



Solomon Islands Government
Office of the Auditor-General

Code of Ethics

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1 Introduction

- 1.1** The Solomon Islands Office of the Auditor General (“SIOAG”) plays an important role in the Solomon Islands. The independence, powers, and responsibilities of a public sector auditor place significant ethical demands on the SIOAG and the staff it employs or otherwise engages. In that respect it must be able to demonstrate to the National Parliament of Solomon Islands, the entities it is legislatively empowered to audit, to the people of Solomon Islands, and to the international community, that it observes high standards of ethical behaviour and professional conduct. Moreover, due to the SIOAG’s unique position as the supreme audit institution in Solomon Islands, its work can significantly influence the activities of those it audits. For these reasons, the SIOAG places great importance on standards of ethical behaviour and professional conduct for its staff.
- 1.2** The SIOAG has therefore adopted this Code of Ethics approved by the International Organization of Supreme Institutions (INTOSAI) in Montevideo, Uruguay in 1998 and later amended by the XXII INTOSAI Congress in Abu Dhabi in December 2016. The INTOSAI Code of Ethics is a comprehensive statement of the values and principles established to guide the daily work of all public sector auditors, most especially those of supreme audit institutions. This Code of Ethics considers the ethical requirements of civil servants in general, and the particular requirements of auditors.
- 1.3** The ISSAI 130 - Code of Ethics (the Code) intends to provide SAIs, including the SIOAG and its staff working with a set of values and principles on which to base behaviour. Further, recognising the specific environment of public sector auditing (often different from that of private sector auditing), it gives additional guidance on how to embed those values in daily work and in the particular situations of a SAI
- 1.4** This Code of Ethics articulates and explains the values that must be manifest in SIOAG’s activities. The adoption of the INTOSAI Code of Ethics by the SIOAG is designed to help ensure that all staff, including those working on its behalf, conduct themselves at all times in a manner that is beyond reproach. This Code of Ethics applies to individual auditors, SIOAG management, including its executives, and everyone working for, or on its behalf.
- 1.5** This Code of Ethics provides guidance and a frame of reference each member of the SIOAG can refer to in making decisions regarding his or her conduct. This Code of Ethics is not only an internal document; parties outside the organisation, ministries, the Parliament and other organisations SIOAG audits and those the SIOAG does not audit, the media, the general public, and others all have access to it and can employ it to hold SIOAG accountable. This Code of Ethics will also be placed on the SIOAG website.
- 1.6** The value of this Code of Ethics depends on everyone in the SIOAG adhering to its concepts, and complying with what is specifically included in the Code. All SIOAG

staff have a responsibility to remind their colleagues of its principles, and all SIOAG staff must accept responsibility for upholding them.

2 Concept, Background and Purpose of a Code Of Ethics

- 2.1** A code of ethics is a comprehensive statement of the values and principles that should guide the daily work of auditors. The independence, powers and responsibilities of the public sector auditor place high ethical demands on the SIOAG and the staff they employ or engage for audit work.
- 2.2** A code of ethics for auditors in the public sector should consider the ethical requirements of civil servants in general and the particular requirement of auditors including their professional obligations.
- 2.3** The conduct of auditors should be beyond reproach at all times and in all circumstances. Any deficiency in their professional conduct or any improper conduct in their personal life places the integrity of auditors, the SIOAG that they represent, and the quality and validity of their audit work in an unfavourable light, and may raise doubts about the reliability and competence of the SIOAG itself.
- 2.4** The adoption and application of a code of ethics for auditors in the public sector promotes trust and confidence in the auditors and their work.

3 Trust, Confidence and Credibility

- 3.1** The legislative, judiciary and/or executive authority, the general public and the audited entities are entitled to expect the SIOAG's conduct and approach to be above suspicion and reproach and worthy of respect and trust.
- 3.2** Auditors should conduct themselves in a manner that promotes co-operation and good relations among auditors and within the profession. The support of the profession by its members and their co-operation with one another are essential elements of professional character.
- 3.3** The public confidence and respect that an auditor enjoys are largely the result of the cumulative accomplishments of all auditors, past and present. It is therefore in the interest of auditors as well as the general public that the auditor deals with fellow auditors in a fair and balanced way.
- 3.4** The legislative, judiciary and/or executive authority, the general public and the audited entities should be fully assured of the fairness and impartiality of all the SIOAG's work.
- 3.5** In all parts of society there is a need for credibility. It is therefore essential that the reports and opinions of the SIOAG are considered to be thoroughly accurate and reliable by knowledgeable third parties.
- 3.6** All work performed by the SIOAG must stand the test of legislative, judiciary and/or executive scrutiny, public judgements on propriety, and examination against a code of ethics such as this document.

4 Integrity

- 4.1** Integrity is the core value of a code of ethics. Auditors have a duty to adhere to high standards of behaviour (e.g. honesty and candidness) in the course of their work and in their relationships with the staff of audited entities. In order to sustain public confidence, the conduct of auditors should be above suspicion and reproach.
- 4.2** Integrity can be measured in terms of what is right and just. Integrity requires auditors to observe both the form and the spirit of auditing and ethical standards.
- 4.3** Integrity also requires auditors to observe the principles of independence and objectivity, maintain irreproachable standards of professional conduct, make decisions with the public interest in mind, and apply absolute honesty in carrying out their work and in handling the resources of the SIOAG.
- 4.4** SIOAG staff shall set a good example by acting honestly, reliably, in good faith and in the public interest. In the course of their work, they shall:
- 4.4.1** Be trustworthy
 - 4.4.2** Comply with the policies and standards set by the organisation.
 - 4.4.3** Take care to exercise responsibilities and use the powers, information and resources at their disposal solely for the benefit of the public interest. They shall not use their position to obtain favours or personal benefits for them or for third parties.
 - 4.4.4** Be aware of integrity vulnerabilities and approaches to mitigate them, and shall act accordingly.
- 4.5** SIOAG staff need to acquaint themselves with the SIOAG's policies, regulations and rules related to integrity and are responsible for supporting and complying with them. Complying with the SAI's policies, regulations and rules is not just a formal process, but also takes into account the goal of these policies, regulations and rules.
- 4.6** Staff need to know whom to consult with issues related to integrity, for example for advice or to report concerns or suspicions of integrity violations.

5 Independence, Objectivity and Impartiality

- 5.1** Independence from the audited entity and other outside interest groups is indispensable for auditors. This implies that auditors should behave in a way that increases, or in no way diminishes, their independence.
- 5.2** Auditors should strive not only to be independent of audited entities and their interested groups, but also to be objective in dealing with the issues and topics under review.
- 5.3** It is essential that auditors are independent and impartial, not only in fact but also in appearance.

- 5.4** In all matters relating to the audit work, the independence of auditors should not be impaired by personal or external interests. Independence may be impaired, for example, by external pressure or influence on auditors; prejudices held by auditors about individuals, audited entities, projects or programmes; recent previous employment with the audited entity; or personal or financial dealings which might cause a conflict of loyalty or interest. Auditors have an obligation to refrain from becoming involved in all matters in which they have a vested interest. Auditors shall be free of impairments to independence and objectivity, whether real or perceived, that result from political bias, participation in management, self-review, financial or other personal interest, or relationships with, or undue influence from, others.
- 5.5** There is a need for objectivity and impartiality in all work conducted by auditors, particularly in their reports, which should be accurate and objective. Conclusions in opinions and reports should, therefore, be based exclusively on evidence obtained and assembled in accordance with the SIOAG's auditing standards.
- 5.6** Auditors should make use of information brought forward by the audited entity and other parties. This information is to be taken into account in the opinions expressed by the auditors in an impartial way.
- 5.7** Auditors should also gather information about the views of the audited entity and other parties. However, the auditor's own conclusions should not be affected by such views.
- 5.8** For this purpose Auditors shall:
- 5.8.1** Maintain independence from political influence and be free from political bias;
 - 5.8.2** Not be involved in the auditee management's decision-making;
 - 5.8.3** Not audit their own work;
 - 5.8.4** Avoid auditing entities in which they have recently been employed at or about to be employed, without appropriate safeguards (until such a time that the Auditor-General is satisfied any independence, objectivity or impartiality will no longer be affected);
 - 5.8.5** Avoid circumstances where personal interests could impact decision-making;
 - 5.8.6** Avoid circumstances where relationships with the management or personnel of the auditee or other entities could impact decision-making;
 - 5.8.7** Refuse gifts, gratuities or preferential treatment that could impair independence or objectivity (see more infra)
 - 5.8.8** Shall identify possible threats and situations in which their independence or objectivity may be impaired
- 5.9** SIOAG staff shall inform the management about any pre-existing relevant relationships and situations that may present a threat to independence or objectivity.

6 Political Neutrality

- 6.1 It is important to maintain both the actual and perceived political neutrality of the SIOAG. Therefore, it is important that auditors maintain their independence from political influence in order to discharge their audit responsibilities in an impartial way. This is relevant for auditors since auditing bodies work closely with the legislative authorities, the executive or other government entities empowered by law to consider the SIOAG's reports
- 6.2 It is important also that where auditors undertake or consider undertaking political activities they bear in mind the impact that such involvement might have – or be seen to have – on their ability to discharge their professional duties impartially.
- 6.3 Involvement in political activities may impact the ability of Auditors to discharge their professional duties impartially. Even if allowed to be affiliated with and to participate in such activities, they need to be aware that these situations may lead to professional conflicts. Independence in appearance is as important as independence in fact: participation in public political activities, public expression of political views or candidacy for election to public office may be perceived by stakeholders as having an impact on the SIOAG ability to form unbiased judgements.

7 Conflict of Interest

- 7.1 When auditors are permitted to provide advice or services other than audit to an audited entity, care should be taken that these services do not lead to a conflict of interest. In particular, auditors should ensure that such advice or services do not include management responsibilities or powers, which must remain solely with the management of the audited entity.
- 7.2 Auditors should protect their independence and avoid any possible conflict of interest by refusing gifts or gratuities, which could influence or be perceived as influencing their independence and integrity.
- 7.3 Auditors should avoid all relationships with managers and staff of the audited entity and other parties which may influence, compromise or threaten the ability of auditors to act and be seen to be acting independently.
- 7.4 Auditors should not use their official position for private purposes and should avoid relationships which involve the risk of corruption or which may raise doubts about their objectivity and independence.
- 7.5 Auditors should not use information received in the performance of their duties as a means of securing personal benefit for themselves or for others.
- 7.6 Auditors should not divulge information that would provide unfair or unreasonable advantage to other individuals or organisations, nor should they use such information as a means for harming others.
- 7.7 Circumstances related to auditor's previous work may impair their independence or objectivity. These include:

- 7.7.1 Having been personally involved in the specific activity becoming the subject matter of the audit;
- 7.7.2 Having recently been an employee of the auditee;
- 7.7.3 Having recently audited the same subject matter when working for a different audit organisation.

8 Professional Secrecy

- 8.1 Auditors should not disclose information obtained in the auditing process or in their role as auditor to third parties, either orally or in writing, except for the purposes of meeting the SIOAG's statutory or other identified responsibilities as part of the SIOAG's normal procedures or in accordance with relevant laws.
- 8.2 Auditors shall not use confidential information for personal gain or for gain of third parties. They need to be alert to the possibility of inadvertent disclosure to third parties of confidential information.
- 8.3 Auditors shall maintain professional confidentiality during and after termination of employment as well as in their private life, maintaining confidentiality within the family, social or other environments, including social media as well as securing electronic data carriers, such as laptops and portable data storage devices and maintaining the confidentiality of passwords.

9 Competence

- 9.1 Auditors have a duty to conduct themselves in a professional manner at all times and to apply high professional standards in carrying out their work in order to enable them to perform their duties competently and with impartiality
- 9.2 Auditors must not undertake work they are not competent to perform and shall act in accordance with the requirements of the assignment, carefully, thoroughly and on a timely basis
- 9.3 Auditors should know and follow applicable auditing, accounting, and financial management standards, policies, procedures and practices.
- 9.4 Likewise, they should have a good understanding of the constitutional, legal and institutional principles and standards governing the operations of the audited entity.

10 Professional Development

- 10.1 Auditors should exercise due professional care in conducting and supervising the audit and in preparing related reports. Auditors should use methods and practices of the highest possible quality in their audits. In conducting the audit and issuing reports, auditors have a duty to adhere to basic postulates and generally accepted auditing standards.

10.2 Auditors have a continuous obligation to update and improve the skills required for meeting their professional responsibilities.

10.3 Auditors shall:

10.3.1 Understand the role and tasks to be performed;

10.3.2 Know the applicable technical, professional and ethical standards to be followed;

10.3.3 Be able to work in a variety of contexts and situations, depending on the requirements of the job or task; and,

10.3.4 Acquire new knowledge and abilities, updating and improving skills as needed.

11 Gifts and Hospitality

11.1 As noted above, Auditors should protect their independence and avoid any possible conflict of interest by refusing gifts or gratuities, which could influence or be perceived as influencing their independence and integrity.

11.2 Auditors understand that integrity, independence, impartiality and objectivity can be affected by:

- Receiving gifts or hospitality from auditees or suppliers
- Accepting meals during audit assignments
- Receiving free travel, accommodation or entertainment

11.3 The SIOAG completely forbids Auditors from accepting any form of gift or hospitality beyond a value of SI\$200. In all cases the Auditor shall report the offer of gift or hospitality to his or her immediate supervisor who shall cause such gift or hospitality to be recorded by Corporate Services.

11.4 Social and protocol gifts must be handed over to the SIOAG which shall cause such gift or hospitality to be recorded. The SIOAG may choose to display such gifts publicly.

12 Relationships amongst staff within the SIOAG, with Clients, with Contractors, with Vendors or Suppliers

12.1 As noted earlier in this document, Auditors have a duty to adhere to high standards of behaviour (e.g. honesty and candidness) in the course of their work and in their relationships with the staff of audited entities. In order to sustain public confidence, the conduct of auditors should be above suspicion and reproach.

12.2 Auditors should avoid all relationships with managers and staff in the audited entity and other parties which may influence, compromise or threaten the ability of auditors to act and be seen to be acting independently.

- 12.3** Staff should not use their official position for private purposes and should avoid relationships which involve the risk of corruption or which may raise doubts about their objectivity and independence.
- 12.4** All Staff realise that even when not on official duty of the SIOAG they still represent the SIOAG in their daily lives be it domestic, family or social. As such, all Staff understand that they must hold themselves to a higher level of responsibility than non-SIOAG staff in their daily lives and personal relationships and must not abuse that position of trust to their advantage or to that of their family, friends or business acquaintances.
- 12.5** All Staff shall comply with the duty of loyalty towards the SIOAG and to each other and shall use discretion in discharging their duties. They shall act and express themselves with the restraint that their office requires.
- 12.6** All Staff shall refrain from disclosing what is said at meetings of the SIOAG.
- 12.7** All staff shall not make any comment that would call into question a decision taken by the SIOAG or which may harm the SIOAG's reputation.
- 12.8** All staff are encouraged to report misconduct by colleagues and in the institutions which they interact with. Such “whistle-blowers” shall be immune from any form of retaliation and preserve their working conditions and careers and shall be entitled to confidentiality in handling the information to protect both the whistle-blower and the person reported (the principle of innocence must always be respected). Similarly, false accusations shall be subject to disciplinary measures as enunciated in Article 13 infra.

13 Disciplinary Measures

- 13.1** Failure by a staff member to comply with his or her obligations under this Code of Conduct or other relevant administrative issuances or to observe the standards of conduct expected of a member of the SIOAG may amount to misconduct and may lead to the institution of a disciplinary process and the imposition of disciplinary measures for misconduct.
- 13.2** The Auditor General may impose disciplinary measures on staff members who engage in misconduct. Sexual exploitation and sexual abuse constitute serious misconduct.
- 13.3** The staff member shall be entitled to appeal this decision to the Ministry of Public Service or any other appropriate authority.

Appendix 1: Individual Acceptance and Commitment

I, _____(name)_____, employed by the Office of the Auditor General of Solomon Islands, do accept the provisions of this Code of Conduct and commit to uphold and actively promote the Code in all aspects both individually and collectively with other Public Servants with whom I work.

I, _____(name)_____, do also acknowledge that I have also signed a Code of Conduct with the Solomon Islands Government as a member of SIG Public Service. I hereby acknowledge that this Code of Conduct is in addition to such Code of Conduct and specifically for the SIOAG and its functions.

Signed _____

Dated _____