

**AUDITED FINANCIAL STATEMENTS OF THE
CENTRAL HOUSING AND PLANNING AUTHORITY**

**FOR THE YEAR ENDED
31 DECEMBER 2017**

RECEIVED BY
Chief Executive Officer

DEC 31 2018

**Central Housing &
Planning Authority**

**CONTRACTED AUDITORS: MAURICE SOLOMON
& COMPANY
92 ORNONQUE STREET
QUEENSTOWN
GEORGETOWN**



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



Audit Office of Guyana

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482/SL: 33/2/2018

27 December 2018

Mr. Lelon Saul
Chief Executive Officer
Central Housing and Planning Authority
41 Brickdam and United Nations Place
Georgetown.

Dear Mr. Saul,

AUDIT OF THE BOOKS AND ACCOUNTS OF THE
CENTRAL HOUSING AND PLANNING AUTHORITY
FOR THE YEAR ENDED 31 DECEMBER 2017

Please find attached two 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,


Nichette Harcourt
Audit Manager (ag.)
OF GUYANA



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AG: 280/2018

27 December 2018

REPORT OF THE AUDITOR GENERAL
TO THE MEMBERS OF THE BOARD OF DIRECTORS OF THE
CENTRAL HOUSING AND PLANNING AUTHORITY
ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

Opinion

Chartered Accountants Maurice Solomon & Company have audited on my behalf the financial statements of Central Housing and Planning Authority, which comprise the statement of financial position as at 31 December 2017, and the statement of profit or loss, statement of changes in equity and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes as set out on pages 4 to 18.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Central Housing and Planning Authority as at 31 December 2017, and its financial performance and its cash flows for the year ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

I was unable to determine the accuracy of the sum of \$164.4M consumed on housing projects due to the absence of adequate records and poor controls surrounding the Stores operations as required under the Stores Regulations 1993.

I have conducted my audit in accordance with International Standards on Auditing (ISAs) issued by the International Federation of Accountants (IFAC), the International Standards of Supreme Audit Institutions (ISSAIs) and the Audit Act 2004. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of my report. I am independent of the company in accordance with the ethical requirement that are relevant to my audit of the financial statements in Guyana, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibility of Management and those charged with the Governance for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs, the Housing Act 1998 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.

In preparing the financial statements, management is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Authority or to cease operation, or has no realistic alternative but to do so.

Those charged with the governance are responsible for overseeing the Authority's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

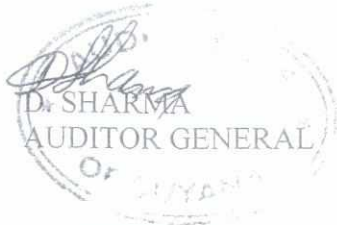
My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs and ISSAIs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



AUDIT OFFICE
63 HIGH STREET
KINGSTON
GEORGETOWN
GUYANA



**REPORT OF THE CHARTERED ACCOUNTANTS
MAURICE SOLOMON & CO.
TO THE AUDITOR GENERAL
ON THE FINANCIAL STATEMENTS OF
CENTRAL HOUSING AND PLANNING AUTHORITY
FOR THE YEAR ENDED 31 DECEMBER 2017**

Report on the Audit of the Financial Statements

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements give a true and fair view, in all material respects of the financial position of Central Housing and Planning Authority as at December 31, 2017, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

We have audited the accompanying financial statements of Central Housing and Planning Authority which comprise the Statement of Financial Position as at 31 December 2017, the Statement of Profit or Loss, Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies as set out in pages 8 to 18.

Basis for Qualified Opinion

We were unable to determine the accuracy of the sum of \$164.4M consumed on housing projects due to the absence of adequate records and poor controls surrounding the Stores operations as required under the Stores Regulations 1993.

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Central Housing and Planning Authority in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of Management and those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, The Housing Act 1998 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. In preparing the financial statements, management is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in cursive script, appearing to read "Maurice Solomon", followed by a large, stylized letter "C". The signature is written in black ink on a white background.

.....
Maurice Solomon & Co.
Chartered Accountants
December 19, 2018

CENTRAL HOUSING AND PLANNING AUTHORITY

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2017

	Notes	2017 GS000	2016 GS000
ASSETS			
Non-Current			
Property, Plant and Equipment	12	110,401	69,700
Investments	3	3,148,784	4,241,132
		<u>3,259,185</u>	<u>4,310,832</u>
Infrastructural Works:			
Land for Development	4	3,000,000	3,500,000
Housing Infrastructure Projects	5	5	726,768
Capital Funded Projects	6	1,301,266	1,626,581
		<u>7,560,456</u>	<u>10,164,181</u>
Current Assets			
Inventory	7	7,272	5,252
Work In Progress	8	996,060	604,494
Revolving Fund Loan	9	725,498	1,706,351
Receivables & Prepayments	10	3,001,163	1,001,163
Cash and Bank	13	367,871	1,660,370
		<u>5,097,864</u>	<u>4,977,630</u>
TOTAL ASSETS		<u><u>12,658,320</u></u>	<u><u>15,141,811</u></u>
EQUITY AND LIABILITIES			
Capital and Reserves			
MOF Contributions - Capital Projects		6,588,682	7,413,996
MOF Contributions - Low Income Houses		50,000	50,000
MOF Contribution - Low Income Revolving Loan		2,000,000	2,000,000
Accumulated Surplus		3,503,219	5,221,490
		<u>12,141,901</u>	<u>14,685,486</u>
Non-Current Liabilities			
Deferred Income	14	9,676	9,676
Long Term Liabilities (GOG/VIF H/F)	15	290,485	290,485
Payables and Accruals	11	216,258	156,164
		<u>516,419</u>	<u>456,325</u>
TOTAL EQUITY AND LIABILITIES		<u><u>12,658,320</u></u>	<u><u>15,141,811</u></u>

These financial statements were approved by and issue on 19th November, 2018.

**CENTRAL HOUSING &
PLANNING AUTHORITY**
Director of Finance

.....  Director of Finance - Reaze Abraham

.....  Chairman - Elsworth Williams

.....  Chief Executive Officer - Lelon Saul

CHIEF EXECUTIVE OFFICER
The notes on pages 8 to 17 form an integral part of these financial statements
CENTRAL HOUSING & PLANNING AUTHORITY

CENTRAL HOUSING AND PLANNING AUTHORITY

STATEMENT OF PROFIT OR LOSS

31 DECEMBER 2017

	2017	2016
	G\$000	G\$000
INCOME		
Sale of Land	580,561	1,935,194
Rental	709	570
Building Application Fees	12,853	13,319
Transport Processing Fees	10,875	18,539
Sale of Application Forms	4,782	5,305
Sale of Low Income Houses	-	190
Profit/ (Loss) from Sale of Houses (1000 Homes Project)	10,734	(5,725)
Survey Fees	3,310	5,423
Sale of Flat Duplexes	3,820	-
Other Income	148,363	151,129
Infrastructure Projects - GoG	825,315	825,315
Total Income	1,601,322	2,949,259
EXPENDITURE		
Housing Fund Projects	949,668	630,127
Cost of Land	500,000	500,000
Employment Costs	388,264	345,655
Stipend/Honorarium	19,434	21,238
Rental, Repairs and Maintenance	36,963	15,182
Advertisement	20,275	6,681
Legal Fees	4,789	6,637
Security	4,146	7,207
Utilities	30,993	16,309
Travelling & Subsistence	49,125	31,888
Fuel & Lubricants	9,717	7,724
Board Expenses	5,698	4,942
Depreciation	32,520	32,618
Office Materials & Supplies	15,004	13,764
Finance Charges	5,718	4,020
Other Administrative Expenses	46,818	28,885
Refunds to Allottees	62,719	127,665
IDB Hinterland Project	3,194	6,226
Expenditure on Low Income Houses	28,946	838
Expenditure on GoG Special Projects	726,763	7,614
Expenditure on Existing Housing Scheme	325,315	325,315
Donation	79	-
Housing Solution Exhibition	41,015	-
Jubilee Expenses	12,429	-
	(3,319,592)	(2,140,535)
Deficit/ Surplus for the Year	(1,718,270)	808,724

The notes on pages 8 - 18 form an integral part of these financial statements

CENTRAL HOUSING AND PLANNING AUTHORITY

STATEMENT OF CHANGES IN EQUITY

31 DECEMBER 2017

	Retained Earnings	MOF Contribution Capital Projects	MOF Contribution Low Income Houses	MOF Contribution Low Income Revolving Fund
<i><u>Year Ended 31 December 2017</u></i>	G\$000	G\$000	G\$000	G\$000
Balance at 1 January 2017	5,221,489	7,413,997	50,000	2,000,000
Movements in 2017	-	(825,315)	-	-
Deficit for the year	(1,718,270)	-	-	-
Balance as at 31st December 2017	<u>3,503,219</u>	<u>6,588,682</u>	<u>50,000</u>	<u>2,000,000</u>
<i><u>Year Ended 31 December 2016</u></i>				
Balance at 1 January 2016	4,412,766	8,239,312	50,000	2,000,000
Movements in 2016	-	(825,315)	-	-
Surplus for the year	808,723	-	-	-
Balance as at 31st December 2016	<u>5,221,489</u>	<u>7,413,997</u>	<u>50,000</u>	<u>2,000,000</u>

The notes on pages 8 - 18 form an integral part of these financial statements

CENTRAL HOUSING AND PLANNING AUTHORITY

STATEMENT OF CASH FLOWS

31 DECEMBER 2017

	2017	2016
	G\$000	G\$000
Operating Activities		
Operating (Deficit)/Surplus	(1,718,270)	808,724
Adjustment for:		
Interest Received	(112,733)	(137,151)
Depreciation	32,520	32,618
(Increase)/Decrease in Receivables and Prepayments	(2,000,000)	1,573
(Increase) in Work In Progress	(391,566)	(64,521)
Decrease in Inventory	(2,020)	6,068
Increase/ in Payables and Accruals	60,094	37,114
Net Cash Inflow/ (Outflow) from Operating Activities	(4,131,975)	684,426
Investing Activities		
Interest Received (Returns from Investment)	112,733	137,151
Infrastructural Works	1,552,073	832,930
Movement in Fixed Assets	(73,221)	(13,000)
Revolving Fund Loan	980,853	(20,072)
Fixed Deposits	1,092,348	(104,346)
Net Cash Flow from Investing Activities	3,664,786	832,663
Financing Activities		
Long Term Liabilities (GOG/VIF/H/F)	-	823
MOF Contributions - Capital Projects	(825,314)	(825,315)
Net Cash Flow from Financing Activities	(825,314)	(824,492)
Net Movement in Cash and Cash Equivalents	(1,292,503)	692,597
OPENING CASH AND BANK BALANCE	1,660,374	967,777
CASH AND BANK BALANCE	367,871	1,660,374
CASH AND CASH EQUIVALENTS COMPRISES OF:		
Cash and Bank	367,871	1,660,370

The notes on pages 8 - 18 form an integral part of these financial statements

CENTRAL HOUSING AND PLANNING AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2017

1. Background of Entity

The Central Housing and Planning Authority (CH&PA), was established in 1948, vide the Housing Act, Chapter 36:20, to address the housing needs of the citizens of Guyana. The Agency, which is under the purview of the Ministry of Communities, has the following primary objectives:

- 1 Divestment of Government land to eligible Guyanese for residential use.
- 2 Development of housing schemes and regularization and upgrade of squatter settlements.
- 3 Orderly and progressive development of Land, Cities, Towns, Urban and Rural areas.
- 4 Granting security of tenure, (Transports and Certificates of Title to Land).
- 5 Preparation of development plans for urban centers.
- 6 Provision of services (access roads, internal road networks, water distribution networks, drainage, electricity).
- 7 Collaboration with stakeholders for the development of sustainable communities.

2. Basis of Accounting

(a) The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), and are stated in Guyana Dollars. These financial statements have been prepared on an accrual basis.

(b) *Standards, amendments and interperations that are not yet effective in current year and either not relevant or which has no material impact on the company's financial reporting.*

IFRS 9 Financial Instruments: Classification and Measurement- Amendments (1 January 2018)

IFRS 10 Consolidated Financial Statements- Amendments (1 January 2016)

IFRS 11 Joint Arrangements - Amendments (1 January 2016)

IFRS 15 Revenue from Contracts with Customer- Amendments (1 January 2017)

IAS 1 Amendments to IAS 1 - Statement of Comprehensive Income

IAS 27 Separated Financial Statements- Amendments (1 January 2016)

(c) *The Standards and amendments that are effective in the current year and has material impact on the Company's financial reporting.*

IAS 1 Presentation of Financial Statements- Amendments (1 January 2016)

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors

IAS 16 Property, Plant and Equipment- Amendments (1 January 2016)

IAS 36 Recoverable Amount Disclosures for Non Financial Assets

IAS 19 Amendments to IAS 19 - Employee Benefits

IFRS 13 Fair Value Measurement

CENTRAL HOUSING AND PLANNING AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2017

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

- (d) *The standards and amendments that are effective in the current year and expected to have to no material impact on the Company's financial reporting.*

Amendments to IFRS 10, IFRS 12 and IAS 27 - Investment Entities

IAS 32 Offsetting Financial Assets and Liabilities - Amendments

IAS 36 Recoverable Amount Disclosures for Non Financial Assets - Amendments

IFRS 12 Disclosures of Interest in Other Entities

IAS 27 Separate Financial statements

IAS 28 Investments in Associates and Joint Ventures

IFRIC 21 - Levies

(e) Foreign Currency Transaction

Transactions involving foreign currencies are translated at the exchange rates at the dates of these transactions. At the date of the Statement of Financial Position all assets and liabilities denominated in foreign currencies are translated into Guyana dollars at the exchange rates ruling at that date. Gains and losses arising from the settlement of and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of Comprehensive Income.

(f) Cash and Cash Equivalents

Cash and cash equivalents are held for the purpose of meeting short term cash commitments rather than investments or other purposes. These are readily convertible to a known amount of cash, with maturity dates of 3 months or less.

CENTRAL HOUSING AND PLANNING AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2017

2. SIGNIFICANT ACCOUNTING POLICIES Cont'd

(g) Revenue Recognition

Revenue and expense are recognised on an accrual basis.

(h) Property, Plant and Equipment

Depreciation of non-current assets is calculated on the straight line method at rates sufficient to write off the cost of these assets to their residual values over their estimated useful lives as follows:

Motor Vehicles	20%
Fixtures	20%
Equipment	20%

(i) Inventories

These are valued at the Lower of Cost and Net Realizable Value using primarily the First in First Out Cost method.

CENTRAL HOUSING AND PLANNING AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2017

2. SIGNIFICANT ACCOUNTING POLICIES Cont'd

(j) Taxation

Provision for deferred corporation tax is computed using the liability method, for all temporary differences arising between the tax bases of the assets and liabilities and their carry values for financial reporting purposes. The current enacted tax rate is used to determine deferred income tax.

The principal temporary differences arise from depreciation of property and equipment and tax losses carried forward. Deferred tax assets relating to the carry forward of unused tax losses are recognized to the extent that it is possible that future taxable profit will be available against which the unused tax losses can be utilized.

(k) Revaluation Reserve

Surplus and Disposals on revalued non-current assets are debited and credited to this account.

Surplus and Deficit on revalued non-current assets are debited and credited to this account.

CENTRAL HOUSING AND PLANNING AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2017

3. Investments

Investments represents surplus funds invested in a mix of fixed deposit accounts and savings accounts at commercial banks and the amount shown in the Statement of Financial Position represents the balances in the said accounts as at 31/12/2017.

	2017	2016
	G\$000	G\$000
Demerara Bank	2,861,351	3,364,003
Republic Bank Ltd.	227	20,183
Citizens Bank Fixed Deposit Account	287,206	856,946
	3,148,784	4,241,132

4. Land for Development

Land for Development represents land purchased from GUYSUCO for housing development and is shown at cost in the Statement of Financial Position.

Opening Balance	3,500,000	4,000,000
Written off to Statement of Income and Expenditure	(500,000)	(500,000)
Closing Balance	3,000,000	3,500,000

5. Housing Infrastructure Projects

In 2010 and 2012 the Authority received G\$4.730B and G\$1.5B, respectively as subvention from the Government of Guyana for infrastructural development in the housing sector. The G\$5000 represents the balance remaining to be spent from the said subventions as at 31/12/2017.

Opening Balance	726,768	734,382
Transferred to Statement to Income and Expenditure	(726,763)	(7,614)
Closing Balance	5	726,768

6. Capital Funded Projects

The G\$3.253B represents subvention received from the government over the years for Capital Infrastructural Works. This amount will be written off to the Statement of Income and Expenditure over a ten years period.

Opening Balance	1,626,581	1,951,896
Written off to Statement of Income and Expenditure	(325,315)	(325,315)
Closing Balance	1,301,266	1,626,581

CENTRAL HOUSING AND PLANNING AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2017

7. Inventory	2017 G\$000	2016 G\$000
Inventory relates to inventory held as at 31st December, 2017 for the 1000 Homes Project which is stored at Perseverance, EBD. Inventory is stated at lower of cost or net realizable value in accordance with IAS 2.		
Inventory	<u>7,272</u>	<u>5,252</u>

8. (a) Work In Progress (1000 Homes Project)

Work In Progress stated in the Statement of Financial Position is calculated in accordance with IAS 2 and represents all directly attributable cost incurred as at 31/12/2017 in the construction of houses in the 1000 Homes Project at Perseverance, EBD.

WIP Valuation

Opening WIP	604,494	539,973
Add: Opening Stock	5,252	11,320
Add: Opening Prepayments	-	1,736
Add: Purchases	166,433	64,416
Add: Creditors	-	4,814
Less: Closing Inventory	(7,272)	(5,252)
Less: Prepayments	-	(163)
Cost of Inventory used in construction of houses	<u>768,907</u>	<u>616,844</u>
Plus: Labour cost	125,546	66,492
Plus: Employment Cost	19,837	17,917
Plus: Misc Cost	44,645	13,736
Less: Stock Write down	-	(395)
Less: Cost of Sales & Other expenditure	<u>(218,066)</u>	<u>(110,100)</u>
	<u><u>740,869</u></u>	<u><u>604,494</u></u>

8. (b) Work In Progress (Housing Solutions)

Work In Progress stated in the Statement of Financial Position is calculated in accordance with IAS 2 and represents all directly attributable cost incurred as at 31/12/2017 in the construction of houses for Housing Solution at Perseverance, EBD.

WIP Valuation

Construction of Duplexes	161,311	-
Construction of Single elevated	93,880	-
	<u>255,191</u>	<u>-</u>
Total Work In Progress	<u><u>996,060</u></u>	<u><u>604,494</u></u>

CENTRAL HOUSING AND PLANNING AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2017

9. Revolving Fund Loan	2017	2016
	G\$000	G\$000
Subvention of G\$2.0B received from the Government of Guyana for the establishment of a low income revolving fund loan facility. This amount is shown in the Statement of Financial Position plus bank interest earned to date.		
Opening Balance	1,706,351	1,686,279
Interest Earned	20,647	20,072
Expenditure on 1000 Homes Project	(1,001,500)	-
Closing Balance	<u><u>725,498</u></u>	<u><u>1,706,351</u></u>
10. Receivables & Prepayments		
Deposit - GPL	1,000	1,000
Guysuco	3,000,000	1,000,000
Prepayments - 1000 Homes Project	163	163
	<u><u>3,001,163</u></u>	<u><u>1,001,163</u></u>
11. Payables and Accruals		
Prepayments Received on Turn Key Houses	192,488	151,350
Accruals	7,398	4,814
Mobilization Advance (Contractor's)	16,372	-
	<u><u>216,258</u></u>	<u><u>156,164</u></u>

CENTRAL HOUSING AND PLANNING AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2017

12. Property, Plant and Equipment

	Motor Vehicles GS000	Fixtures GS000	Equipment GS000	Total GS000
<u>Cost/Valuation</u>				
At 1 January 2017	104,422	64,321	80,348	249,091
Additions	25,170	28,725	19,326	73,221
At 31 December 2017	129,592	93,046	99,674	322,312
<u>Depreciation</u>				
At 1 January 2017	69,280	53,853	56,258	179,391
Charge for the Year	16,688	6,836	8,996	32,520
At 31 December 2017	85,968	60,689	65,254	211,911
<u>Net Book Values</u>				
At 31 December 2016	35,142	10,468	24,090	69,700
At 31 December 2017	43,624	32,357	34,420	110,401

CENTRAL HOUSING AND PLANNING AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2017

	2017	2016
	GS000	GS000
13. Bank & Cash Balances		
Citizens Bank Current Account	(621)	943,253
RBL Current Account	34,434	171,435
NBIC GOG/VIF Account	16,412	49,739
RBL GoG Capital Account	5,975	5,184
Citizens Bank Revolving Fund Account	245,090	112,023
GBTI Current Account	54,770	46,243
Citizens Bank Savings	2,209	2,198
GBTI Savings Accounts	9,022	1,056,478
Petty Cash Account	565	565
Stamp Imprest	20	20
Cash balance disclosed seperately under <i>Note "5"</i>	(5)	(726,768)
	367,871	1,660,370

14. Deferred Income

The Deferred Income in the Statement of Financial Position as at 31/12/2017 is in relation to Motor Vehicles that were transferred to the Authority during the year. The said Motor Vehicles were valued and brought into the accounts of the Authority.

Opening Balance	9,676	9,676
Transferred to Income and Expenditure Account	-	-
Closing Balance	9,676	9,676

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NOTES TO THE FINANCIAL STATEMENTS

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15. Long-Term Liabilities (GoG/VIF H/F)	2017	2016
	G\$000	G\$000
Opening Balance	290,485	289,662
Amount Transferred during the year	-	823
	<u><u>290,485</u></u>	<u><u>290,485</u></u>

16. Related Party Transactions and Other Disclosures

(a) Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions. There were no related party transactions for the year ending 31st December, 2017.

(b) Other Disclosures	2017	2016
	G\$000	G\$000
(i) Stipend paid to Board Chairman and Directors.		
Chairman	96	96
Board of Directors	1,428	1,155
Total	<u><u>1,524</u></u>	<u><u>1,251</u></u>

(ii) Key Management Personnel

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any directors (whether executive or otherwise) of the entity. (IAS 24.9).

Chief Executive Officer	6,927	5,140
Director of Projects	5,426	4,217
Director of Operations	7,048	6,659
Director of Finance	3,568	3,006
Director, Community Planning and Development	4,808	4,204
Head, Information Communication Technology	2,859	4,706
Chief Development Planner	5,965	4,514
Total	<u><u>36,601</u></u>	<u><u>32,446</u></u>

17. Surplus/(Deficit) from Sale of Houses (1000 Homes Project)

Income From Sale of Houses	228,800	105,600
Cost Of Sales	<u>(218,066)</u>	<u>(110,100)</u>
Gross Surplus/ (Deficit)	10,734	(4,500)
Other Project Related Expenses	-	(1,225)
Net Surplus/ (Deficit)	<u><u>10,734</u></u>	<u><u>(5,725)</u></u>

CENTRAL HOUSING AND PLANNING AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

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18. LITIGATION

As at 31 December, 2017 there were twelve (12) pending matters which were identified for year that the outcome could not be determine by the authority legal representatives.