



PRESS RELEASE

FIRCA AUDITS OWN STAFF

The Fiji Islands Revenue and Customs Authority (FIRCA) is embarking on an audit program to audit staff says Chief Executive Officer Mr. Jitoko Tikolevu.

“The audit program is an integrity measure to ensure that we have our own house in order while at the same time we pursue those in the community who are not tax compliant” he said. As an organisation that deals primarily with taxation, it is imperative that we ensure that our own employees are being compliant to the laws that we administer.

The audit is being conducted in phases. The first and second phases, which have been completed, involved the audit of the Chief Executive Officer, the three General Managers (GMs), and some of the National Managers (NMs). The third phase involved audit of the rest of NMs and heads of various key sections of the Authority. It is to be noted that even those on acting appointments are also subject to this audit.

The Board Chairman had mentioned in one of the statements he made last week that the audit will be conducted to senior officers including those at fourth level below the CEO post. It must be

reiterated that the officers have not been hand-picked to be audited. All of the members of the Executive Management Group (CEO, GMs and NMs) will be subject to audit, whilst those at lower levels will be risk-profiled first to select cases for audit. Audit for those at lower levels will target the high risk ones, such as those operating businesses or having rental properties.

Mr. Tikolevu said the first stage is to identify our staffs that have outstanding tax returns or overdue tax debts. The next step is examination of returns to identify risk factors, then case selection. The audit process will be the standard process that FIRCA uses to audit taxpayers. It involves an in-depth examination of the financial affairs of the person to ensure that all income has been returned. All of the assets of the person are identified, and if there is insufficient income in the returns to account for these assets the balance represents undisclosed income.

The staff audit is being conducted by an experienced auditor who has vast experience in Australia. The findings of the audits are directly given to the Board.

Mr. Tikolevu emphasizes that the process of audit selections is transparent and the overall objective is to ensure good governance within the Authority

Mr. Tikolevu also highlighted that in addition to the audit of staff, investigations are also conducted on staff that collude with taxpayers, breaching tax and customs laws, or defrauding the

Authority. FIRCA must ensure that its own staff comply with FIRCA administered statutes. The Authority also takes appropriate action on staff proved to breach these laws or have defrauded the organization.

FIRCA is putting all its efforts to uphold integrity and good governance in the organisation.

Jitoko Tikolevu

CEO

5 December 2007