

AUDITORS:

AUDIT OFFICE
63 HIGH STREET
KINGSTON
GEORGETOWN
GUYANA

FOR THE YEAR ENDED
31 DECEMBER 2009

AUDITED FINANCIAL STATEMENTS OF THE
GUYANA CIVIL AVIATION AUTHORITY

JUN 25 2010



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>*

161/CA: 2/2015

18 June 2015

Ms. Chairani Heralall
Director General (ag)
Guyana Civil Aviation Authority
Fairlie House
96 Duke Street, Kingston
Georgetown.
Dear Ms. Heralall,

**RE: AUDIT OF THE BOOKS AND ACCOUNTS OF
GUYANA CIVIL AVIATION AUTHORITY
FOR THE YEAR ENDED 31 DECEMBER 2009**

We wish to inform you that the audit of the above-mentioned Authority has been completed. Accordingly, we are pleased to forward two (2) copies of the audited financial statements, together with the Report of the Auditor General and Management Letter thereon. Should you need any clarification or explanation, please do not hesitate to let us know.

With kind regards.

Yours sincerely,
[Signature]
T. Pyle
Audit Manager
For Auditor General



Audit Office of Guyana

*P.O. Box 1002, 63 High Street, Kingston, Georgetown, Guyana
Tel: 592-825-7592, Fax: 592-826-7257, <http://www.audit.org.gy>*

18 June 2015

162/CA: 2/2015

Mr. Balraj Balram
Permanent Secretary
Ministry of Public Infrastructure
Wight's Lane, Kingston
Georgetown.
Dear Mr. Balram,

**RE: AUDIT OF THE BOOKS AND ACCOUNTS OF
GUYANA CIVIL AVIATION AUTHORITY
FOR THE YEAR ENDED 31 DECEMBER 2009**

We wish to inform you that the audit of the above-mentioned Authority has been completed. Accordingly, we are pleased to forward one copy of the audited financial statements, together with the Report of the Auditor General and Management Letter thereon.

Should you need any clarification or explanation, please do not hesitate to let us know.

With kind regards.

Yours sincerely,
[Signature]
T. Pyle
Manager
AUDIT OFFICE
For Auditor General

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.

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.

Auditor's responsibility

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.

Management's responsibility for the financial statements

I have audited the accompanying financial statements of the Guyana Civil Aviation Authority, which comprise the statement of financial position as at 31 December 2009, 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.

**REPORT OF THE AUDITOR GENERAL
ON THE FINANCIAL STATEMENTS OF THE
GUYANA CIVIL AVIATION AUTHORITY
FOR THE YEAR ENDED 31 DECEMBER 2009**

AG: 51/2015

13 June 2015

Audit Office of Guyana
 P.O. Box 1002, 63 King's Street, Kingston, Georgetown, Guyana
 Tel: 592-225-7592, Fax: 592-226-7257, <http://www.audit.org.gy>



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

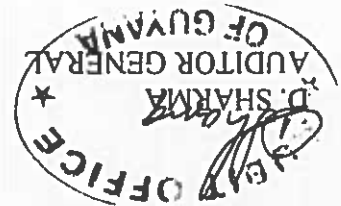
Basis of Qualified Opinion

The amount of \$570,747M was shown as fixed assets for the year under review. A Fixed Asset Register was not produced for audit. However, a schedule was presented for audit verification but this did not reflect the category of fixed assets, as such, it could not be traced to the financial statements. As a result, the existence and ownership of fixed assets and the completeness, accuracy and validity of the figure shown in the financial statement could not be verified.

The sum of \$2,764M is shown as a suspense account, however, no details were provided to substantiate this amount, as a result one or more account would be under/overstated.

Qualified Opinion

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 financial position of the Guyana Civil Aviation Authority as at 31 December 2009, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.



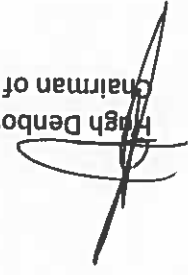
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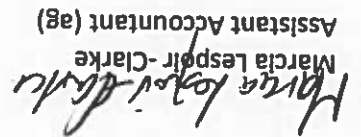
**Guyana Civil Aviation Authority
Statement of Financial Position
As at 31 December 2009**

	Notes	2009	2008
Assets			
Property Plant & Equipment	3	570,747,019	208,924,418
Current Assets			
Stock			
Debtors	4	119,258,972	124,100,653
Prepayments	5	99,780	294,000
Bank Balance	6	411,007,509	716,579,017
Cash			
Suspense account		2,764,485	6,308,409
Total Assets		<u>1,103,877,765</u>	<u>1,056,206,497</u>
Equity and Liabilities			
Accumulated Fund	7	1,233,635,669	1,203,635,669
Accumulated Surplus/Deficit	8	(174,830,008)	(165,028,485)
Equity and Liabilities		<u>1,058,805,661</u>	<u>1,038,607,184</u>
Current Liabilities			
Account Payables	9	41,035,670	15,439,089
Accruals	10	4,036,434	2,160,224
Current Liabilities		<u>45,072,104</u>	<u>17,599,313</u>
Total Equity and Liabilities		<u>1,103,877,765</u>	<u>1,056,206,497</u>

The Board of Directors approved these financial statements for issue on May 28, 2015

Guyana Civil Aviation Authority


 Hugh Denbow
 Chairman of GCAA Board


 Marcia Lespoir-Clarke
 Assistant Accountant (ag)

Guyana Civil Aviation Authority
Statement of Comprehensive Income
For the year ended 31 December 2009

2009	2008	Notes
2,880,720	3,207,080	
14,365,000	10,235,000	
-	-	
-	-	
430,000	4,766,058	
230,989,672	186,488,995	
85,410,500	96,688,029	
24,794,690	22,618,290	
4,808,436	3,143,191	
574,490	505,470	
1,369,810	6,268,872	
75,000	-	
11,800,520	17,270,082	
-	218,000	
-	2,139,000	
377,498,838	353,548,067	
Total Income		
Expenditures		
269,323,641	260,198,022	
360,000	360,000	
4,908,880	6,658,234	
2,720,895	3,318,453	
4,884,347	6,563,124	
4,638,192	1,138,951	
2,229,769	1,651,782	
9,234,249	5,445,911	
22,252,097	24,824,528	
5,002,243	7,061,846	
7,192,199	2,625,419	
54,553,849	7,407,593	
33,860,226	33,860,226	
387,300,361	361,114,089	
(9,801,523)	(7,566,022)	
Net (Deficit)		

Guyana Civil Aviation Authority
 Statement of Changes in Equity
 as at 31 December, 2009

Particulars	Opening Balance 1/01/ 2008	Government Capital Funds	Net loss for the year	Balance as at 1 January 2008	Balance as at 1 January, 2009	Capital grant	Net loss for the year	Balance as at 31/12/2009
Accumulated Surplus	(157,462,463)			(165,028,485)	(165,028,485)			(174,830,008)
Accumulated Fund	543,635,669	660,000,000		1,203,635,669	1,203,635,669	30,000,000		1,233,635,669
Total	386,173,206	660,000,000	(7,566,022)	1,038,607,184	1,038,607,184	30,000,000	(9,801,523)	1,058,805,661

Guyana Civil Aviation Authority
Statement of Cash Flow
For the year ended 31 December 2009

	2009	2008	
Operating income	(9,801,523)	(7,566,022)	
Adjustments			
Depreciation	54,553,849	33,860,226	
Suspense account	3,543,924	(6,308,409)	
Operating Surplus / Deficit before changes in working capital	48,296,250	19,985,795	
Loss on disposal of assets			
(Increase)/decrease in accounts receivables	4,841,681	1,882,010	
(Increase)/decrease in prepaid expenses	194,220	106,000	
Increase/ (decrease) in accounts payable	25,596,581	7,076,458	
Decrease/ (decrease) in accruals	1,876,210	(786,121)	
Net Cash Flow from operating activities	80,804,942	28,264,142	
Cash flow investing activities			
Purchase of equipment	(416,376,450)	(12,974,182)	
Financing activities			
Government Capital funds	30,000,000	660,000,000	
Net increase/decrease in cash and cash equivalent	(305,571,508)	675,289,960	
Summary			
Cash \ equivalent at start	716,579,017	41,289,057	
cash \ equivalent at end	411,007,509	716,579,017	
Net increase/decrease in cash equivalent	(305,571,508)	675,289,960	

Guyana Civil Aviation Authority
Notes to the Financial Statements
For the year ended 31 December 2009

1. **Background of the entity**

The Guyana Civil Aviation Authority (GCAA) was established on 29th August, 2000 by Act No. 10 of 2000. The Authority is responsible for providing air navigation, air traffic aeronautical telecommunications and aeronautical meteorology services.

The Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flow and the Statement of Changes in equity of the Authority have been prepared in accordance with International Financial Reporting Standards, using the Accrual accounting convention, Assets are carried at historical cost (reduced by depreciation-actual and notional) and where historical cost is unavailable the estimated replacement cost have been used,

Government subvention/grants have been accounted for in accordance with IAS 20 Accounting for Government Grants and Disclosure of Government Assistance.

A professional valuation is still to be done to confirm the relevant values and useful lives of our Navigation Equipment and related assets. Amounts carried in the balance sheet are our best estimates of replacement cost from available market prices (obtained by way of quotes and prices used in similar recent transactions).

The WGS-84 Geodetic Survey is still an ongoing project; additional Government Assistance/Grants (Capital) are expected for financing of the remaining stages of the project. The grant has been accounted for based on value of the completed portion of the works and the amount of non-refundable disbursements received.

A Pension Scheme was set up for the benefit of the employees of the Authority in 2002. The nature of the scheme is a Defined Benefit scheme and 15% of each permanent employee's basic salary is contributed by the authority. No contribution is made by employees. Hand-in-Hand insurance company is the Manager of the scheme and three employees of the Authority were nominated as trustees.

Expenses for the Authority is broken down into employment cost and other charges

Employment cost: It is broken down into two headings which are wages and salary (code 101-107) of which 106 represent contracted employees and 107 temporary employees and employment overhead (201-205), 201 represent overtime for employees and 202 incentives, 203 benefits and allowance. 204 for employee and employer NIS and 205 pensions for employees.

Guyana Civil Aviation Authority
Notes to the Financial Statements
For the year ended 31 December 2009

2. Principal Accounting Policies

a. **Basis of Presentation**
 The Financial Statement has been prepared in accordance with International Financial Reporting Standards.

b. **Basis of Accounting**
 The Financial Statements have been prepared under the historical cost convention and modified to include the revaluation of assets where necessary.

c. **Income and Expenditure Recognition**
 The Financial Statements have been prepared on the accrual basis. Income is recognized in the period in which it has been earned and not necessarily when collected while expenditure is recorded in the period in which it has been incurred. However all income stated in the financial statements are those which have been actually earned by the Authority.

d. Depreciation

Assets are depreciated using the straight line method for the various categories of assets (See schedule attached) at note 3.

Asset Categories	Depreciation rate %
Land & Building	2.5
Plant & Machinery	3.59
Fixtures & Fittings	4.67
Computer equipment	6.5
Electrical equipment	4.99
Motor Vehicle	5.28
Office Furniture	4.53
General equipment	9.34

3. Property Plant & Equipment

Note 3

Guyana Civil Aviation Authority
Depreciation Schedule 2009

	Asset Categories										
	Land & Bld	Plant & Machinery	Fixtures & Fittings	Computer Equipment	Electrical Equipment	Motor Vehicle	Office Furniture	General Equipment	Total Equipment		
Cost (Estimated)	240,997,111	654,654,164	19,149,332	11,542,859	12,527,080	24,088,464	12,476,533	2,425,001	977,860,544		
Additions for Year 2009	0	7,986,638	138,764	1,045,519	406,508,278		362,175	335,076	416,376,450		
Total	240,997,111	662,640,802	19,288,096	12,588,378	419,035,358	24,088,464	12,838,708	2,760,077	1,394,236,994		
Disposals (cost)	0	0	0	0	0	0	0	0	0	0	
Balance at Dec-31st 2009	240,997,111	662,640,802	19,288,096	12,588,378	419,035,358	24,088,464	12,838,708	2,760,077	1,394,236,994		
Accumulated Depreciation											
Total Depreciation at Jan 1st 2009	87,290,709	634,163,278	16,105,352	4,986,277	8,477,212	9,627,495	8,028,812	256,991	768,936,126		
Dep charge for Year 2009	6,024,927	23,788,804	900,754	818,245	20,909,864	1,271,871	581,593	257,791	54,553,849		
Total	93,315,636	657,952,082	17,006,106	5,804,522	29,387,076	10,899,366	8,610,405	514,782	823,489,975		
Disposals (Dep)	0	0	0	0	0	0	0	0	0	0	
Total Dep at 31-Dec 2009	93,315,636	657,952,082	17,006,106	5,804,522	29,387,076	10,899,366	8,610,405	514,782	823,489,975		
Net Book Value (2008)	153,706,402	20,490,886	3,043,980	6,556,582	4,049,868	14,460,969	4,447,721	2,168,010	208,924,418		
Net Book Value (2009)	147,681,475	4,688,720	2,281,990	6,783,856	389,648,282	13,189,098	4,228,303	2,245,295	570,747,019		

Guyana Civil Aviation Authority
Notes to the Financial Statements
For the year ended 31 December 2009

4. **Debtors**
 Debtors are reflected as G\$119,258,972 which shows monies outstanding for Air Navigation charges. Please see breakdown below.

	2009	2008
Overflight	62,591,910	62,509,278
Arrival & Departure	19,927,648	24,517,874
Domestic	36,739,414	35,853,501
other	0	1,220,000
Total	119,258,972	124,100,653

5. **List of prepayments for 2009 and 2008**

	2009	2008
Prepayment	G\$ 99,780	G\$ 294,000

List of prepayments (expenses paid in advance) for 2009

6. **Bank balances**
 Bank balances at the end of 2009 shows the total of \$411,007,509 available to cover expenses. See breakdown:

	2009	2008
Banks & Balances	G\$ 21,982,090	G\$ 15,657,349
Bank of Guyana	68,012,934	27,105,602
Republic Bank	321,012,485	673,816,066
Nova Scotia Bank	411,007,509	716,579,017
Total	411,007,509	716,579,017

Guiana Civil Aviation Authority
Notes to the Financial Statements
For the year ended 31 December 2009
Accumulated Fund

Accumulated fund comprises the value of all assets transferred to the Authority, all capital grants received, total opening balances of Accounts Receivables obtained from CIA in September 2004 and additions.

8. Accumulated surplus/deficit

Balances	2009	2008
Balance at 1/1/2009	(165,028,485)	(157,462,463)
Surplus/deficit 2009	(9,801,523)	(7,566,022)
Balance as at 31/12/2009	(174,830,008)	(165,028,485)

9. List of payables

Line Item	2009	2008
Employment Costs	8,777,039	7,959,439
Materials Equipment	30,000	707,441
Fuel and Lubricants		200,921
Rental & Maintenance		128,500
Utility charges	364,649	286,374
Other goods and services purchased		477,244
Other operating expenses	808,982	317,570
Capital expenses	31,055,000	5,361,600
Training		
Total	41,035,670	15,439,089

10. List of Accruals.

Line Item	2009	2008
Employment Costs	2,621,525	91,571
Materials Equipment and Supplies	3,600	75,409
Fuel and Lubricants	217,036	151,081
Utility Charges	1,193,273	292,991
Other goods and services purchased	1000	700,000
Training		849,172
Total	4,036,434	2,160,224

Guyana Civil Aviation Authority
Notes to the Financial Statements
For the year ended 31 December 2009

11. **Employment Cost**
 (a) Total employment cost amounted to \$269,323,641 for 2009 and \$260,198,322 for 2008. See breakdown below:

Description	2009 G\$	2008 G\$
Administration	22,164,286	27,975,787
Senior technical	57,415,466	55,315,561
Other technical & craft skilled	67,823,321	72,613,550
Clerical & Office support	13,898,349	14,491,893
Semi-Skilled & Unskilled	4,700,286	3,828,496
Contracted employees	3,524,800	3,583,889
Temporary employees	7,227,752	4,644,434
Other direct labour cost	34,238,063	25,571,127
Benefits and Allowances	29,342,644	27,572,096
National Insurance	6,442,977	6,415,090
Pensions	22,545,697	18,186,099
Total	269,323,641	260,198,022

(b) Included in the employment cost, are the gross salaries for the following key management officers listed below:

Name	Designation	Amount \$
Zulficar Mohamed	Director General	12,753,998
Paula Mc Adam	Director, Air Safety Regulation	9,396,124
Chaitram Heeralall	Director-ANS (ag)	10,612,525
Hardat Singh	Director of Finance & Administration	5,393,429
Ankar Doobay	Manager-ASR	9,265,706
Mohamed S.Khan	Manager, Personnel Licensing	6,924,945
Rickford Samroo	Manager, ANS	8,525,926

- (d) All monies expended and charged to the accounts have been applied to the purpose or purposes for which they were intended; and
- (c) The rules, procedures and internal management controls are sufficient to secure effective control on the assessment, collection, and proper allocation of revenue;
- (b) The accounts have been faithfully and properly kept;
- (a) The financial statements have been properly prepared, in accordance with applicable laws, and properly present the operations and affairs of the Authority;

3. The main purpose of the audit was to evaluate the operations of the Authority to ascertain whether:

2. The audit was conducted in accordance with Generally Accepted Auditing Standards, including those of the International Organization of Supreme Audit Institutions (INTOSAI) and the International Standards on Auditing, issued by the International Federation of Accountants (IFAC). These standards require that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatements.

Following the audit of the financial statements of the Guyana Civil Aviation Authority (GCAA) Accountant (ag) of the Authority and are now forwarded to you for appropriate action.

**RE: AUDIT OF THE FINANCIAL STATEMENTS OF THE
GUYANA CIVIL AVIATION AUTHORITY
FOR THE YEAR ENDED 31 DECEMBER 2009**

Ms. Chairani Heeralall
Director General (ag)
Guyana Civil Aviation Authority
Fairly House
96 Duke Street, Kingston
Georgetown.

159/CA: 2/2015

18 June 2015

Audit Office of Guyana
P.O. Box 1002, 63 High Street, Kingston, Georgetown, Guyana
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(e) Essential records are maintained, and the internal management controls, rules and procedures established and applied are sufficient to safeguard the control of stores and other property.

FINDINGS AND RECOMMENDATIONS

A. STATEMENT OF FINANCIAL POSITION

Non-Current Assets: \$570,747,019

4. The amount of \$570.747M was shown as fixed assets for the year under review. A schedule of fixed assets showing the cost, accumulated depreciation and net book value for the year was presented for audit inspection. However, a Fixed Asset Register which shows pertinent information such as the description of assets, acquisition date, identification and serial number of assets along with location, acquisition cost, accumulated depreciation and net book value was not maintained and kept by the Authority. As a result, in the absence of such record it could not be easily determined if all assets are properly recorded and accounted for in the records of the Authority.

Recommendation: The Audit Office recommends that the Management of the Authority implement and maintain a Fixed Asset Register, showing all relevant information pertaining to its assets.

Management's Response: A fixed asset schedule is in place outlining the various asset categories, quantity, location and cost. A register will be implemented to reflect the other information such as acquisition date, identification and serial number of assets.

5. During the year 2009 two (2) contracts were awarded for the supply and installation of equipment for the modernization of CNS, ATM and CNS/ANS at Ogle for 150,000USD and 3,499,842 USD respectively, however cabinet approvals were not seen. As a result the Authority is not in compliance with the procurement Act.

Recommendation: The Audit Office recommends that the Management of the Authority put systems in place to ensure that there is strict adherence to the Procurement Act 2003.

Management's Response: The recommendation is acknowledged and measures will be put in place to implement same.

6. The method and rates used for calculating the depreciation charges were not stated, as a result consistent application of the depreciation rates and the accuracy of depreciation charges could not have been determined. However, the depreciation charges for acquisitions during the period under review were calculated using straight line method.

Recommendation: The Audit Office recommends that the Management of the Authority should have a documented policy in relation to the depreciation of its assets.

Management's Response: The Management explained that efforts are being made to have an accounting software package which will be able to manage the debtors in a much more organized and speedy manner. At the moment we are short of staff, however, efforts are in place to obtain the relevant personnel to manage the debtor's account.

Recommendation: The Audit Office recommends that the Management of the Authority ensure there is: (i) frequent reconciliation of the Receivables Control Account to the individual Receivables Accounts; (iii) frequent updates to the Receivables Register; (iii) prompt dispatch of statements; and (iv) necessary action is taken to ensure payments are received in a timely manner.

8. An examination of the Register of Receivables revealed that the Register was not updated in a timely manner, statements are not sent on a frequent basis and no reconciliation between the receivables control account and individual accounts was carried out. Further, there is a significant amount of the debts which are long overdue and there was no indication of these being pursued and recovered in a timely manner. It would appear that there was little or no action being taken to ensure that outstanding debts are properly monitored so as to have them cleared promptly, it should be noted that outstanding debts will have an impact on the cash flow of the authority.

1. Efforts will be made to reconcile and investigate the differences stated.
2. Checks will be carried out to investigate the stated invoices.

Management's Response:

Recommendation: The Audit Office recommends that the Management of the Authority take the necessary action to rectify these discrepancies.

- iii. Nine invoices totalling \$2,022M were omitted from the debtors report. As a result the figure shown as debtors was understated (see appendix i).
- ii. As at 31 December 2008, amounts totalling \$124,101M were verified as Receivables, an examination of the related records revealed that the opening balance was stated at \$127,265M. As a result, the balance stated as Receivables as at 31 December 2009 was overstated by \$3,165M; and
- i. A debtor's schedule and age analysis was not presented for audit examination. As a result, the accuracy and completeness of the Debtors could not be ascertained;

7. An examination of the debtors report and other related records revealed the following:

Debtors: \$119,258,972

Management's Response: Management explained that efforts would be made to revisit the calculation of the depreciation with the aim of making it clearer.

Bank Balance \$411,007.509

9. An examination of the reconciliation statements for the month of December 2009 in respect of Account No. 3254 revealed that there were eighteen (18) unrepresented cheques totalling \$357,525 which had become stale dated; however, these cheques were still listed as unrepresented (see appendix ii). As a result the Cash Book would have been understated by the said amount.

Recommendation: The Audit Office recommends these cheques be written back to the cash book since they have become stale-dated and are no longer valid.

Management's Response: The Management explained that the cheques under reference, even though stale dated are still unrepresented. However, efforts would be made to remove them from the list and return the amounts to the cash book.

10. The amount of \$2.764M was shown as suspense account for the period under review; however, no details and nature of this Account was provided, hence, one or more accounts were under/overstated and could not be validated. As a result, the completeness, accuracy and validity of the amount stated could not be determined.

Recommendation: The Audit Office recommends that the Management of the Authority take immediate action to have this account investigated and the relevant adjustments made.

Management's Response: The figure under reference was included to balance the statement. Efforts are being made to investigate and clear the suspense account.

B. STATEMENT OF COMPREHENSIVE INCOME

Operating Income: \$377,498,838

11. The amount of \$377,499M represents income earned for the year under review. It was derived from Fees and Charges from Licenses, Airworthiness Certificates and contacts charges from International Over Flights, Domestic Movement and International Arrival and Departures of aircrafts. An examination of the related records revealed that the schedule showing the breakdown of income for the various categories of income for the period under review could not be traced to any register or the revenue report. As a result, it could not be determined whether the income received were properly categorized and whether they relate to the period under review.

Recommendation: The Audit Office again recommends that the Management of the Authority take the necessary steps to have all income categorized and recorded in a register of revenue which can be verified to the revenue report.

Management's Response: Please be informed that the amount \$377.5M reflects income earned inclusive of interest on investment and government subsidy while on the other hand the revenue report only reflects revenue actually received.

12. Receipt book with sequence numbers 301201 to 301400 was not presented for audit scrutiny. It should be noted that receipt books should at all times be safely kept for the purpose of audit scrutiny.

Recommendation: The Audit Office again recommends that the Management of the Authority take urgent action to locate and present the receipt book for audit examination.

Management's Response: Efforts will be made to locate and present the receipt book.

Expenditure: \$387,300,361

13. An examination of payment vouchers, contract documents and other related records revealed the following:

i. Five payment vouchers totalling \$5.513M were not presented for audit examination (see appendix iii). As a result, it could not be easily determined whether all payments were made for the purposes intended and whether they were properly authorized;

ii. Fifty payment vouchers totalling \$10.261M were expended on transportation cost, but were however charged to Line Item 184-Other Goods and Services Purchased instead of Line Item 165-Transport Travel & Postage resulting in misallocation of funds (see appendix iv);

iii. Contracts for the supply of transportation services in the sum of \$10.261M were not presented for audit examination. As a result, it could not be determined if there was adherence to the requirements and procedures of the National Procurement & Tender Administration Board and whether they were awarded to the most competitive bidder;

iv. During the year 2009 two contracts were awarded for the rehabilitation of Control Tower Timhri International Airport Plumbing works and rehabilitation of Control Tower Timhri International Airport road works for \$4.253M and \$4.604M respectively, however Tender Board approvals were not seen. As a result the Authority is not in compliance with the Procurement Act; and


v. The Authority owned and operated three vehicles. Log books are required to be kept for two vehicles, however log book was presented for only one vehicle. In addition, pertinent information such as the amount of fuel intake was not recorded in the logbook. As a result, it could not be determined whether the journeys undertaken were properly authorized and whether there were effective control over the use of these vehicles.

Recommendation: The Audit Office recommends that the Management of the Authority: (i) locate the missing vouchers and present them for audit examination; (ii) carefully assess the allocation of this expenditure in an effort to reflect the true position of its expenditure; (iii) put systems in place to ensure that there is strict adherence to the tendering policies of the Procurement Act 2003; and (iv) ensure that log books are properly kept for all vehicles and secured for audit verification.

Management's Response: Management explained that (i) efforts are being made to locate the missing payment vouchers and present same for audit; (ii) the former Director of Finance had instituted the necessary change to charge the expense to line 184 since it is a contractor service for the provision of staff transportation as was done when we were a Department of the Ministry; (iii) checks will be carried out to locate the said contracts and present same for audit. Also, checks will be carried out to locate the Tender Board approvals and present same for audit inspection and investigation will be made regarding the log book which was not presented.

C. GENERAL

14. The Audit Office wishes to express its gratitude for the co-operation given to its officers during the course of the audit. In keeping with this Office's policy, a reply is expected within thirty (30) days of the receipt of this management letter.

Yours sincerely,

 T. Pyle
 Audit Manager
 for the Auditor General

Guyana Civil Aviation Authority

APPENDIX I

Instances where invoices were omitted from the debtors report.

ITE M #	DATE	INVOICE #	PAYEE	PARTICULARS	AMOUNT \$
1	2009.01.12	10	Sky Services Airline	Charter flights	151,000
2	2009.02.09	171	GYSUCCO	Contact charges	490,000
3	2009.03.16	286	G.D.F.	Issue of certificate	40,000
4	2009.03.17	294	Trans Guyana	Export licence	1,000
5	2009.07.29	743	Min of Public Works	Renewal of Aerodrome	240,000
6	2009.07.31	750	Min. of Public Works	Renewal of Aerodrom	140,000
7	2009.08.12	808	GYSUCCO	Renewal of C of	160,000
8	2009.09.02	875	Min of Pub. works do Mr. Mangal	Renewal of Aerodrome licence	300,000
9	2009.09.14	942	CAMS- Anthon y	Ogle Regional Municipal Airport Certificate	500,000
Total					2,022,000

Appendix 2

Instances where stale dated cheques were listed as unrepresented cheques

Date	Payee	Cheque #	Amount	\$
2008-05-22	Mark A. Williams	02-877041	60,000	
2008-06-20	Robby's Enterprise	02-876907	46,400	
2008-09-10	GAATCD	02-763693	7,500	
2008-09-11	GAATCD	02-877284	7,500	
2008-09-23	GAATCD	02-877326	7,500	
2008-10-10	GAATCD	02-877389	7,500	
2008-11-06	GAATCD	02-877464	7,500	
2008-12-11	GAATCD	02-877573	7,500	
2009-01-07	GAATCD	02-877664	7,500	
2009-02-17	GAATCD	04-023601	7,500	
2009-02-17	Reo. 4 Elect.	04-38000	38,000	
2009-02-17	Reo. 4 Elect.	04-023604	375	
2009-03-13	Reo. 4 Elect.	04-023667	38,000	
2009-03-20	Reo. 4 Elect.	04-023742	375	
2009-04-15	Reo. 4 Elect.	04-023815	38,000	
2009-05-12	Reo. 4 Elect.	04-023899	375	
2009-05-12	Reo. 4 Elect.	04-023911	38,000	
2009-06-09	Reo. 4 Elect.	04-023974	38,000	
TOTAL			357,525	

Appendix 3

Missing Vouchers

Date	Vr #	Cheque #	Payee	Particulars	Amount \$
2009-04-21	275	04-023867	Central Electronics	Purchase of 4 power supply	140,000
2009-07-15	464	04-024156	CCS	Ma int. Of Photocopier	87,000
2009-12-08	781	04-230013	D Deorop	December, 09 salary advance	28,115
2009-12-14	799	04-230070	CCS	Purchase of power module, etc	173,040
2009-12-17	803	04-230082	GPL	Electricity for 09/10/23-09/10/01	5,084,689
TOTAL					5,512,844

Appendix 4
Transportation Services incorrectly charged to 'Other goods & Services' (184) instead of
'Travel, Transport & Postage' (164) for ANS

Item #	Date	VR #	Payee	Particulars	Amount \$
1	2009-01-15	9	Samuel Stevens	Transportation services for December, 2008	486,400
2	2009-01-16	29	S. Sahadeo	Transportation services for 1-14 January, 2009	34,500
3	2009-01-22	41	Samuel Stevens	Transportation services for 1-15 January, 2009	324,000
4	2009-02-05	71	Samuel Stevens	Transportation services for 16-31 January, 2009	450,400
5	2009-02-13	113	S. Sahadeo	Transportation services for 4-11 February, 2009	30,400
6	2009-02-18	115	Samuel Stevens	Transportation services for 1-15 February, 2009	324,000
7	2009-02-18	117	Samuel Stevens	Transportation services for delivering mails on 3-5 Feb, 09	22,500
8	2009-03-03	153	Samuel Stevens	Transportation services for February, 2009	407,200
9	2009-03-03	154	S. Sahadeo	Transportation services for 12-28 February, 2009	60,900
10	2009-03-17	187	Samuel Stevens	Transportation services for 1-15 March, 2009	324,000
11	2009-03-17	189	S. Sahadeo	Transportation services for 1-15 March, 2009	50,900
12	2009-04-03	218	Samuel Stevens	Transportation services for March, 2009	493,600
13	2009-04-03	223	S. Sahadeo	Transportation services for 16-31 March, 2009	52,000
14	2009-04-17	260	Samuel Stevens	Transportation services for 1-15 April, 2009	324,000
15	2009-05-06	288	Samuel Stevens	Transportation services for April, 2009	472,000
16	2009-05-11	307	S. Sahadeo	Transportation services for 16-30 April, 2009	50,900
17	2009-05-19	324	Samuel Stevens	Transportation services for 1-15 May, 2009	324,000
18	2009-05-21	328	S. Sahadeo	Transportation services for 1-15 May, 2009	59,300
19	2009-06-03	367	S. Sahadeo	Transportation services for 16-31 May, 2009	47,500
20	2009-06-03	364	Samuel Stevens	Transportation services for May, 2009	464,800
21	2009-06-19	402	S. Sahadeo	Transportation services for 1-15 June, 2009	50,900
22	2009-06-19	403	Samuel Stevens	Transportation services for 1-15 June, 2009	324,000
23	2009-07-03	434	Samuel Stevens	Transportation services for 16-30 June, 2009	328,000
24	2009-07-03	437	S. Sahadeo	Transportation services for 16-30 June, 2009	44,200
25	2009-07-17	466	Samuel Stevens	Transportation services for 1-15 July, 2009	324,000
26	2009-07-21	470	S. Sahadeo	Transportation services for 1-15 July, 2009	50,900
27	2009-08-05	507	Samuel Stevens	Transportation services for 16-31 July, 2009	55,900
28	2009-08-04	508	S. Sahadeo	Transportation services for 16-31 July, 2009	349,600
29	2009-08-18	529	Samuel Stevens	Transportation services for 1-15 August, 2009	360,000
30	2009-08-20	534	S. Sahadeo	Transportation services for 1-15 August, 2009	41,400
31	2009-09-03	569	Samuel Stevens	Transportation services for 16-31 August, 2009	345,600
32	2009-09-03	571	S. Sahadeo	Transportation services for 16-31 August, 2009	53,100
33	2009-09-18	607	Samuel Stevens	Transportation services for 1-15 September, 2009	328,000
34	2009-09-21	609	S. Sahadeo	Transportation services for 1-15 September, 2009	62,100
35	2009-10-02	628	Samuel Stevens	Transportation services for 16-30 September, 2009	328,000
36	2009-10-07	634	S. Sahadeo	Transportation services for 16-30 September, 2009	58,100

Transportation Services incorrectly charged to 'Other goods & Services' (184) instead of 'Travel, Transport & Postage' (164) for ANS

#	Date	VR #	Payee	Particulars	Amount \$
38	2009-10-19	676	Samuel Stevens	Transportation services for 1-15 October, 2009	324,000
39	2009-10-26	680	S. Sahadeo	Transportation services for 1-15 October, 2009	49,800
40	2009-11-04	697	Samuel Stevens	Transportation services for 16-31 and collecting revenue from AIS	359,600
41	2009-11-06	706	S. Sahadeo	Transportation services for 16-31 October, 2009	68,800
42	2009-11-18	727	Samuel Stevens	Transportation services for 1-15 November, 2009	324,000
43	2009-11-19	732	S. Sahadeo	Transportation services for 1-15 November, 2009	53,700
44	2009-12-01	757	S. Sahadeo	Transportation services for 16-30 November, 2009	61,100
45	2009-12-02	758	Samuel Stevens	Transportation services for 16-30 November, 2009	320,852
46	2009-12-18	802	Samuel Stevens	Transportation services for 1-15 December, 2009	324,000
47	2009-12-23	811	S. Sahadeo	Transportation services for 1-15 December, 2009	47,000
48	2009-12-31	826	Samuel Stevens	Transportation services for 16-31 December, 2009	360,800
	2009-12-31	830	S. Sahadeo	Transportation services for 16-31 December, 2009	59,800
TOTAL					9,877,252