

**AUDITED FINANCIAL STATEMENTS OF THE
INTEGRITY COMMISSION**

WV

**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

Tel: 592-225-7592, Fax: 592-226-7257, <http://www.audit.org.gy>

30/OA: 22/2/2014

31 January 2014

Ms. Amanda Jaisingh
Chief Executive Officer
Integrity Commission
94 Carmichael Street
North Cummingsburg
Georgetown.

Dear Ms. Jaisingh,

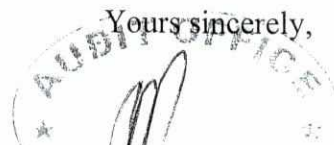
AUDIT OF THE BOOKS AND ACCOUNTS OF THE
INTEGRITY COMMISSION
FOR THE YEAR ENDED 31 DECEMBER 2012

Please find attached four 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,



T. Pyle
Audit Manager
for Auditor General



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AG: 3/2014

31 January 2014

REPORT OF THE AUDITOR GENERAL
TO THE MEMBERS OF THE COMMISSION
OF THE INTEGRITY COMMISSION
ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

I have audited the accompanying financial statements of the Integrity Commission, which comprise the statement of financial position as at 31 December 2012, 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 about 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.

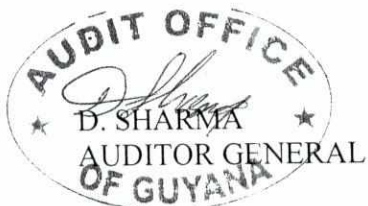
I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Basis for Qualified Opinion

Included in the Statement of Financial Position is the sum of \$1.469M which is shown as a suspense account. This resulted from significant irregularities which occurred in the accounts prior to the year 2008, which have not been corrected. In the circumstance, one or more accounts could be under/overstated.

Qualified Opinion

Except for any adjustments which might have been shown to be necessary as a result of the matter referred to in the preceding paragraph, in my opinion, the financial statements give a true and fair view, in all material respects, of the financial position of the Integrity Commission 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
63 HIGH STREET
KINGSTON
GEORGETOWN
GUYANA

INTEGRITY COMMISSION
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 \$	Restated 2011 \$
ASSETS			
<u>Non Tangible Assets</u>			
Property, Plant & Equipment	3	331,895	863,285
		331,895	863,285
<u>Current Assets</u>			
Prepayments		1,098,214	775,629
Cash at Bank		0	(3,000)
		1,098,214	772,629
TOTAL ASSETS		1,430,109	1,635,914
EQUITY AND LIABILITIES			
Government Contribution	4	1,068,871	1,600,261
Accumulated Deficit		(1,107,660)	(2,205,874)
Suspense Account		1,468,898	2,241,527
TOTAL EQUITY AND LIABILITIES		1,430,109	1,635,914

These financial statements were approved for issuance on the 17th January, 2014



Ms. Amanda Jaisingh
Secretary/CEO



Mr. Omar Shariff
Permanent Secretary

INTEGRITY COMMISSION
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 \$	2011 \$
INCOME			
Government Subvention - Current	5	17,921,000	19,427,000
Other Income		531,390	844,347
TOTAL INCOME		18,452,390	20,271,347
 EXPENDITURE			
Administrative Expenses	6	12,913,139	13,406,557
Other Expenses	7	3,681,812	4,657,187
Utility Charges	8	227,835	590,627
Depreciation		531,390	844,347
TOTAL EXPENDITURE		17,354,176	19,498,718
 Net Surplus/(Deficit)		 1,098,214	 772,629

INTEGRITY COMMISSION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDING 31 DECEMBER 2012

	2012	2011
	\$	\$
Operating Activities		
(Deficit)/Surplus for the year	1,098,214	772,629
Adjustments for : Depreciation	<u>531,390</u>	<u>868,347</u>
Operating (Surplus)/Deficit before changes in working capital	1,629,604	1,640,976
(Increase)/Decrease in Inventories	-	-
(Increase)/Decrease in Prepayments	(322,585)	(775,629)
Increase/(Decrease) in Payables	-	-
Increase/(Decrease) in Suspense Account	<u>(772,629)</u>	<u>-</u>
Net cashflow generated from Operating Activities	<u>534,390</u>	<u>865,347</u>
Investing Activities		
Purchase of Fixed Assets	<u>-</u>	<u>(443,500)</u>
Net cashflow generated from Investing Activities	<u>-</u>	<u>(443,500)</u>
Financing Activities		
Government Contribution	<u>(531,390)</u>	<u>(424,847)</u>
Net cashflow generated from Financing Activities	<u>(531,390)</u>	<u>(424,847)</u>
Net Increase/(Decrease) in cash & cash equivalents	3,000	(3,000)
Cash and cash equivalents at the beginning of the year	<u>(3,000)</u>	<u>-</u>
Cash and cash equivalents at end of the year	<u><u>-</u></u>	<u><u>(3,000)</u></u>

INTEGRITY COMMISSION
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDING 31 DECEMBER 2012

	2012	2011
	\$	\$
Balance as at 01 January, 2012	(2,205,874)	(2,978,503)
Surplus/Deficit for year	<u>1,098,214</u>	<u>772,629</u>
Balance as at 31 December, 2012	<u>(1,107,660)</u>	<u>(2,205,874)</u>

INTEGRITY COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

Note 1. Background

The Integrity Commission was established on the 24th September, 1997 and consists of a chairman and no less than two (2) nor more than four (4) other members. The Chairman of the Commission shall be a person who is or who was or who is qualified to be a Puisne Judge of the High Court or any other fit and proper person and the other members appearing to the President as having experience and show capacity in law, public administration, social service, finance or accountancy or any other discipline. The chairman and other members are appointed by the President after consultation with the minority Leader and they can either be full time or part time. The names of the chairman and other members upon the establishment of the Commission and any change in membership shall be published in the Gazette and in a daily newspaper.

The Commission is also a body corporate. The vision of the Commission is: "Improved public confidence in the integrity of holders of public office" and the mission statement is: "Securing the integrity of persons in public life". The objective of the Commission is to secure the integrity of persons in public life through their compliance with the provisions of the Integrity Commission Act No. 20 of 1997. The Secretariat consists of a Secretary/Chief Executive Officer and five (5) staff members. The Commission also had three (3) Commissioners as at 28th May, 2012 when the life of the Commission came to an end on the said date.

Note 2. Accounting Principles & Policies

(a) Accounting Conventions:

The Financial Statements have been prepared under the historical cost convention, and modified for the revaluation of assets received from the Office of the President, and in accordance with International Financial Reporting Standards.

(b) Fixed Assets:

Depreciation is provided using fixed percentages on the straight line method at the following rates:-

Furniture & Fixtures	12.50%
Office Equipment	20%

INTEGRITY COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2012

Note 3. Property, Plant & Equipment

Description	Furniture & Fixtures	Office Equipment	Total
	\$	\$	\$
Cost as at 01 January, 2012	1,719,651	3,276,856	4,996,507
Additions	0	0	0
Disposals	0	0	0
Cost as at 31 December, 2012	1,719,651	3,276,856	4,996,507
Accumulated Dep'n as 01 Jan, 2012	1,172,800	2,960,422	4,133,222
Depreciation charge for the year	214,956	316,434	531,390
Disposal	0	0	0
Accumulated Dep'n as 31 Dec, 2012	1,387,756	3,276,856	4,664,612
Net Book Value as at 01 Jan, 2012	546,851	316,434	863,285
Net Book Value as at 31 Dec, 2012	331,895	0	331,895

Office Equipment were fully depreciated in 2012 and were revalued in 2013.

The restated figure for 2011 under Property, Plant & Equipment was due to a miscalculation in the 2011 Fixed Assets Register. There is a difference for 2012 under Property, Plant & Equipment figure from the previous submitted 2012 Financial Statement because the previous figure had included an Air Conditioning Unit which was disposed in 2011 and a revalue figure for Office Equipment that was done in 2013.

INTEGRITY COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2012

Note 4. Government Contribution

Description	2012 \$	2011 € \$
Opening balance	1,600,261	2,025,108
Received for the year	0	443,500
Deferred Income	(531,390)	(868,347)
Closing Balance	1,068,871	1,600,261

Note 5. Government Subvention

The Commission received subventions totaling \$17,921,000 from the Government of Guyana through the Office of the President for the period January to December 2012.

Note 6. Administrative Expenses

Description	2012 \$	2011 \$
* Employment Costs	9,884,481	9,934,011
Stationery and Office Supplies	1,538,061	1,678,328
Travelling	37,760	60,020
Postages	0	500,000
Maintenance of Building, Office Equipment, etc	1,252,487	1,016,457
Extermination Services	54,092	46,997
Refreshment and Meals	146,258	170,744
Total	12,913,139	13,406,557

Key Management Personnel

* The sum of \$9,884,481 shown as Employment Costs includes amounts totalling \$3,615,360 which were paid to two (2) key management employees for the year 2012 as follows:

Ms. Amanda Jaisingh - Secretary/C.E.O	\$2,835,312
Ms. Vidyantie Pritipaul - Accounts Clerk	\$780,048
	<u>3,615,360</u>

INTEGRITY COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2012

Note 7. Other Expenses

Description	2012 \$	2011 \$
Miscellaneous	808,156	950,951
Bank charges	15,300	29,900
Refund of unspent balance to OP	2,858,356	3,676,336
Total	3,681,812	4,657,187

Note 8. Utility Charges

Description	2012 \$	2011 \$
Electricity	67,982	83,989
Telephone	99,661	101,638
Water	60,192	405,000
Total	227,835	590,627