

Office of the Auditor General of Guyana



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AG:149/96

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**REPORT OF THE AUDITOR GENERAL
TO THE MEMBERS OF
THE NATIONAL FREQUENCY MANAGEMENT UNIT
ON THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 DECEMBER 1990 TO 31 DECEMBER 1991**

I have audited the financial statements of the National Frequency Management Unit for the period 1 December 1990 to 31 December 1991 as set out on pages 1 to 5.

Respective Responsibilities of Directors and Auditors

The responsibility for the preparation of the financial statements is that of the Unit. It is my responsibility to express an independent opinion on these statements based on my audit.

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 amounts and disclosures on 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.

Disclaimer of Opinion arising out of Limitation in Scope and Fundamental Uncertainty

Financial controls were generally poor and the accounting records inadequate. It was therefore not possible to satisfactorily verify the completeness, accuracy and validity of the reported transactions and assets and liabilities.

The fixed assets vested in the Unit on its establishment were valued on 13 December 1990 at \$665,035. This valuation was not done by a certified competent authority for such matters. As a result, it could not be determined whether the amounts of \$1,344,255 and \$544,630 representing Capital and Fixed Assets respectively were fairly stated.

Included in the figure of \$14,005,992 shown as Licence Fees is an amount of \$9,398,633 which was received from the Ministry of Finance without documentation. This amount represented fees relating to the Unit's operations which were received by the Guyana Telephone and Telegraph Company Limited and transferred by that Company to the Ministry of Finance. In the absence of supporting documents, it was not possible to verify the completeness and accuracy of the sum of \$9,398,633 included in Licence Fees.

Administrative and General Expenses totalled \$2,829,496. Of this amount, payments totalling \$1,205,588 could not be verified since vouchers and supporting documents were not produced for examination. As a result, the validity of this expenditure could not be satisfactorily determined.

Because of the significance of the matters referred to in the preceding paragraphs, I am unable to form an opinion whether the financial statements fairly present the state of affairs of the National Frequency Management Unit as at 31 December 1991 and the results of its operations for the period then ended.


S A GOOLSARRAN
AUDITOR GENERAL

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NATIONAL FREQUENCY MANAGEMENT UNIT

 BALANCE SHEET AS AT DECEMBER 31, 1991

	Notes	1991
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		G\$
Fixed Assets	2(d) & 3	544,630

Current Assets		

Cash on Hand & at Bank		12,021,121

		12,565,751
Less: Current Liabilities		

Accruals	45,000	
Provision for Taxation	4,021,882	

		4,066,882
Net Assets		8,498,869

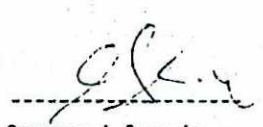
Represented by:		

Capital	4	1,344,255
Accumulated Surplus		7,154,614

		8,498,869



 Prime Minister



 Permanent Secretary
 Ministry of Public Works and
 Communication



Permanent Secretary
 Ministry of Public Works & Communications