



Tel. No. 592-2-57592

Fax No. 592-2-67257

P. O. Box 1002

63 High Street

Kingston, Georgetown,

Guyana, S. A.

AG:134/2000

27 April 2000

**REPORT OF THE AUDITOR GENERAL
TO THE MEMBERS OF THE
NATIONAL FREQUENCY MANAGEMENT UNIT
ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1999**

I have audited the attached financial statements of the National Frequency Management Unit for the year ended 31 December 1999 as set out on pages 1 to 9. These statements have been prepared under the historical cost convention and in accordance with the accounting policies as set out on Page 4.

Respective Responsibilities of Management and Auditors

The responsibility of the preparation of the financial statements, including assertions relating to their completeness, accuracy and validity, and compliance with applicable laws, regulations and contractual obligations is that of management. My responsibility is to express an independent opinion on these statements, based on these assertions and to report my opinion thereon.

Basis of Opinion

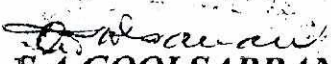
I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

Qualified Opinion Arising from a Limitation in Scope

Licence Fees collectible were not reflected in the Debtors balance of \$1,019,333. In addition, it was noted that National Frequency Management Unit did not maintain a register of all its subscribers and the amounts due. As a result, the completeness and accuracy of the figure of \$1,019,333 could not have been determined.

The amount of \$45,974,710 shown as provisions for taxation represents sums owing for previous years. However, no provision was made for Corporation or Property taxes for the year 1999. Had this been done, the net profit of \$61,974,804 would have been reduced.

Except for any adjustments which might have been shown to be necessary as a result of the matters referred to in the preceding paragraphs, in my opinion, the financial statements present fairly in all material respects the state of affairs of the National Frequency Management Unit as at 31 December 1999, and of its net profit and cash flows for the year then ended in conformity with generally accepted accounting principles.


S.A GOOLSARRAN
AUDITOR GENERAL

OFFICE OF THE AUDITOR GENERAL
63 HIGH STREET
KINGSTON
GEORGETOWN
GUYANA

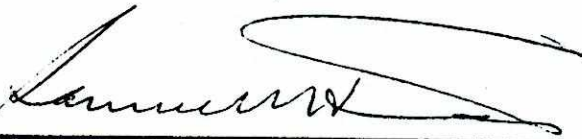
National Frequency Management Unit
Balance Sheet
As at December 31, 1999

	Notes	Dec.31,1999	Dec.31, 1998
		G\$	
Tangible Fixed Assets	2(d) & 3	13,502,963	12,848,905
<u>Current Assets</u>			
Stock		184,736	90,745
Debtors	7	1,019,333	970,875
Cash at Bank		241,997,262	181,955,983
Cash in Hand		251,677	0
Prepayments		535,217	0
		243,988,225	183,017,603
<u>Less: Current Liabilities</u>			
Creditors & Accruals		4,784,582	2,763,356
Prepayment - Licence Fees		11,439,721	13,811,071
Provision for Taxation		45,974,710	45,974,710
		62,199,013	62,549,137
Net Current Assets		181,620,212	120,468,466
Net Assets		195,292,175	133,317,371
<u>Represented By:</u>			
Capital	4	2,044,255	2,044,255
Net Profit		61,974,804	-
Accumulated Surplus		131,273,116	131,273,116
		195,292,175	133,317,371



 Fernandine Bersaud

Chief Executive Officer



Hon. Samuel A. Hinds

Prime Minister of Guyana

The notes on pages 4 to 7 form an integral part of these accounts

National Frequency Management Unit
Statement of Cash Flows
For the year ended December 31, 1999

	Notes	1999	1998
		G \$	G \$
Net Cash Inflow from Operating Act.		63,568,986	44,301,529
Investing Activities			
Payment to Acquire tangible Fixed Assets		-3,276,030	-9,297,239
Increase in Cash	6(b)&©	60,292,956	35,004,290