



TIPNG 2024 ACCOUNTABILITY SCORECARD

- The 2024 Accountability Scorecard is based off the Report of the Auditor General 2022 Part IV.
- The Auditor-Generals Office (AGO) is responsible for auditing all public money in PNG, which relates to around 750 entities at all levels of Government.
- This Scorecard is focused on the audits of the public authorities and statutory bodies established under an Act of Parliament and government-owned companies established under the Companies Act.
- In 2022, a total of 132 entities were subject to audit by the AGO. This includes:
 - » 62 Public Bodies, and their 21 Subsidiaries
 - » 16 National Government Owned Companies and their 31 Subsidiaries
 - » 2 Companies in which the National Government has a minority shareholding.
 - » At the time of audit, 80 entities had not submitted their 2022 financial statements to be audited (62%) and 183 financial statements for prior years were still outstanding.
- 100 audit reports relating to 63 entities were issued between July 2022 and June 2023. Of the 100 audit reports:
 - » 47 were unqualified,
 - » 22 were qualified,
 - » 21 were Disclaimer; and
 - » 10 were Adverse Opinions.

Audit Opinions Explained:

- **“Unqualified Opinion”:** Financial statements are accurate and compliant.
- **“Qualified Opinion”:** Minor issues exist, but overall statements are accurate.
- **“Adverse Opinion”:** Significant misstatements; financials are not reliable.
- **“Disclaimer of Opinion”:** Insufficient evidence to form an opinion.

Key Issues Identified From the Audits:

- Bank reconciliations not being prepared in a timely manner or not at all.
- Transactions not having the required supporting documents.
- Fixed asset registers not being properly kept or maintained and improper and inconsistent valuation of assets.
- Physical count of assets/stock-take not being carried out properly and no proper procedures being followed in the acquisition and disposal of assets.
- Failure to comply with IFRS/IAS in the preparation of financial statements and breach of public finances management and other statutory provisions.
- Travel and other allowances not being fully acquitted.
- Non-remittance of taxes to IRC (Group Tax & GST).
- Accounting, administrative, and procedural manuals not being provided.
- Employment contracts, salaries, and contract gratuities calculations not available; and
- Lack of knowledge, understanding, and training in Integrated Financial Management System (IFMS) in producing general-purpose financial statements.

Key Laws on Public Finance Audits by the Auditor General (AG):

The PNG Constitution:

- Section 214(2) requires the AG to inspect and audit all bodies set up by Acts of the Parliament, or by Executive or Administrative Acts of the National Executive for governmental or official purposes unless other provisions are made by law in respect of their inspection and audit.
- Section 214(3) empowers the AG, if they consider it proper to do so, to inspect, audit, and report to the Parliament on any accounts, finances, or property of a body, in so far as they relate to, or consist of, or are derived from public money or property of PNG.

The Audit Act 1989:

- Section 8(2) requires the AG to inspect and audit the accounts and records of financial transactions and the records relating to the assets and liabilities of these public bodies and their subsidiaries, and to report to the Minister vested with the responsibility for the public body and the Minister in charge of Finance any irregularities found during the inspection and audit.
- Section 8(4) requires the AG to audit the financial statements of all public bodies and to report an opinion to the respective Ministers on:
 - » Whether the financial statements are based on proper accounts and records;
 - » Whether the financial statements are in agreement with those accounts and records; and
 - » Whether they show fairly the financial operations for the period which they cover and the state of affairs at the end of that period.
- Section 3 establishes the AG's responsibility to audit all government-owned companies that are registered under the Companies Act 1997.

The Public Finances (Management) Act 1995 (as amended):

- Section 47L requires public bodies to submit a management report on their operations along with their financial statements to the AG for audit every year, before the end of the fourth month from the close of a fiscal year.

Key:

- *Financial statements up-to-date and reliable.*
- *Financial statements not up-to-date **OR** unreliable.*
- *Financial statements not up-to-date **AND** unreliable.*
- *Non-operational, but statements still outstanding.*

Public Bodies & Their Subsidiaries *(Report of the Auditor General 2022 Part IV)*

No.	Entity Name: <i>this table only includes entities that were included in the Part IV 2022 Report</i>	Last Financial Statements (Year) Submitted to AG:	Last Audit Report (Year) Issued By AG:	Audit Opinion on the Last Audit Report Issued:
1	Bank of PNG	2022	2021	Qualified
2	Border Development Authority	2017	2014	Disclaimer
2.i	PNG Maritime Transport Limited	2012	2012	Qualified
3	Civil Aviation Safety Authority	2022	2021	Qualified
4	Climate Change & Development Authority	2021	2019	Qualified
5	Cocoa Board of PNG	2020	2018	Qualified
5.i	Cocoa Pod Borer Project Fund	2020	2018	Qualified
5.ii	Cocoa Stabilization Fund	2020	2018	Unqualified
6	Cocoa Coconut Institute of PNG	2016	2016	Disclaimer
7	Coffee Industry Corporation Limited	2020	2019	Disclaimer
7.i	Coffee Industry Fund	2020	2019	Disclaimer
7.ii	Kofi Management Services Limited	2020	2019	Disclaimer
7.iii	Patana No.61 Limited	2020	2019	Disclaimer
8	Conservation and Environment Protection Agency	2019	2017	Qualified
9	Government Printing Office	2021	2021	Qualified
10	Independence Fellowship Trust	2022	2021	Unqualified
11	Independent Consumer & Competition Commission	2020	2019	Unqualified
12	Industrial Centers Development Corporation	2018	2018	Qualified
13	Internal Revenue Commission	2019	2017	Disclaimer
14	Investment Promotion Authority	2022	2021	Unqualified
15	Kokonas Industri Koporesen	2021	2020	Unqualified
15.i	PNG Coconut Extension Fund	2021	2020	Unqualified

15.ii	PNG Coconut Research Fund	2021	2020	Unqualified
16	Kumul Consolidated Holdings		2022 2021	Unqualified
16.i	General Business Trust		2022 2021	Unqualified
16.ii	Kumul Technology Development Corporation Limited		2022 2021	Unqualified
16.iii	PNG Dams Limited		2022 2021	Unqualified
17	Legal Training Institute	2021	2020	Qualified
18	Mineral Resources Authority	2021	2020	Qualified
19	National Agriculture Quarantine & Inspection Authority	2018	2018	Disclaimer
20	National Agriculture Research Institute	2021	2020	Unqualified
21	National AIDS Council Secretariat		2022 2021	Unqualified
22	National Broadcasting Corporation	2018	2017	Disclaimer
23	National Capital District Commission	2020	2019	Qualified
23.i	National Capital District Botanical Enterprises Limited	2012	2012	Disclaimer
23.ii	Port Moresby Nature Park		2022 2020	Unqualified
24	National Cultural Commission		2022 2021	Unqualified
25	National Economic & Fiscal Commission	2018	2018	Unqualified
26	National Energy Authority		2022 n/a	n/a
27	National Fisheries Authority		2022 2020	Disclaimer
28	National Gaming Control Board		2022 2016	Qualified
28.i	NGCB Community Benefit Trust Fund		2022 2016	Qualified
29	National Housing Corporation	2020	2014	Disclaimer
29.i	National Housing Estate Limited	2014	n/a	n/a
30	National Information & Communication Technology Authority	2021	2018	Qualified
31	National Maritime Safety Authority	2020	2020	Qualified
32	National Museum & Art Gallery	2021	2021	Unqualified
33	National Research Institute	2020	2017	Qualified

34	National Roads Authority	2020	2019		Unqualified
35	National Training Council		2022	2021	Qualified
36	National Volunteer Service	2016	2016		Qualified
37	National Youth Development Authority		2022	2017	Disclaimer
38	Office of the Insurance Commissioner	2018	2018		Disclaimer
39	Oil Palm Industry Corporation		2022	2014	Disclaimer
40	Ombudsman Commission of PNG		2022	2019	Qualified
41	PNG Accident Investigation Commission		2022	2021	Unqualified
42	PNG Customs Service		2022	2018	Qualified
43	PNG Forest Authority	2018	2015		Disclaimer
44	PNG Immigration & Citizenship Service Authority	2017	2017		Unqualified
45	PNG Institute of Medical Research	2021		2021	Unqualified
46	Pacific Institute of Leadership & Governance		2022	2021	Qualified
47	PNG Maritime College		2022	2021	Qualified
48	PNG National Institute of Standards & Industrial Technology	2019	2019		Qualified
49	PNG Sports Foundation	2020	2015		Disclaimer
50	PNG University of Technology	2020	2018		Unqualified
50.i	National Analytical & Testing Services	2019	2017		Qualified
50.ii	Unitech Development & Consultancy Limited	2019	2017		Adverse
51	Parliamentary Members' Retirement Benefits Fund	2020	2016		Unqualified
52	PNG Road Fund	2021		n/a	n/a
53	PNG Public Trustee (formerly the Public Curator)	2017	2013		Disclaimer
54	Road Traffic Authority	2021		2021	Unqualified
55	Securities Commission of PNG	2021	2020		Unqualified
56	Security Industries Authority	2020	2020		Unqualified
57	Small & Medium Enterprises Corporation		2022	2018	Qualified

58	Tourism Promotion Authority	2021	2020	Qualified
59	University of Goroka	2017	2017	Disclaimer
59.i	Unigor Consultancy Limited	2015	2015	Disclaimer
59.ii	Unigor Humi Catering	2015	2015	Disclaimer
60	University of Natural Resources & Environment	2015	2015	Adverse
61	University of PNG	2017	2015	Disclaimer
61.i	Unisave Limited	n/a	n/a	n/a
61.ii	Univentures Limited	2011	2011	Disclaimer
62	Western Pacific University	2018	2018	Unqualified

National Government-Owned Companies & Their Subsidiaries (Report of the Auditor General 2022 Part IV)

No.	Entity Name: <i>this table only includes entities that were included in the Part IV 2022 Report</i>	Last Financial Statements (Year) Submitted to AG:	Last Audit Report (Year) Issued By AG:	Audit Opinion on the Last Audit Report Issued:
1	Air Niugini Limited	2022	2021	Disclaimer
1.i	Air Niugini Cargo	2018	n/a	n/a
1.ii	Air Niugini Properties Limited	2018	n/a	n/a
1.iii	Business Travel Center Limited	2018	n/a	n/a
1.iv	Link-PNG Limited	2018	2015	Unqualified
2	Kumul Agriculture Limited	2019	2019	Disclaimer
3	Kumul Petroleum Holdings Limited	2021	2020	Unqualified
3.i	Eda Oil Limited	2021	2019	Qualified
3.ii	Kumul Exploration (Asia) Limited	2021	2020	Unqualified
3.iii	Kumul Gas Foreland 239 B.V.	n/a	n/a	n/a
3.iv	Kumul Gas Foreland 261 B.V.	n/a	n/a	n/a
3.v	Kumul Gas Foreland 268 B.V.	n/a	n/a	n/a

3.vi	Kumul Gas Foreland 269 B.V.		n/a	n/a	n/a
3.vii	Kumul Gas Niugini B.V.		n/a	n/a	n/a
3.viii	Kumul Lending Co Pte Limited	2021		2020	Unqualified
3.ix	Kumul LNG Limited	2021		2020	Unqualified
3.x	Kumul Petroleum (Development) Limited		2022	2018	Unqualified
3.xi	Kumul Petroleum (Investments) Limited	2021		2020	Unqualified
3.xii	Kumul Petroleum (Kroton) Limited	2021		2020	Unqualified
3.xiii	Kumul Petroleum (Pipeline) Limited	2021		2020	Unqualified
3.xiv	Kumul Petroleum (Tech & Advisory) Limited	2021		2020	Unqualified
3.xv	Kumul Petroleum Marketing Pte Limited	2021		2020	Unqualified
3.xvi	Kumul Security Agent Limited	2021		2020	Unqualified
3.xvii	NPCP Oil Company Pty Limited		2022	n/a	n/a
4	Kumul Telikom Holdings Limited		n/a	n/a	n/a
4.i	Bemobile Limited	2020		2020	Disclaimer
4.i(a)	Bemobile (Solomon Islands) Limited		2022	n/a	n/a
5	Livestock Development Corporation Limited	2018		2018	Adverse
6	Mineral Resources Development Company Limited	2020		2020	Unqualified
7	Motor Vehicles Insurance Limited		2022	2021	Qualified
7.i	Pacific MMI Insurance Limited		2022	2022	Unqualified
7.ii	Pacific Re Limited		2022	2022	Unqualified
8	National Airports Corporation Limited	2021		2020	Disclaimer
8.i	Airport City Development Limited	2021		2018	Disclaimer
8.ii	Airports Investments Limited	2021		2018	Unqualified
9	NCD Water and Sewerage Limited (trading as Eda Ranu)	2021		2021	Disclaimer
10	PNG Ports Corporation		2022	2022	Unqualified
11	PNG Air Services Limited (now Niusky Pacific Limited)	2015		2015	Qualified

12	PNG Dataco Limited	2022	2021	Unqualified
13	PNG Power Limited	2022	2021	Disclaimer
14	Post PNG Limited	2022	2021	Qualified
15	Telikom Limited	2022	2021	Disclaimer
15.i	Datec (PNG) Limited	2022	2021	Unqualified
15.ii	Kalang Advertising Limited	2022	2021	Disclaimer
15.iii	Media Niugini Limited (EMTV)	2022	2021	Disclaimer
15.iv	PNG Directories Limited	2022	2021	Disclaimer
16	Water PNG Limited	2022	2021	Disclaimer

Companies With National Government Shareholding (Report of the Auditor General 2022 Part IV)

No.	Entity Name: <i>this table only includes entities that were included in the Part IV 2022 Report</i>	Last Financial Statements (Year) Submitted to AG:	Last Audit Report (Year) Issued By AG:	Audit Opinion on the Last Audit Report Issued:
1	Bougainville Copper Limited	2022	2022	Qualified
2	Gogol Reforestation Company Limited	n/a	n/a	n/a

NOTES:

- Niusky Pacific Limited (NPL) advised the AG in 2016 that they would be appointing their own auditor for the 2016 and subsequent audits.
- NPL (formerly PNG Air Services Ltd) was established in 2008, in accordance with s.143(6) of the Civil Aviation Act (as amended). Thus, falling under the jurisdiction on the AG, in accordance with s.214(2) of The PNG Constitution.
- Government Departments are not included in the

AGO's Part IV Report, this information will be published in the AGOs' Part II Report.

TIPNG Calls For:

- The Department of Personnel Management, Public Accounts Committee and other responsible actors must take swift and decisive action to hold government entities accountable for breaches of law.
- Parliament must consider the Auditor General's recommendation for the establishment of legislative requirements to make renewal of contracts of Chief

Executive Officers subject to the timely submission of financial statements and prudent financial management.

- All Papua New Guineans must demand greater accountability from our government and report any corrupt acts that we encounter.
- The Finance Secretary to establish and oversee internal audit committees in public bodies and entities that fail to meet their reporting obligations. As is the Secretary's authority under Section 4(6) of the Public Finances (Management) Act 1995 (as amended).