



**AUDITED FINANCIAL STATEMENTS OF THE
GOVERNMENT INFORMATION AGENCY**

**FOR THE PERIOD
1 OCTOBER 2001 TO 31 DECEMBER 2001**

**AUDITORS: OFFICE OF THE AUDITOR GENERAL
68 HIGH STREET
KINGSTON
GEORGETOWN
GUYANA**

OPINION NO: 47/2004

**AUDITED FINANCIAL STATEMENT
OF THE GOVERNMENT INFORMATION AGENCY
FOR THE PERIOD 1 OCTOBER TO 31 DECEMBER 2001**

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147/80.31/2

28 April 2004

Mr. Robert Persaud
Head, Government Information Agency
Area "B" Homestretch Avenue
Durban Park Backlands
Georgetown.

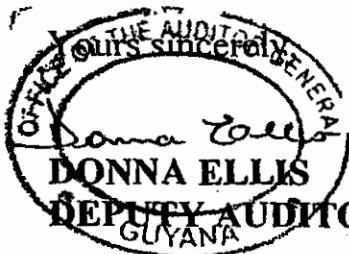
Dear Mr. Persaud,

**RE: AUDIT OF THE FINANCIAL STATEMENTS OF THE
GOVERNMENT INFORMATION AGENCY (GINA)
FOR THE PERIOD 1 OCTOBER TO 31 DECEMBER 2001**

We are pleased to inform you that the audit of the above-mentioned Agency has been completed. Accordingly, we are please to forward one(1) copy of the audited financial statements, together with the Report of the Auditor General and Management Letter.

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

With kind regards.



DONNA ELLIS
DEPUTY AUDITOR GENERAL(Ag.)
GUYANA



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AG:47/2004

28 April 2004

REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF THE GOVERNMENT INFORMATION AGENCY (GINA) FOR THE PERIOD 1 OCTOBER 2001 TO 31 DECEMBER 2001

I have audited the attached financial statements of the Government Information Agency (GINA) for the period 1 October 2001 to 31 December 2001 as set out on pages 4 to 9 and in accordance with the accounting policies as set out on page 5.

Respective Responsibilities of Management and Auditors

The preparation of the financial statements, including assertions relating to their completeness, accuracy and validity, and compliance with applicable laws, regulations and contractual obligations, is the responsibility of the Management of the Government Information Agency (GINA). My responsibility is to form an opinion on the statements based on these assertions and to report my opinion.

Basis of Opinion

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures on the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

Opinion

In my opinion, the financial statements referred to properly present the income and expenditure of the Government Information Agency for the period 1 October 2001 to 31 December 2001 in conformity with generally accepted accounting principles.

Without qualifying my opinion, I draw attention to the fact that the financial statements presented for audit did not include a balance sheet and a cash flow statement. It is imperative that these statements be included in the submissions by the Agency to the Audit Office to ensure full and complete financial reporting.



AUDITOR GENERAL(Ag.)

**OFFICE OF THE AUDITOR GENERAL
63 HIGH STREET
KINGSTON
GEORGETOWN
GUYANA**

**GOVERNMENT INFORMATION AGENCY
INCOME AND EXPENDITURE STATEMENT
FOR THE PERIOD OCTOBER 1, 2001 TO DECEMBER 31, 2001**

INCOME	NOTE	AMOUNT
Subventions		21,205,000
TOTAL		21,205,000
 EXPENDITURE:		
Employment Cost	2	8,587,948
Materials , Equipment & Supplies	3	1,868,442
Fuel and Lubricant		389,614
Rental and Maintenance of Building	4	282,854
Transport, Traveling and Postage		141,493
Security Charges		2,257,000
Maintenance of Equipment	5	230,521
Utility Charges	6	1,500,808
Purchase of Equipment	9	2,086,634
Vehicle Spares and Service		150,820
Other Service Purchased	7	517,187
Other operating Exp	8	526,464
 TOTAL		 18,539,785
 Net Surplus		 2,665,215

ADMINISTRATIVE MANAGER
Government Information Agency

[Signature]

HEAD OF GINA

[Signature]

ACCOUNTANT

GOVERNMENT INFORMATION AGENCY

Notes to the Financial Statement for the period October 1, 2001 to Dec 31, 2001

Note 1 BACKGROUND

GINA was established on October 1, 2001 by a Cabinet Decision. The vision of the Guyana Information Agency is to present a vital and significant contribution with the Government for an enhance quality of life for all Guyanaese through fulfilling the Government and the public's information needs.

SIGNIFICANT ACCOUNTING POLICIES

- A. The Financial Statements have been prepared in accordance with the Government Accounting Framework and Policies.
- B. No depreciation is provided since the Government Information Agency operates on a cash basis from allocations being made available from the Office of the President.

Note 2 Employment cost

Expenditure under this head comprises of the following

Description	Amount
Salaries	6,365,551
Gratuity	0
NIS Employer	434,128
PAYE	1,763,865
Other Deductions	24,404
TOTAL	8,587,948

Note 3 Materials , Equipment and Supplies

Expenditure under this head comprises of the following

Description	Amount
Medical Supplies	3,268
Office Supplies	897,869
Processing of Films	345,007
Printing	622,298
TOTAL	1,868,442

Note 4 Rental and Maintenance of Building

Expenditure under this head comprises of the following

Description	Amount
Construction of wall	112,550
Painting Stairway and Car port	64,900
Construction of cassette rack	66,909
Repairs to Flourescence	4,600
Cleaning Supplies	33,895
TOTAL	282,854

Note 5**Maintenance of Equipment**

Expenditure under this head comprises of the following

Description	Amount
Repairs to AC	117,000
Repairs to Computers	18,000
Repairs to Photocopier	95,521
TOTAL	230,521

Note 6**Utility Charges**

Expenditure under this head comprises of the following

Description	Amount
Telephone	437,530
Internet Charges	45,000
Pager Charges	10,000
PBX System	970,000
Water Charges	2,550
Electricity Charges	35,728
TOTAL	1,500,808

Note 7 Other Service Purchased

Expenditure under this head comprises of the following

Description	Amount
Install Curtains	67,500
Artwork and installation of sign	97,000
Electrical installation	163,400
other Services	85,120
Weeding Service	90,000
Sanitech Service	14,167
TOTAL	517,187

Note 8 Other Operating Exp

Expenditure under this head comprises of the following

Description	Amount
National Event	49,300
Staff Social function	202,330
Rental of AC Unit	12,000
Others	72,044
Refreshment & Meals	190,790
TOTAL	526,464

Note 9**Purchase of Equipment and Office Furniture****This relates to the following**

Description	Amount
Mini Recorder	37,975
Motorolla Cell Phone	46,900
Microphone and plug	32,200
Tripod and Head	39,300
Hoover Vacuum	64,999
2 Dell Computers	580,000
2 Video Cameras	1,019,500
2 sharp television	71,800
2 panasonic VCR	59,000
1 Executive Chair	59,500
1 Printer	75,460
TOTAL	2,086,634



*Office of the Auditor General
The Parliament Building
Georgetown, Guyana*

76/SO.31/2

28 April 2004

Mr. Robert Persaud
Head, Government Information Agency
Area "B" Homestretch Avenue
Durban Park Backlands
Georgetown

Dear Mr. Persaud,

**RE: AUDIT OF THE FINANCIAL STATEMENT OF THE
GOVERNMENT INFORMATION AGENCY (GINA)
FOR THE PERIOD 1 OCTOBER 2001 TO 31 DECEMBER 2001**

We are pleased to inform you that the audit of the Government Information Agency (GINA) for the period 1, October, 2001 to 31, December, 2001 has been completed. We herein forward for your comments and such actions that may be necessary the following observations arising from the audit.

1. BACKGROUND

1.1 The Government Information Agency was established on October 15, 2001 via a cabinet decision dated July 31, 2001 memorandum CP(2001)7:5: under the Office Of The President and served as a replacement for the Ministry of Information and the Guyana Information Service (GIS).

1.2 The functions of the Agency involves the following:

- Broadcasting Production;
- Media Monitoring;
- Incorporating the Internet;
- Media Interface support and media placement.

1.3 The key responsibilities of the Agency are to:

- Produce radio spots and videos;
- Provide video duplication;
- Monitor news and current issues in the print and electronic media
- Publish information through the Internet server;
- Organize media conferences;
- Presents commentaries and viewpoints in the print and electronic media;
- Produces media statements;
- Disseminates appropriate information.

2. OBJECTIVES OF THE AGENCY

2.1 Presenting a vital and significant contribution with the Government for an enhanced quality of life for all Guyana through fulfilling the Government and the public information needs.

2.2 The Government Information News Agency is subject to separate financial reporting and audit.

3. OBJECTIVES OF THE AUDIT

3.1 The objectives of the audit are to obtain reasonable assurance that:

- The internal controls were adequate for the preparation of the financial statements;
- The resources of GINA have been managed in accordance with sound accounting principles;
- GINA have complied with applicable laws, regulations and rules;
- The financial statements presents fairly the financial position of the agency;
- Full value was received for all amounts expended;

- All assets acquired by the agency were received, properly recorded and physically verified.

4. SCOPE AND METHODOLOGY

- 4.1 The audit covered the financial period 1 October to 31 December 2001. We assessed the system of internal controls to determine the extent of our tasks to be carried out and to ascertain whether or not it forms a reliable basis for the preparation of the financial statements. In addition, we carried out detailed examination of the transactions and balances related to the agency.
- 4.2 We conducted our audit in accordance with generally accepted auditing standards. In addition, we planned and performed our audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.
- 4.3 Payment documents were examined to ascertain whether the transactions were prepared in accordance with applicable regulations or instructions.
- 4.4 Books and accounts were examined to determine whether they have been duly kept.

FINDING AND RECOMMENDATIONS

INCOME AND EXPENDITURE

5. INCOME: Subvention - \$21,205,000

- 5.1 The above amount of \$21,205,000 represents a subvention from the Office of the President for the period. This amount was verified as having been received and properly brought to account.

6. EXPENDITURE:

6.1 EMPLOYMENT COST - \$8,587,948

6.2 The amount of \$8.588M represents emoluments paid to thirty(30) contracted officers during the period. Included in this amount is a sum totaling \$434,128 representing the employer NIS contributions. It was however noted that the agency failed to pay over the NIS contributions within the schedule time frame for the period 1, October to 31, December 2001 and attracted an interest in the sum of \$8,282. It is therefore recommended that all deductions made on behalf of employees must be paid over in a timely manner to avoid any interest charges.

6.3 The expended amount of \$8,587,948 was verified to the cash book, salaries sheets as having been received and properly brought to account.

7. MATERIALS, EQUIPMENT & SUPPLIES - \$1,965,442

7.1 This amount comprised of the following:-

DESCRIPTION	AMOUNT \$
Medical Supplies	3,268
Office Supplies	897,869
Processing of films	345,007
Printing	622,298
TOTAL	1,868,442

7.2 Included in the figure of \$622,298 expended on printing is the amount of \$560,760 paid for the printing of 30,000 copies of Nation Building by Guyana National Newspaper Limited. However, there was no evidence of the three (3) quotations being applied. It was explained that this resulted from the work being done by another Government department and thus the need for three(3) quotations were not applicable.

- 7.3 Also included in the total of \$345,007 for the processing of films, is an amount totaling \$329,677 being paid to Pressy Enterprise without evidence of three (3) quotations being applied. It was explained that the Enterprise always does the processing of film for the agency.
- 7.4 It is therefore recommended, that the Agency take note of the Government Tender Board Procedures as it relates to the payment for supplies and services.
- 7.5 Notwithstanding the above, the expended amount totalling \$1,868,442 was verified to the cashbook and vouchers.

8. FUEL AND LUBRICANT - \$389,614

- 8.1.1 Amounts totaling \$389,614 were expended on the purchase of fuel and lubricant for four(4) vehicles during the period; registration numbers: PGG9569, PFF3671, PGG8680 and PDD1940 respectively.
- 8.2 However, examination of two(2) log books presented revealed that they there were not properly maintained, for example vehicles # PGG8680 and PDD1940. Vehicle # PFF3671 is unserviceable at the time of the audit. As a result it could not be determined whether effective control was exercise over the use of the vehicles. It is therefore recommended that all journeys must be authorized, approved and properly recorded in the log book.
- 8.3 It was however noted that the expended amount in the sum of \$389,614 was verified as having been brought to accounts.

9. RENTAL AND MAINTENANCE OF BUILDING - \$282,854

9.1 The expended amount comprised of the following:

DESCRIPTION	AMOUNT \$
Construction of wall	112,550
Painting of Stairway & Carpark	
Construction of cassette rack	64,900
Repairs to Florescence	66,909
Cleaning Supplies	4,600
	33,895
TOTAL	282,854

9.2 Examination of payment records indicates that the payment for the the construction of wall in the sum of \$112,550 for which a contract was issued without no bill of quanta ties. No explanation was provided.

9.3 It is therefore recommended that the awarding of contracts for public works must confirm with Government tendering procedures which from the basis for the award.

9.4 However, the expended amount was trace to the cashbook and vouchers and the work was physically verified as having been satisfactorily done.

10. TRANSPORT, TRAVELLING AND SUBSISTENCE - \$141,493

10.1 Included in the above figure is an amount totaling \$19,360 being payment for the hiring of taxi services. The difference of \$122,133 represents traveling and subsistence for the period. The expended amount was verified as having been properly brought to account.

11. SECURITY CHARGES - \$2,257,000

11.1 This amount represents payment to Cops Security Service for protection services provided to the agency. It is not clear whether the expended amount represent charges for the protection of the entire compound, since audit checks indicated that the National Communication Network Television Station is also operating in the same compound. In addition, audit checks were unable to ascertain whether the expended amount relates to the protection of the building or the compound as a whole.

11.2 Notwithstanding the above, the charges paid were verified as having been properly incurred.

12. MAINTENANCE OF EQUIPMENT - \$230,521

12.1 The expended amount comprise of the following:

DESCRIPTION	AMOUNT \$
Repairs to Air Condition	117,000
Repairs to Computers	18,000
Repairs to Photocopier	95,521
TOTAL	230,521

12.2 The amount totaling \$230,521 was correctly trace to the cash book, vouchers and was correctly brought to account.

13.5 As a result, it is not clear whether approval was given for the installation of the system. Nevertheless, audit checks revealed expenditure was properly recorded in the cash book and ledger accounts.

14. PURCHASED OF EQUIPMENT - \$2,086,634

14.1 The expended amount was use to purchased the following:

DESCRIPTION	AMOUNT \$
Mini Recorders	37,975
Motorola cell phone	46,900
Micro phone plug	32,200
Tripod & tripod head	39,300
1 Hoover Vacuum	64,999
2 Dell computers	580,000
2 Video Cameras	1,019,500
2 Sharp Television sets	71,800
2 Panasonic VCR	59,000
1 Printer	75,460
1 Executive Chair	59,500
TOTAL	2,086,634

14.2 Tender board approval was seen for the purchase of two(2) computers, two(2) video cameras along with a computer printer. It was also noted that request was made for the purchase of a 18000 BTU AIR CONDITION UNIT. However no evidence of this item was seen. It was explained that the unit was never purchased during the period.

14.3 There was also no evidence of a fixed asset register in place. It was explained that efforts are currently being made to have the register in place.

14.4 Audit checks indicated that items purchased were recorded in the inventory register and were physically verified.

14.5 The expended amount was trace to the cash book, supported by vouchers and other payment documents.

15. VEHICLES SPARES AND SERVICES - \$150,820

15.1 The expended amount was incurred for the maintenance of three(3) vehicles during the period. The amount in the sum of \$150,820 was verify as having been properly brought to account.

16. OTHER SERVICES PURCHASES - \$517,187

16.1 The amount represents payment for the following:

DESCRIPTION	AMOUNT \$
Install Curtains	67,500
Artwork and Installation of sign	97,000
Electrical Installation	163,400
Other Services	85,120
Weeding Service	90,000
Sanitech Service	14,167
TOTAL	517,187

16.2 The expended amount in the sum of \$90,000 was paid for the weeding of the compound. It is not clear whether this amount represent payment for the entire compound. Also the expended amount of \$97,000 for artwork and the installation of sign was physically verify.

16.3 Audit checks were able to verified the expended amount of \$517,187 to the cash book, vouchers and was properly brought to account

17. OTHER OPERATING EXPENSES-\$526,464

17.1 The expended amount relates to the following:

DESCRIPTION	AMOUNT \$
National Event	49,300
Staff social Function	202,330
Rental of AC Unit	12,000
Refreshment and Meal Allowances	190,790
Others	72,044
TOTAL	526,464

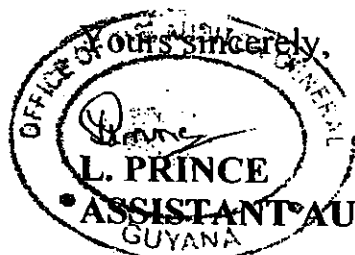
17.2 The amount of \$202,330 was expended on Christmas party celebration for the staff. Also meals and refreshment in the sum of \$190,790 was expended for staff that worked overtime and the managing director.

17.3 The expended amount totalling \$526,464 was correctly trace to the cash book and brought to account.

18. GENERAL

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

With regards.



ASSISTANT AUDITOR GENERAL