



MEDIA RELEASE

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Nauru Department of Audit closes a 15 year audit gap

A historical milestone for Government of Nauru and especially the Nauru Department of Audit has been reached because the Government of Nauru's Public Accounts for 2013/2014 for the first time after a 15 year backlog has been tabled during a Parliamentary session held yesterday 30 May 2017. The reason for this audit backlog is because the Ministry of Finance has not been able to produce any public accounts or financial statements since 1998 therefore, a huge part of the functions of the Nauru SAI could also not be carried out. The completion of this audit displays the professional and collaborative working relationship between the Ministry of Finance and Department of Audit, and proves that working together is all part of enhancing accountability and transparency and strengthening public financial management.

Mr Manoharan is very appreciative to PASAI for the support provided to his office through the PASAI sub-regional audit support program and many other capacity building workshops that his staff have attended including technical support from PASAI consultants. This support has helped build the capacity of his staff and enable his office to complete the first audit of 2013/2014 Governance on Nauru (GON) Public Accounts, particularly given that this is one of the smallest audit office in the Pacific.

However currently his staff numbers have reduced to three audit staff consisting of two audit local staff and one GON contracted employee. They are currently auditing the 2014/2015 GON public accounts and soon the Ministry of Finance will issue the 2015/2016 GON public accounts. Once again the Nauru SAI will face the challenges of the lack of experienced and qualified staff. The lack of experienced and qualified staff is the key challenge faced by the Auditor General over the years, however, despite these challenges his office has managed to complete a number of compliance audits and issue reports to these ministries and an annual report to the Minister of Public Service, as per the Audit Act, and that is what he is also very proud of.

PASAI has been monitoring and assessing closely these issues and challenges of Nauru SAI and have designed a regional program, approved by the PASAI governing board, to be implemented in 2017 to not only achieve sustainability but ensure the Auditor General is supported throughout the year in completing the audit of GON Public Accounts and other audits as per its mandate.

During the week of 22 May 2017, the PASAI Director of Technical Support visited Nauru to discuss this proposed regional program and it was received positively by Mr Manoharan and his office. This regional program involves providing pacific auditors from PASAI pacific SAIs as attachments for up to four months of the audit year, to assist in conducting audits, in particular 2014/2015 and 2015/2016 public accounts, in-house training and on the job mentoring and training. This approach will not only benefit and provide a workable solution for the Nauru SAI in terms of human resources, but it satisfies PASAI's motto of "Pacific Auditors Working Together". An expression of interest for these attachments will be advertised in June 2017 so that pacific auditors can provide this support as early as September 2017 for the next three years.

PASAI congratulate the Auditor General and his staff of the Nauru Department of Audit on achieving a huge milestone in the audit of the 2013/2014 Public Accounts thus closing a gap of a 15 year

backlog and enhancing accountability and transparency in the use of public funds and resources by the Government to benefit the lives of the people of Nauru.

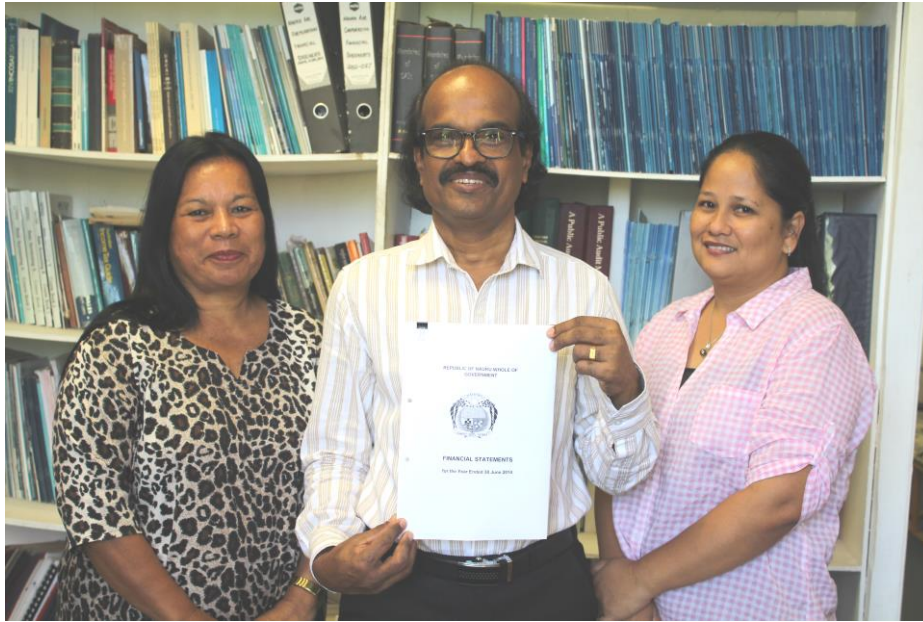


Photo: Auditor General of Department of Audit Nauru Mr Manoharan Nair holding the 2013/2014 Financial statements which includes his independent audit report, with his two audit staff Ms Gillian Itsimaera and Ms Valeni Natano

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