samoa Audit Office (SAO).

1. PUBLIC ACCOUNTS

What is it? The Public Accounts comprises of the financial position of the Treasury Fund, Operating Statement of the Treasury Fund, Statement of Changes in the Treasury Fund, Statement of Cashflow, together with 18 accompanying Schedules. It does not include Public Bodies.

Where can we find a copy? Refer MOF website www.mof.gov.ws > Accounts > Financial Reporting > Public Accounts

Who compiles them? MOF Accounts Division. Public Accounts are usually made available on MOF website.

Legislation Article 99 of the Constitution of the Independent State of Samoa, Part XIV Section 107 of the Public Finance Management Act 2001

What is SAO role in the Public Accounts? SAO can only undertake audit work on the Public Accounts when these are received from MOF. SAO then provides an audit opinion on the Public Accounts to state if they represent a true and fair view of the financial statements. The detailed audit findings on the Public Accounts are included in the next report.

TYPES OF REPORTS

2. REPORT ON THE OPERATIONS OF THE SAMOA AUDIT OFFICE

What is it? A compilation of all the work done by SAO in any financial year. Think of it as an Annual Report where all activities that were done for 12 months are shown in detail. This report covers the audit of the Public Accounts, audit of ministries, audit of public bodies, audit of overseas missions, project audits, performance audits and special investigations. It includes audit findings, recommendations and responses from audited entities. We refer to this as our MAIN REPORT, and this currently averages more than 200 pages. The compilation of this report can take several months because of the drawn out process of engaging with audited entities, and how they have addressed audit issues and incorporating their responses into the report. SAO also ensures that reports can be easily understood. The report is then translated into Samoan which is the main language of Parliament before it is printed.

Where can we find a copy? Refer SAO website www.audit.gov.ws > Publications

Who compiles them? Samoa Audit Office

Legislation Article 98 of the Constitution of the Independent State of Samoa, Section 42 of Audit Act 2013

TYPES OF REPORTS

3. IRREGULARITY REPORTS

What is it? Irregularities refer to any damage or loss relating to cash, stores or other assets. For example: government vehicles damaged through accidents, loss of cash in a ministry, etc. Irregularities are divided into three main categories: 1. Vehicle Parts & Repairs, 2. Loss and Theft of Public Property, and 3. Misappropriation of Public Funds

Where can we find a copy? Refer SAO website www.audit.gov.ws > Publications

Who compiles them? Samoa Audit Office through irregularity reports provided by MOF's Internal Audit and Investigations Division every financial year.

Legislation Article 98 of the Constitution of the Independent State of Samoa, Section 42 of Audit Act 2013

REPORTING PROCESS

1. THE PROCESS FOR PUBLIC ACCOUNTS

- Once audited, the Public Accounts are presented by the Minister of Finance to the Speaker of the House
- The Speaker then presents the Public Accounts to Parliament
- Parliament will then give the Public Accounts to the Finance & Expenditure Committee (FEC) for its review.

What happens in a FEC Review?

- FEC convenes and summons audited entities that are included in the Public Accounts. These usually include CEOs and management of government ministries, project coordinators, various divisions of MOF, and any other entities/individuals that FEC requires to complete their review.
- FEC will ask questions to the CEO and management of audited entities, heads of MOF divisions, and obtain further explanation of issues raised in the Public Accounts, and the remedial actions undertaken to address audit findings.
- Present during every review will be representatives of MOF, SAO and the Public Service Commission (PSC) so that matters of finance, budget, audit, human resources are covered.
- FEC can also undertake site visits to oversee any project work listed in the Public Accounts.

REPORTING PROCESS

1. THE PROCESS FOR PUBLIC ACCOUNTS

What is SAO role in a FEC Review?

Because this is a MOF report, the main responder to FEC enquiries will be a representative from MOF.

SAO provides verification to FEC on any matters relating to audit during the review.

This process can take up to several weeks.

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- *What happens after a FEC Review?*

FEC is left alone to compile its report on its findings from the review.

After their report is complete, FEC will then present their report (including any recommendations) to Parliament to be discussed.

Upon submission of FEC Report to Parliament, the Public Accounts can then be made public by MOF (*pursuant to Standing Order 162 that these audit reports cannot be published by any person until the reports of the Constitutional Offices Committee of Parliament on the Report of the Audit Office has been submitted to Parliament*)

The last phase is Government Response to FEC report which is also then presented to Parliament and usually made available on the Office of the Clerk of the Legislative Assembly (OCLA) website

www.palemene.ws

REPORTING PROCESS

2. THE PROCESS ON THE REPORTS ON THE OPERATIONS OF THE SAMOA AUDIT OFFICE & IRREGULARITY REPORTS

- Once the compilation of these reports is complete, they are presented by the Controller and Auditor General to the Speaker of the House.
- The Speaker then presents the Reports on the Operations of the Samoa Audit Office and Irregularity Reports to Parliament
- Parliament will then give these reports to the Standing Orders Committee (SOC) for its review.

What happens in a SOC Review?

- SOC convenes and summons the audited entities that are included in the audit reports. These usually include CEOs and management of government ministries and public bodies, project coordinators, and any other entities/individuals that SOC requires to complete their review.
- SOC will ask questions to CEO and management to the CEO and management of audited entities, heads of MOF divisions, and obtain further explanation of issues raised in the audit reports, and the remedial actions undertaken to address audit findings.
- SOC can also undertake site visits to oversee any project work listed in these reports.

REPORTING PROCESS

2. THE PROCESS ON THE REPORTS ON THE OPERATIONS OF THE SAMOA AUDIT OFFICE & IRREGULARITY REPORTS

SOC can also undertake site visits to oversee any project work listed in the Reports on the Operations of the Samoa Audit Office (including Irregularity Reports). This process can take up to several months.

What is SAO role in a SOC Review?

SAO sits in on every review to provide overview to SOC for each audited entity before they are called into the review.

SAO gives a summary of audit findings, what the audit recommendations were, what the audited entities have done to address these issues, and also outlines questions to assist SOC in their review.

SAO verifies any explanations given by audited entities during the review.

What happens after a SOC Review?

SOC is left alone to compile its report on its findings from the review.

After their report is complete, SOC will then present their report (including any recommendations) to Parliament to be discussed.

REPORTING PROCESS

2. THE PROCESS ON THE REPORTS ON THE OPERATIONS OF THE SAMOA AUDIT OFFICE & IRREGULARITY REPORTS

What happens after a SOC Review? [continued]

- Upon submission of SOC Report to Parliament, the Reports on the Operations of the Samoa Audit Office and Irregularity Reports can then be made public by SAO (pursuant to Standing Order 162 that these audit reports cannot be published by any person until the reports of the Constitutional Offices Committee of Parliament on the Report of the Audit Office has been submitted to Parliament).
- The last phase is Government Response to FEC report which is also then presented to Parliament and usually made available on the Office of the Clerk of the Legislative Assembly (OCLA) website www.palemene.ws



Much of the work is to ensure that in the spirit of natural justice, audited entities are given an opportunity to respond to issues relating to them before these reports are released to the court of public opinion.