



Tonga Office
of the
Auditor General

Annual Report
2020 - 2021

Nuku'alofa
March, 2022



Our Reference: LC1052/244/22

Your Reference:

Date: 31st March, 2022

Lord Fakafanua
The Honourable Speaker
Legislative Assembly

I have the honour to submit herewith the Annual Report of the Tonga Office of the Auditor General for the financial year ended 30th June, 2021, in accordance with section 24 of the *Public Audit Act 2007* (as amended).


Sefita Tangi

AUDITOR GENERAL



cc: Hon. Hu'akavameiliku
Prime Minister
Prime Minister's Office

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AUDITOR GENERAL'S FOREWORD AND OVERVIEW

I am pleased to hereby present the Annual Report of the Tonga Office of the Auditor General, (TOAG), for the financial year 2020-21.

The year has been marked with the TOAG delivering the audit services against its mandate under the *Public Audit Act 2007*. We delivered independent and objective audit reports and advice to the Legislative Assembly, the Government, and the community. The focus as stated in our vision, is to improve the Government public sector *integrity, accountability, and transparency*.

Overview

We delivered the financial and compliance audits and advisory services as planned for the year 2020-21. We completed the audits of 49 audit units, (in Line Ministries, Departments, and Agencies, *MDAs*), 19 financial statements, 6 audit reviews, 3 audit advisory, 56 audit certifications, and 1 performance audit. In our audit reports, we raised and issued 275 recommendations, the remedial actions for managements to consider and acted upon.

We completed the audit of the Government Financial Statements for the year ended 30th June, 2021 and issued our audit opinion on 11th March, 2022.

In preparing of the Government financial statements for the year ended 30th June 2021, the Ministry of Finance adopted the Cash Basis of Accounting of the International Public Sector Accounting Standards, (*IPSAS*). The audit conclusion was a qualified audit opinion based on two account areas; (i) Cash and Cash Equivalent, and (ii) Property Plant and Equipment. The issues raised were material and consistent with prior financial years.

In addition to this annual report, the summaries of our financial and compliance audits during the year are reported in a separate report to the Lord Speaker, "Financial and Compliance Audit Report 2019-20", which is consistent with previous years.

We completed and submitted to Parliament one (1) performance audit for the year; "Climate Change Adaptation and Food Security". This is the fourth performance audit reports submitted to Parliament since Performance Audit Unit established.

As mentioned in our previous annual report, we are working closely with all *MDAs* on our planned performance review for the existence and effectiveness of performance information framework of all *MDAs*. We are still seeking for every opportunity in our endeavour to build up the skills and knowledge of performance audit methodologies and techniques.

Staff Training and Professional Development Programme

The capacity building and staff development programme continued throughout the year. Audit Senior, Filatoa Vailea is in progress with the course of Master Degree of Auditing (MAud) at the Nanjing Audit University, China, in September 2019 and is currently awaiting the final assessment. However, he resumed duty on October 2021. Two (2) Officers completed Diploma in Accounting Studies from Tonga Institute of Higher Education namely: Auditor, Vangana Fangaloka, and Audit Assistant Grade I, Lutimila Tafea.

During the year, five (5) staff take up the "Professional Education for SAI-Auditors, (PESA) program, which is a professional education specifically for Audit Offices' officers and is conducted by the INTOSAI Development Initiatives, IDI. TOAG also continued with its staff professional development programme, especially trying for both Chartered and Certified Accountant, CA and CPA, professional qualifications. TOAG is still the approved training institution of the Australia and New Zealand Institute of Chartered Accountants.

The *IDI* and *PASAI*, are continued with capacity building and training programs to *TOAG* on difference levels of our staff. I would like to hereby acknowledge the financial assistance of the Department of Foreign Affairs and Trade of the Australian Government, which made these trainings possible. It added value to the *TOAG*'s effort for enhanced quality of audits.

TOAG is still looking for work attachment opportunity to a more advance Audit Office in the area of performance audit.

Audit of the *TOAG* Financial Statements 2020-21

The financial statements of the *TOAG* for the financial year ended 30th June, 2021 similar to 2020, is yet to be audited. This is due to the travel restrictions of the *TOAG* external auditor, Grant Thornton New Zealand, referring to COVID-19.

Overall, the *TOAG* underspent its budgeted allocation by \$449,292. The unspent amount was mainly from vacancies.

New audit computer program, Team Mate

Team Mate is an audit computer program that is widely used by audit offices. *TOAG* purchased and introduced Team Mate to *TOAG* during May/June 2015. Currently, we are at the implementation stage and most of the teams carrying out audits using Team Mate, it covers all stages of an audit from planning, field-work, review, to reporting stages. Overall, it very much help all audit officers, at all levels, with more efficiency and more focus audits. *TOAG* now joins with developed *SAIs* in using this expert audit technological package to complement its works.

We are currently in progress with updating to the current version of TeamMate and we sincerely hope that *PASAI* would assist with the costs as part of one of their projects.

Challenges

The major challenge is the building up of our staff capacity in order to manage the gap between the actual and the expected level of competencies and proficiencies in all our audits, and we appreciate that this is a long-term challenge. Our continuous staff training in all forms; on-job, training sessions by us, *PASAI*, and *IDI*, short term attachment to the Office of the Auditor General of Audit New Zealand and Australia, and our professional development programme are all aimed at meeting this challenge at all times.

Adding on to our major challenge above, the staff turn-over is rising at our professional level. Actually, at the professional level of accounting and finance, the pasture is greener in the private sector thus, our professional level staff left for better remuneration. We maintain and hold on to the professional training programs of our staff.

Our financial resource through the *TOAG* allocated fund in the Government annual budget is always a challenge to our operation and our independent as a *SAI*. However, we are fortunate to have complimented by our development partners in areas that are not sufficiently covered by our annual budgeted allocation. We sincerely hope that we will continue to receive those valuable assistances in the future.

The challenge of timely completed of audits is always with us and the significant part of this challenge is the late submission and the quality of (draft) financial statements to be audited; public accounts and quarterly statements, public enterprises, and development projects. In the beginning of the new financial year, we always distribute to all auditees our timetables for each accounts' audit, the effort to manage this challenge. Also, the keeping and maintaining of complete financial records and information is always a part of it.

Looking ahead

The development of the TOAG is continuously as ongoing agenda. The priority and focus is on capacity building of staff and using of computer assisted audit techniques, which overall will advance the efficiency and quality of carrying out the audits. Appropriately restructured of our operations is a continuous effort of us all.

We are continuing with our professional training program, currently three (3) officers are currently taking the *CA* and *CPA* programs and two (2) officers are taking the undergraduate courses part-time with the *USP* Campus here in Tonga as well as four (1) officers with Tonga Institute of Higher Education. The Office is giving them all the assistance and encouragement that we could afford.

In our endeavour to fully adopt the *ISSAIs*, we are in progress with a pilot project by *IDI*, in conducting audits; financial, performance, and compliance, which fully complied with *ISSAIs* and following the risk approach of audit. We are working towards the successfully completion of this project during the coming working year, taking into account the restriction of travels re covid-19. I wish to hereby acknowledge the assistance of *DFAT*, *IDI*, and *PASAI*, which make this project possible to pilot with us and will continue to other *SAIs*.

We are continuing with the audit computer program, Team Mate, to all our financial and compliance audits and with the assistance of the supplier of Team Mate and *PASAI*. The day-to-day management of the software and hardware components of our information technology system is always a challenge.

We are working closely with the Public Accounts Committee of Parliament, particularly in the scrutinizing process of our audit reports and the appropriate responses and actions from auditees. It will move forward the endeavour for integrity, accountability, and transparency in all our works and the oversight function for the public fund management, (*PFM*).

We continue striving for our vision, “*Integrity, Accountability, and transparency*” and obviously it is starting with us and all our audits, reports and advices and then to all our audit clients which ultimately impact on whole of Government as part of the measures to expand potential and growth.

Sefita Tangi *F CPA (Aust)*
AUDITOR GENERAL

1 ROLES AND RESOURCES

1.1 Roles

The TOAG's primary role is to provide independent report, assurance and advice to the Speaker of the Legislative Assembly on how government and other public bodies account for and use public money and public resources. The role is discharged by carrying out audits and report on whether government activities are carried out and accounted for consistent with applicable legislation, accounting and auditing standards, and achieve or otherwise the intended outcomes.

1.2 Core Functions of the Office

The core output of the Office for the year are classified into four (4) categories. They cover:

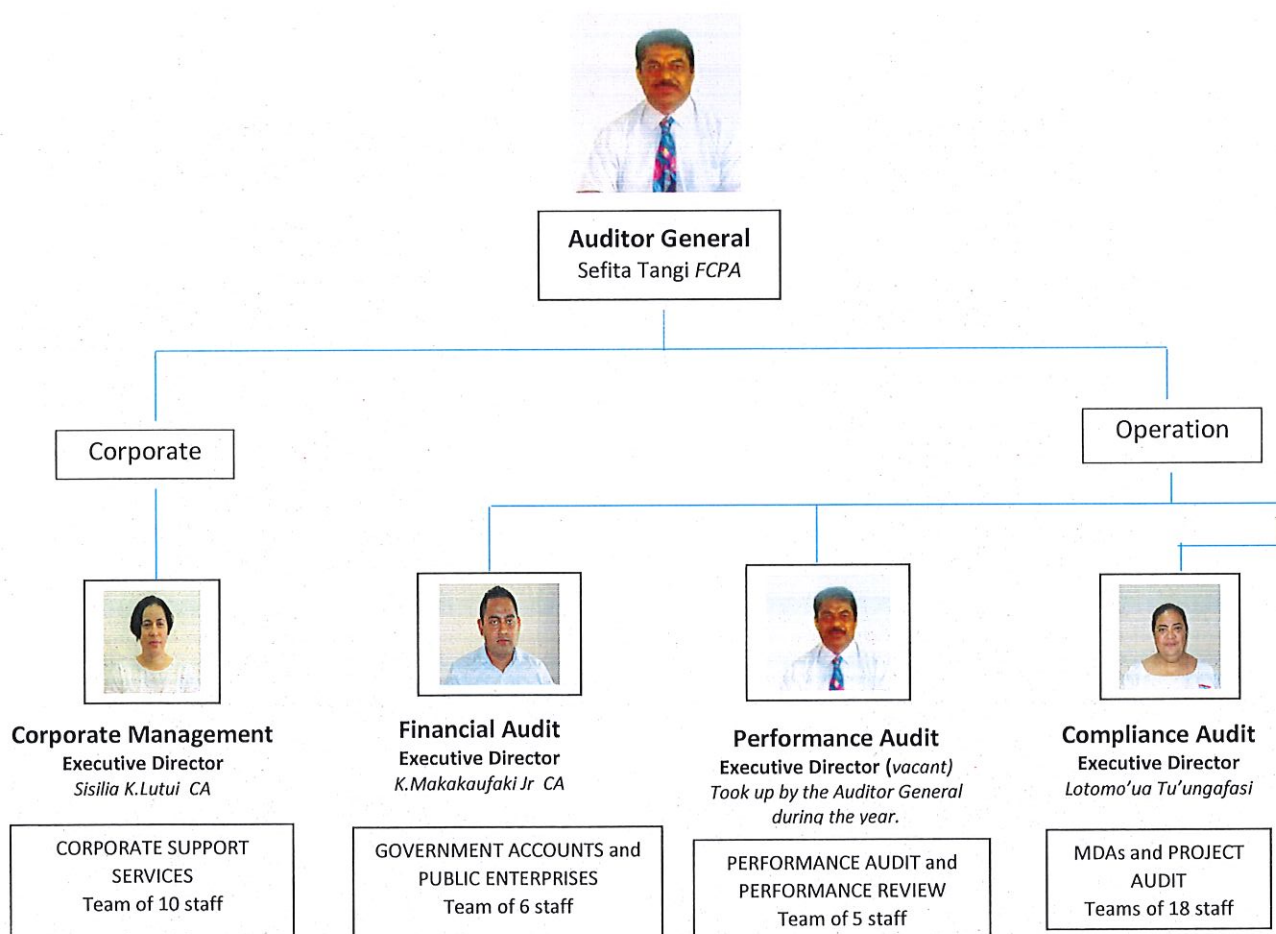
- Special Audits
- Financial Audits
- Performance Audits
- Compliance Audits

(Details shown in Item 2.1 and 3 of this report)

1.3 Organisational Structure

The management structure of the TOAG as at 30th June, 2021 is shown in *Figure 1*. The four (4) main branches of the Corporate and Operations are directed by four Executive Directors. Corporate Management Unit is responsible for Administration and Support Services. The Operations Branch is divided into three (3) Units; (i) Financial Audits and they are responsible for audit of the Public Enterprises and the Government Accounts (Public Accounts) (ii) Performance Audits and Performance Review; and (iii) Compliance Audits and they are responsible for audit of the Government Ministries, Departments and Agencies (MDAs) and audit of Development Projects.

Figure 1: Management Structure as at 30th June, 2021



1.3.1 Staff Profile

During 2020-21 financial year, the Office had 44 staff with six (6) vacant posts. Twenty-eight (28) staff were female and sixteen (16) were males. With the exception of the Auditor General, *Table 1* presents the profile of the TOAG's established staff.

Table 1: Profile of Established Staff at 30th June, 2021

Positions	30 th June 2021
Executive Director	4(1 vacant)
Audit Managers	6(1 vacant)
Audit Senior	9 (1 vacant)
Human Resource Manager	1
System Analyst	1
Auditor	15(2 vacant)
Personal Assistant	1
Accountant	1
Communication Officer/Librarian	1
IT Support	1(1 vacant)
Receptionist/Filing	1
Audit Assistant Gr I	4
Audit Assistant Gr II	2
Driver/Messenger	2
Total number of posts	49

1.3.2 Staff Promotion

The Office continued to recognize the contributions, efforts and good performance of its staff. Staff promotions during the year are as follows.

Name	Post	Post promoted to	Date
1. Maile Fuiono Kavaefiafi	Audit Assistant Gr I	Auditor	03/08/20
2. Kalisi Simulata Tu'alau	Audit Assistant Gr II	Auditor	01/09/20
3. 'Akuila Makutu Penisimani Lomu	Accountant	Auditor	08/02/21

1.3.3 Staff Recruitments

During the year there were new staff recruitment namely:

Name	Post	Date
1. Tevita Tu'amoheloa	System Analyst	26/10/20
2. Maletino Taumu'alelei 'i Loyola Mafi	Auditor	11/01/21
3. Makelsi Fetu'u Maile	Audit Assistant Gr I	31/05/21
4. Semisi Hafoka Vaikona	Audit Assistant Gr II	31/05/21
5. Malia Faustina Tauvaka	Audit Assistant Gr II	31/05/21
6. Tevita Talifekau 'i Mala'e'alua Fotofili	Audit Assistant Gr I	01/06/21

1.3.4 Lock-down

During this financial year, two of the staff were lock-down in New Zealand due to COVID-19.

Name	Post
1. Sisilia Kolone Lutui	Executive Director-CMU
2. Vangana 'Ofeina He Mo'ui Fangaloka	Auditor

1.3.7 Professional Development Program

The Office has made strong commitment to the professional development of staff through a number of key initiatives. Three (3) senior officers are currently pursuing the *CPA* and *CA* professional qualification by taking the courses with the *CPA* Australia and the Institute of Chartered Accountants in Australia and New Zealand. Also, five juniors took part time courses with the University of the South Pacific and the Tonga Institute of Higher Education here in Tonga.

During the year, the Audit Staff attended training through zoom program conducted by the *PASAI*, *IDI*, and other capacity building institutions overseas. The areas covered were; Auditing Waste Management, Performance Audit of Sustainable Development Goals, *SDGs* Implementation, and Audit of the Transparency, Accountability and Inclusiveness of COVID-19 programs

The following meeting/conference throughout the year were attended by the Auditor General through zoom program. This is due to COVID-19 pandemic around the globe.

Zoom Meetings/Conference	Conducted by	Date	Time
1. Meeting with Brendon Toner, Technical Advisor	Ministry of Finance	11 th August 2020	3pm
2. Panel Member for Recruitment of Team Leave-Finance, Asset Management, Procurement & Travel	Forum Secretariat, Fiji	13 th August 2020	11am to 5pm
3. PASAI Annual General Meeting	PASAI	4 th September 2020	1:30pm to 2:30pm
4. PASAI Meeting	PASAI	12 th October 2020	11am
5. Audit Risk Committee -Virtual Meeting	Audit Risk Committee, Suva, Fiji	28 th October 2020	10am
6. PASAI Governing Board Meeting	PASAI, New Zealand	26 th November 2020	1pm to 4pm
7. PASAI Meeting	PASAI	26 th February 2021	11am to 2pm
8. Audit Risk Sub-Committee Meeting	Audit Risk Committee, Suva, Fiji	22 nd March 2021	10am
9. 26 th PASAI Governing Board	PASAI – New Zealand	11 th June 2021	11am to 2pm
10. 23 rd PASAI Congress	PASAI – New Zealand	22 nd to 24 th June 2021	

The experiences and knowledge obtained from the above training and development programs and meetings very much assisted with the capacity building programs of the *TOAG*.

The Auditor General is member of the Public Accounts Committee of Parliament and the Audit Oversight Committee of Cabinet. He is also member of the Governing Board of *PASAI* as Representative of Polynesia from August 2016 as well as member of the Audit and Risk Sub-Committee of the Pacific Islands Forum Secretariat from November 2015.

1.4 Financial Activities Summary

Table 2 summarizes the *TOAG* operating result for 2020-21 showing estimates compared with actual amounts. The result is based on cash accounting.

Table 2: Summary of financial results

	Estimate 2020-21	Actual 2020-21	Actual 2019-20
Total revenue ¹	\$75,000	\$74,816	\$54,000
Total expenditure	\$1,941,400	\$1,492,108	\$1,488,797
Net cost of services	\$1,866,400	\$1,417,292	\$1,434,797

¹ Audits of Ministries, Departments, and Agencies are free of charge

2. RESULTS ACHIEVED FOR THE YEAR

2.1 Summary of the total output by Units in 2020-21

The summary of the total output achieved during the year is shown *Table 3* below. The actuals are the completed audits, which indicated by the issuing of the audit opinion, management report, and audit certificate. Those audits which were still in progress as of 30th June, 2021 are not included in this summary. They will be reported when they are completed and reported.

Table 3 Summary of the Total Output by Units in 2020-21

Output 1: Support and Parliamentary Services	Target	Actual
Auditor General's Reports	6	6
Advisory Services	2	3
Support Services (Capacity Building & Professional Development programs)	6	6
Output 2: Financial Audits	Target	Actual
Audit Management Reports issued conveying the findings of audits	18	16
Audit Opinions	12	13
Reviews, approvals and Certificates	7	3
Output 3: Performance Audits	Target	Actual
Performance Audit Reports	2	1
Performance Reviews of MDAs	6	-
Output 4: Compliance Audits	Target	Actual
Audit Management Reports issued conveying the findings of audits	35	61
Audit Opinions	10	12
Audit Certificates issued on the financial statements of school and TVET		
Grant and Certifications on pensions	50	56
Special audit	1	

The explanations for the outputs that were not achieved against the target are as follows:

1. *Output 2*, Some of the public enterprises did not submit their accounts for audit but were budgeted for.
2. *Output 3*, The Office is still in-progress with professional development of skills and competencies required to carry out performance auditing. In addition to that, the untimely departure of the Executive Director of the Unit for a higher salary during the financial year.

2.2 Independent Audit Office that Lead by example

In improving our management processes, the corporate support services unit continued to manage cost as a priority. The key strategies were to:

- Practice good corporate governance
- Create and maintain efficient and effective business managerial processes
- Manage *TOAG* resources effectively

Table 4 below shows the labour cost of major products at 30th June 2021. As shown the chargeable products were the highest totalling \$997,994.00 or 67% of the total cost (\$1,492,108) of all activities carried out by the Office in 2020-21.

Table 4: Cost of activities at 30th June 2021

	Products	Cost(\$)	% of total
Indirect Labour:	1. Administration	46,513.50	3
	2. Corporate Services	25,132.25	2
	3. Staff Development	60,476.75	4
	4. Conference & Meeting	60,147.50	4
	5. Staff Leave	272,918.00	18
	6. Staff Social Welfare	28,926.00	2
Total Indirect Labour:		494,114.00	33
Direct Labour:	7. Chargeable	997,994.00	67
Total Labour		1,492,108.00	100

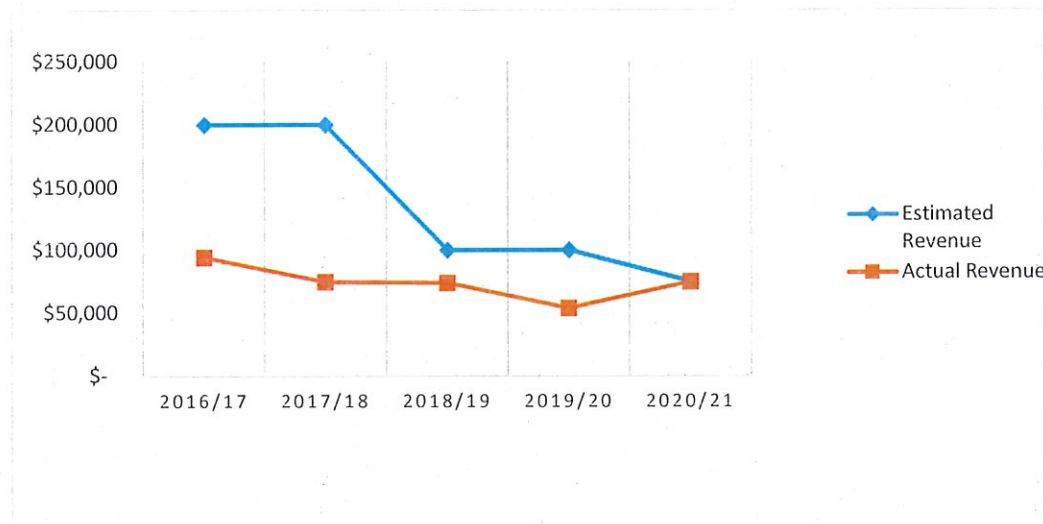
2.3 Total Revenue and Expenditure between 2016/17 - 2020/21

Revenue

Total audit fees collected in 2020-21 were \$74,816 which was \$184 below the estimate of \$75,000. The estimated revenue is certainly overstated since most of the audit of Government entities and development projects are free. The audit of Government Ministries is free of charge as are the audits of foreign aid donor's projects, the *TOAG* services are treated as part of the Government's contributions towards the projects.

TOAG cannot control the number of public enterprises who present their annual accounts to audit or review during the year.

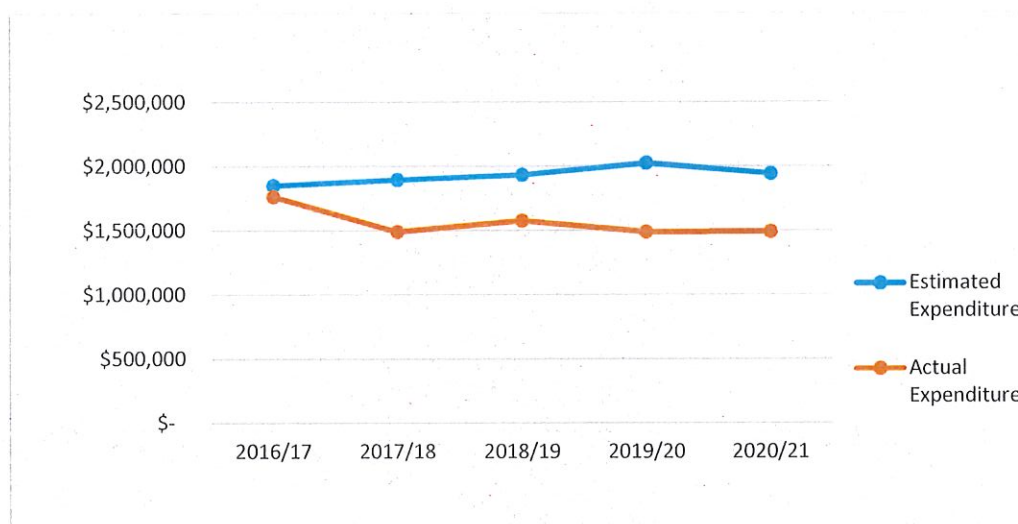
Figure 2: Provide the trend of budget revenue vs actual revenue for the last five (5) years.



Expenditure

The Office actual expenditure was \$1,492,108 which was below the estimate by \$449,292. The office expenditure between 2016/17 – 2020/21 are shown in Figure 3 below:

Figure 3: Estimated Expenditure vs Actual Expenditure



3. REPORT OF EACH UNIT

The undermentioned reports from each Unit summaries the overall total of the work completed during this financial year 2020-21. The details are reported in a separate report of the results of all the financial and compliance audits that have been carried out and completed during the financial year.

3.1 Corporate Management Unit

3.1.1 Background Information

The Corporate Management Unit provides all the appropriate support services such as receptionist, files maintenance, information technology (IT), human resource services, accounts and budget, mail and messenger, library, office supplies and equipment, accommodation, personal policies etc. They are also responsible for *Output 1: Support and Parliamentary Services*.

This Unit consisted of ten (10) staff altogether headed by the Executive Director, Mrs Sisilia Kolone Lutui. Throughout the year Mrs Lutui was lock down in New Zealand and the Auditor General took over the supervision of this Unit.

3.1.2 Team Output Summary

The Unit planned 14 outputs to perform during the year with a total budget hour of 9,814. At the end of the year, the Unit managed to achieve the budget outputs with a total chargeable hour of 11,629 with a total costing of \$167,974.00 which is more than the allocated budget hours assigned for the Unit. Fortunately, we were able to have obtained the extra hours, (1,815), from some of the staff of the Unit who deferred their annual leave as scheduled plus new recruitments.

Shown in *Table 5* are the outputs achieved against the target established for this Unit during 2020-21

Table 5: Output 1 - Support and Parliamentary Services

Performance measures	Unit of measure	2020-21 Target	2020-21 Actual	2019-20 Actual	2018-19 Actual
Quantity					
Auditor-General's reports (a)	Number	6	6	6	6
Advisory Services (b)	Number	2	3	2	2
Support Services (c)	Number	6	6	9	17

(a) Reports include Corporate Plan, Annual Plan, Annual Budget, Annual Reports, Financial & Compliance Audit Report, and Annual Financial Statements for the financial year ended 30th June, 2021.

(b) Advisory Services: Request from Stakeholders, Parliamentary Committees through the Honourable Speaker in particular.

(c) Support services such as staff trainings and developments.

3.1.3 Auditor General's report

The TOAG financial statements for the two (2) financial year 2019-20 & 2020-21 are yet to be audited due to COVID-19. The financial statements 2020-21 is at *Item 4* of the Tongan Version of this Annual Report.

3.2 Financial Audit Unit

3.2.1 Background information

The Financial Audit Unit is responsible for the audit of the government's wholly owned public enterprises, the whole of government financial statements, quarterly statements and special requests from Parliament or Cabinets. The Unit is also responsible for reviewing and approval of audited accounts that has been audited by private firm and audits of private sector entities which includes non-government organization, civil societies and private companies.

The Unit consisted of seven (7) staffs altogether under the supervision of the Executive Director-FAU, Mr Kelepi Tu'akilaumea Makakaufaki Jr.

3.2.2 Team Output Summary

Shown in Table 6 below the Unit output comparison of actual vs budget for 2020-21. At year end, the total hours used up by the Unit for the audits was 7,394 which costed \$205,499.00.

Table 6: Output 2 – Financial Audits

Performance measures	Unit of measure	2020-21 target	2020-21 actual	2019-20 actual	2018-19 actual
Quantity					
Audit management reports (a)	Number	18	16	16	16
Audit Opinions (b)	Number	12	13	11	9
Reviews, approvals and certificates (c)	Number	7	3	7	7
Audit Special (d)	Number		1		

The following explanation are provided in respect of budget vs actual.

a) Management Report

The total budgeted outputs was for eighteen (18) management reports to be issued on audits and reviews completed for the year. As at 30th June, 2021, sixteen (16) management reports were issued, a variance of two reports from the plan. The two reports issued relates to the audit of the Civil Society Forum Tonga (CSFT) which did not submit its financial statements for review plus the audit of one review of 5 public enterprise audits carried out by private auditors and 1 audit whose financial statements was not yet submitted. For the 5 public enterprise audits, 4 is yet to submit their audit file, while 1 review were still in progress on the 30th June 2021

b) Audit Opinion

The total budget for audit opinion was 12 which comprise of the public accounts, six public enterprises and 5 non-government agencies. As at the 30th June 2021, the Unit has completed and issued a total audit of 13 opinions on 13 financial statements.

c) Review

The total planned reviews for the year were for seven (7) reviews of five (4) public enterprises who are not audited by the Auditor General and three (3) certificates of quarterly summary, in accordance with *section 10(2) of the Public Audit Act 2007 as amended*. As at 30th June, the division issued 3 certificates for the quarterly financial statements and the public enterprise reviews were not yet conducted.

d) Special

The unit carried out and complete one special audit on the retirement fund of the Tonga Power Limited, which was not in the annual plan of the division.

3.3 Performance Audit Unit

3.3.1 Background Information

The Unit carryout performance audit of selected topics and review for performance information framework of each Government Ministries, Departments and Agencies (MDAs).

This Unit consisted of five (5) staff with Auditor General is their supervisor while Executive Director's position still vacant.

3.3.2 Team Output Summary

Shown in Table 7 below, the Units output comparison of actual vs budget for 2020-21. At the end of the financial year, the total hours used by the Unit for the audits was 3,227 which costed \$83,285.00.

Table 7: Output 3 - Performance Audits

Performance measures	Unit of measure	2020-21 target	2020-21 actual	2019-20 actual	2018-19 actual
Quantity					
Performance Audit Reports (a)	Number	2	1	1	2
Performance Review (b)	Number	6	-	-	1

(a) Auditor General's reports cover only the performance audit reports

(b) Auditor General's report cover performance information review reports

The two (2) Performance Audits targeted for 2020-21 financial year, one (1) has been completed. The six (6) performance review are currently underway and expected to report in the next financial year. This is due to staff turnover during the financial year.

We submitted the complete performance audit report to Parliament; Climate Change Adaptation and Food Security.

3.4 Compliance Audit Unit

3.4.1 Background Information

Compliance Audit Unit (CAU) carried out the audit of the Government Ministries, Departments and Agencies (MDAs) as well as Development Projects.

This Unit consisted of seventeen (17) staff altogether headed by the Executive Director-CAU, Mrs Lotomo'ua Tu'ungafasi. The Unit has further divided into two (2) teams both headed by an Audit Manager's. Team 1 responsible for auditing of all the MDAs and Team 2 responsible for auditing of the Development Project.

3.1.2 Team Output Summary

Shown in Table 8 below the Units output comparison of actual vs budget for 2020-21. At the end of the financial year, the total hours used up by the Unit for the audits was 20,446

Table 8: Output 4 – Compliance Audits

Performance measures	Unit of measure	2020-21 Target	2020-21 Actual	2019-20 Actual	2018-19 Actual
Quantity					
Audit Management Reports issued conveying the findings of audits (a)	Number	35	61	54	48
Audit Opinions (b)	Number	10	12	12	12
Audit Certificates issued on the financial statements of agencies (c)	Number	50	56	99	197
Audit Specials	Number	1			1

(a) Audit Management Reports on the audit of Government Ministries, Departments and Agents (MDAs) and Development Projects.

(b) Audit Opinions of Development Projects.

(c) Audit Certificates cover certificates on school grants, pension, and transfer values

The team targeted output in terms of management letter and audit opinions were achieved. The team managed to update the audit visit to the outer islands in Vava'u, Ha'apai, Eua, Niuatoputapu and Niuafo'ou during this financial year and that is why there was a big increase in management.

During the year, the team noted that new development projects financial statements were submitted on time in which the audit did not planned for. The team prioritise these projects to complete in order to meet the deadlines as stated on those grant and loan agreement although audit was not advised beforehand.

The audit certificates targeted output was not achieved and this is due to grant for 2018/19 were completed but due to the –new instruction for the grants to non-government school there were additional requirements in which non-government schools did not comply with and further follow up was needed.

The compliance audit unit still need to improve its coverage of the Ministries, Department and Agencies in terms of their compliance with rules and policies and that is our main focus on the years to come.

4. TOAG Financial Statements for 2020-21

The financial statements for the financial year 2020-21 are yet to be audited due to the travel restrictions of the TOAG external auditor, Grant Thornton New Zealand, referring to COVID-19.

(Please refer to item 4 of the Tongan Version of this report, pages 17 – 27)
