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**AUDITED FINANCIAL STATEMENTS OF THE
GUYANA OFFICE FOR INVESTMENT**

**FOR THE YEAR ENDED
31 DECEMBER 2012**

**AUDITORS: AUDIT OFFICE
63 HIGH STREET
KINGSTON
GEORGETOWN
GUYANA**



Audit Office of Guyana

P.O. Box 1002, 63 High Street, Kingston, Georgetown, Guyana
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266/PC: 56/2/2013

12 December 2013

Mr. Dhanpaul Dhanraj
Chief Executive Officer (ag.)
Guyana Office for Investment
190 Camp & Church Street
Georgetown.

Dear Mr. Dhanraj,

AUDIT OF THE FINANCIAL STATEMENTS OF THE
GUYANA OFFICE FOR INVESTMENT
FOR THE YEAR ENDED 31 DECEMBER 2012

Please find attached three copies of the audited financial statements, together with the report of the Auditor General, thereon.

Should you need any further explanation, please do not hesitate to contact us.

With best regards.

Yours sincerely,

AUDIT OFFICE
T. Pyle
Audit Manager
OF GUYANA
For Auditor General



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AG: 152/2013

12 December 2013

REPORT OF THE AUDITOR GENERAL
TO THE MEMBERS OF THE BOARD OF DIRECTORS
OF THE GUYANA OFFICE FOR INVESTMENT
ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

I have audited the accompanying financial statements of Guyana Office for Investment which comprise the statement of financial position as at 31 December 2012, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information. The audit was conducted in accordance with the Audit Act 2004.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing issued by the International Federation of Accountants (IFAC), and those of the International Organization of Supreme Audit Institutions (INTOSAI). Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements give a true and fair view, in all material respects, of the financial position of the Guyana Office for Investment as at 31 December 2012, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

~~AUDIT OFFICE~~
D. SHARMA
★ AUDITOR GENERAL

~~AUDIT OFFICE~~
63 HIGH STREET
KINGSTON
GEORGETOWN
GUYANA



GUYANA OFFICE FOR INVESTMENT

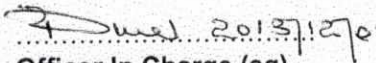
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER, 2012

<u>2011</u>		<u>2012</u>	
\$		\$	\$
NON-CURRENT ASSETS			
21,723,415	Property, Plant & Equipment	25,115,813	
21,723,415			25,115,813
ADD CURRENT ASSETS			
968,977	Inventory	1,135,648	
3,174,532	Accounts Receivable - Debtors	19,647,162	
15,914,819	Cash and Cash Equivalents	2,943,631	
750,225	Prepayments	770,158	
20,808,553			24,496,599
42,531,968	TOTAL ASSETS		49,612,412
<u>EQUITY AND LIABILITIES</u>			
14,561,397	Equity	18,255,187	
14,561,397			18,255,187
27,964,364	Accumulated Surplus / (Deficit)	31,351,015	
27,964,364			31,351,015
42,525,761			49,606,202
CURRENT LIABILITIES			
6,210	Accounts Payable	6,210	
6,210			6,210
42,531,971			49,612,412

The accompanying notes form an integral part of these Financial Statements.

These Financial Statements were approved by the Board of Directors in September, 2013 and signed on its behalf by:


Administrative Officer / Accountant


Officer In Charge (ag)



GUYANA OFFICE FOR INVESTMENT

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER, 2012

2011		NOTE	2012
\$			\$
	INCOME		
76,764,000	Government - Current Subvention		106,937,000
4,612,747	Other Income		3,555,965
81,376,747			110,492,965
	LESS EXPENDITURE		
45,532,504	Employment Costs		43,205,924
4,892,765	Materials, Equipment & Supplies		8,635,656
1,033,848	Fuel & Lubricants		2,234,846
430,114	Maintenance of Building		5,184,345
9,000	Maintenance of Infrastructure		0
2,641,993	Transport, Travel & Subsistence		6,928,776
6,043,709	Utility Charges		5,973,423
11,992,198	Other Services Purchased		32,813,080
261,780	Education Subvention		0
3,612,999	Other Miscellaneous		1,724,312
4,060,222	Depreciation		3,542,060
80,511,132			110,242,422
865,615			250,543
	ADD		
7,695,177	Prior Year Adjustments		3,136,108
7,695,177			3,136,108
8,560,792	Surplus / (Deficit) - (to Balance Sheet)		3,386,651



GUYANA OFFICE FOR INVESTMENT

**STATEMENT OF CASH FLOW
FOR THE YEAR ENDED
31 DECEMBER, 2012**

<u>2011</u>		<u>2012</u>
OPERATING ACTIVITIES		
8,560,792	Surplus / (Deficit) from operations	3,386,651
(4,060,222)	Adjustment for Amortization	(3,340,965)
(102,720)	Adjustment to Retained Earnings	0
4,060,222	Adjustment for Depreciation	3,542,060
8,458,072		3,587,746
NET CASH INFLOWS / OUTFLOWS		
1,300,000	Inflows from operating activities - Capital	6,899,000
(440,100)	Refund of Revenue	(180,637)
859,900		6,718,363
0	Transfer of funds for Other Capital Expenses	0
859,900		
INVESTMENT ACTIVITIES		
0	Increase in Donations / Government of Guyana Contributions	316,392
859,900	LESS Net of purchase / sale of Fixed Assets	6,934,455
(859,900)		(6,618,063)
297,212	(Increase) / Decrease in Stock	(166,671)
154,516	(Increase) / Decrease in Debtors	(16,472,630)
236,888	(Increase) / Decrease in Prepayments	(19,933)
6,210	Increase / (Decrease) in Creditors	0
(2,655,615)	Increase / (Decrease) in Provision for Expenditure	0
(1,960,789)		(16,659,234)
<u>6,497,283</u>	INCREASE / (DECREASE) IN CASH AND EQUIVALENTS	<u>(23,277,297)</u> <u>(12,971,188)</u>
INCREASE / (DECREASE) IN CASH AND EQUIVALENTS		
0	Cash / Bank balances as at December 31, 2012	2,943,631
0	LESS Cash / Bank balances as at January 1, 2012	15,914,819
15,914,819	Cash / Bank balances as at December 31, 2011	0
9,417,536	LESS Cash / Bank balances as at January 1, 2011	0
<u>6,497,283</u>		<u>(12,971,188)</u>



GUYANA OFFICE FOR INVESTMENT

STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED DECEMBER 31, 2012

DETAILS	RETAINED EARNINGS & SURPLUS / DEFICIT	CAPITAL SUBVENTION & GOG CONTRIBUTIONS / DONATIONS	TOTAL
Balance as at January 1, 2012	27,964,364	14,561,397	42,525,761
Capital Supplementary		7,215,392	7,215,392
Refund of Revenue		(180,637)	(180,637)
Transfer of funds for Other Capital Expenses		0	0
Net Surplus / Deficit for 2012	3,386,651		3,386,651
Amortisation of Government Grants		(3,340,965)	(3,340,965)
Balance as at December 31, 2012	31,351,015	18,255,187	49,606,202



**GUYANA OFFICE FOR INVESTMENT
EXPLANATORY NOTES TO THE ACCOUNTS
JANUARY TO DECEMBER 2012**

NOTE 1 INCORPORATION

The Guyana Office for Investment, a semi-autonomous Agency, was established in 1994 by an Act of parliament: The public Corporations Act No. of 1988. Its mission is to "contribute to Guyana's economic development, by promoting and facilitating local and foreign private sector investment and exports in accordance with the country's approved investment and export strategies".

NOTE 2 GOVERNANCE

Go-invest, as it is commonly called, falls under the direct purview of the Office of The President. The Chief Executive Officer answers to a Board of Directors. The Board comprises of representatives from the Public and Private Sectors. The Board of Directors and their emoluments for the year under review were as follows:

Keith Burrowes - Chairman	\$60,000
Michael Hutson	\$48,000
Hema Khan	\$48,000
Avalon Jagnandan	\$12,000
Willet Hamilton	\$36,000
Yog Mahadeo	\$12,000
Manjuela Brijmohan	\$48,000

For the year under review, the Agency's top management personnel were Mr. Desmond Mohamed and Mr. Dhanpaul Dhanraj.

NOTE 3 GOVERNMENT OF GUYANA SUBVENTION / DONATIONS FROM INTERNATIONAL AGENCIES

An annual subvention for Current and Capital Expenditure is receivable from the Ministry of Finance via the Office of the President to meet operational costs of the Agency. Donations are also received from Donor and International Agencies. These amounts have accumulated from the year 1994.

NOTE 4 EQUITY

Equity for the Agency comprises of the following:

	\$		\$
Capital Subvention	30,696,302	Current Subvention	107,564,000
Less Refund of Revenue	180,637	Less Refund of Revenue	627,000
	<u>30,515,665</u>		<u>106,937,000</u>
Government Of Guyana Contributions / Donations	30,293,706		
	60,809,371		
Less Amortization	(42,554,184)		
	<u>18,255,187</u>		



**GUYANA OFFICE FOR INVESTMENT
EXPLANATORY NOTES TO THE ACCOUNTS
JANUARY TO DECEMBER 2012**

NOTE 5 ACCOUNTING POLICY

The financial statements have been prepared under the historical cost convention method as modified for the revaluation of certain fixed assets and the accounting policies conform with International Accounting Standards except where specifically stated

NOTE 6 FIXED ASSETS and DEPRECIATION POLICY

Depreciation of fixed assets is calculated to write off each asset over its estimated life on the reducing balance basis at the rates of 10% (non-electrical items) and 15% (electrical items) for Office Furniture and Equipment and 25% for Motor Vehicles, per annum.

	<i>Office Furniture & Equipment</i> \$	<i>Motor Vehicles</i> \$	<i>Total</i> \$
Cost			
Net Book Value as at 31/12/11	18,505,908	3,217,510	21,723,418
Add Acquisitions for 2012 -	316,392	0	316,392
Add Purchases for 2012	6,618,063	0	6,618,063
	25,440,363	3,217,510	28,657,873
Less Disposals for 2012	0	0	0
	25,440,363	3,217,510	28,657,873
Less Depreciation for 2012	2,737,682	804,378	3,542,060
	22,702,681	2,413,132	25,115,813
Add / Less Other Adjustments - JV#s		0	0
Net Book Value as at 31/12/12	22,702,681	2,413,132	25,115,813

0

NON-CURRENT ASSETS

Property, Plant & Equipment

Office Furniture & Equipment	22,702,681.00
Motor Vehicles	2,413,132.00
	25,115,813.00

NOTE 7 STOCK VALUATION

Stock is issued and valued using the First In First Out (FIFO) system.



GUYANA OFFICE FOR INVESTMENT
EXPLANATORY NOTES TO THE ACCOUNTS
JANUARY TO DECEMBER 2012

	<u>2012</u>	<u>2011</u>
	\$	\$
NOTE 8 <u>DEBTORS -</u>	<u>\$19,647,162</u>	
47/007 -- Accounts Receivable	792,466	543,801
47/010 -- Debtors - Advance for expenditure	17,489,000	1,050,939
47/011 -- Advance for Foreign Currency	1,365,696	1,579,792
	<u>19,647,162</u>	<u>3,174,532</u>

	<u>2012</u>	<u>2011</u>
	\$	\$
NOTE 9 <u>CASH AND CASH EQUIVALENTS</u>	<u>\$2,943,631</u>	
Foreign Currency Float - USD	0	54,060
Foreign Currency Float - Others	91,680	0
Cash at Bank	2,816,951	15,825,759
Petty Cash	35,000	35,000
	<u>2,943,631</u>	<u>15,914,819</u>

NOTE 10 <u>PREPAYMENTS -</u>	<u>\$770,158</u>	
Renewal of newspapers subscription	115,240	203,160
Insurance for building	265,736	249,742
Pension	0	104,815
Website	2,500	0
Insurance for vehicles		
PLL 9291	68,611	84,500
PHH 6985	126,000	105,000
PKK 7840	192,071	239,896
	<u>770,158</u>	<u>987,113</u>



GUYANA OFFICE FOR INVESTMENT
EXPLANATORY NOTES TO THE ACCOUNTS
JANUARY TO DECEMBER 2012

NOTE 11 PROVISION FOR EXPENDITURE/ACCRUALS

\$0

Expenditure accrued as at December 31st are as stated:

Provision for works to be done

0

2,655,615

0

2,655,615

NOTE 12 RETAINED EARNINGS & SURPLUS / (DEFICIT) -

\$31,351,015

These items were transferred to the Balance Sheet as from 2007 due to the nature of the accounts
The total is arrived at as stated:-

YEAR

1994 - 2012

Surplus / (Deficit)

16,341,041

Retained Earnings as at

1/1/2012

11,623,323

Adjustment during the year

0

11,623,323

2012

Surplus / (Deficit)

27,964,364

3,386,651

31,351,015



GUYANA OFFICE FOR INVESTMENT
EXPLANATORY NOTES TO THE ACCOUNTS
JANUARY TO DECEMBER 2012

OTHER NOTES

		<u>2012</u>	<u>2011</u>
		\$	\$
NOTE 13	<u>EMPLOYMENT COST -</u>		
		<u>\$43,205,924</u>	
	0015 Revision of Wages & Salaries	0.00	0
	6111 Administrative	3,998,522	3,808,127
	6112 Senior Technical	15,951,113	17,251,024
	6113 Other Technical & Craft Skilled	1,964,315	1,870,776
	6114 Clerical & Office Support	3,200,483	3,120,704
	6115 Semi-skilled Oper & Unskilled	925,127	857,149
	6117 Temporary Employees	2,575,751	4,408,781
	6131 Other Direct Labour Cost	1,944,164	1,346,113
	6133 Benefits & Allowances	8,592,087	8,769,362
	6134 National Insurance	1,685,455	1,608,953
	6135 Pensions	2,368,907	2,491,515
		<u>43,205,924</u>	<u>45,532,504</u>

	<u>MATERIALS, EQUIPMENT &</u>		
NOTE 14	<u>SUPPLIES -</u>	<u>\$8,635,656</u>	
	6221 Drugs & Medicals Supplies	60,937	36,996
	6223 Office Material & Supplies	5,039,667	4,250,988
	6224 Print & Non-Print Materials	3,535,052	604,781
		<u>8,635,656</u>	<u>4,892,765</u>

NOTE 15	<u>MAINTENANCE OF BUILDING -</u>	<u>\$5,184,345</u>	
	6242 Maintenance of Building	4,978,915	256,840
	6243 Janitorial & Cleaning Supplies	205,430	173,274
	47/002(c) Other Capital Expenditure	-	0
		<u>5,184,345</u>	<u>430,114</u>



GUYANA OFFICE FOR INVESTMENT
EXPLANATORY NOTES TO THE ACCOUNTS
JANUARY TO DECEMBER 2012

		<u>2012</u>	<u>2011</u>
NOTE 16	<u>TRANSPORT, TRAVEL & SERVICES - \$6,928,776</u>		
6261	Local Travel & Subsistence	\$ 4,238,655	\$ 2,341,583
6263	Postage, Telex & Cablegram	40,711	23,125
6264	Vehicle Spares & Sevices	2,649,410	277,285
		<u>6,928,776</u>	<u>2,641,993</u>
NOTE 17	<u>UTILITY CHARGES</u>		
		<u>\$5,973,423</u>	
6271	Telephone Charges	1,633,681	1,728,389
6272	Electricity Charges	4,142,601	4,250,320
6273	Water Charges	197,141	65,000
		<u>5,973,423</u>	<u>6,043,709</u>
NOTE 18	<u>OTHER SERVICES -</u>		
		<u>\$32,813,080</u>	
6281	Security Services	4,225,416	3,243,321
6282	Equipment Maintenance	1,850,980	586,040
6283	Cleaning & Extermination Services	2,982,452	333,431
6284	Other Services Purchased	23,754,232	7,829,406
		<u>32,813,080</u>	<u>11,992,198</u>
NOTE 19	<u>OTHER MISCELLANEOUS -</u>		
		<u>\$1,724,312</u>	
6291	National & Other Events	89,167	59,146
6293	Refreshments and Meals	344,862	315,451
6294	Other Charges	1,290,283	3,238,402
		<u>1,724,312</u>	<u>3,612,999</u>