

**AUDITED FINANCIAL STATEMENTS OF  
GOVERNMENT INFORMATION AGENCY**

**FOR THE YEAR ENDED  
31 DECEMBER 2009**

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

AUDITED FINANCIAL STATEMENTS OF THE  
GOVERNMENT INFORMATION AGENCY  
FOR THE YEAR ENDED 31 DECEMBER 2009

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## Audit Office of Guyana

P.O. Box 1002, 63 High Street, Kingston, Georgetown, Guyana

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19 August 2015

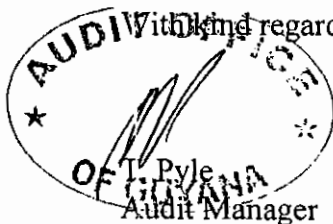
Ms. Beverley Alert  
Director  
Government Information Agency  
Area 'B' Homestretch Avenue  
D'Urban Backlands  
Georgetown.

Dear Ms. Alert

RE: AUDIT OF THE ACCOUNTS OF THE  
GOVERNMENT INFORMATION AGENCY  
FOR THE YEAR ENDED 31 DECEMBER 2009

Following the audit of the financial statements of the Government Information Agency for the year ending 31 December 2009, the findings hereunder were discussed with the accounting personnel within your organization and are now referred to you for appropriate action.

With kind regards.



T. Pyle  
Audit Manager  
for Auditor General



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19 August 2015

REPORT OF THE AUDITOR GENERAL  
TO THE BOARD OF DIRECTORS OF THE  
GOVERNMENT INFORMATION AGENCY  
ON THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDING 31 DECEMBER 2009

I have audited the accompanying financial statements of Government Information Agency, 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.

### *Management's responsibility for the financial statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with General Accounting Accepted Principles, 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.

*Opinion*

In my opinion, the financial statements give a true and fair view, in all material respects, of the financial position of Government Information Agency as at 31 December 2009, and of its financial performance and its cash flows for the year then ended in accordance with General Accounting Accepted Principles.



AUDIT OFFICE  
63 HIGH STREET  
KINGSTON  
GEORGETOWN  
GUYANA

**GOVERNMENT INFORMATION AGENCY  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER, 2009**

|  |       | 2009                      | 2008                      |
|--|-------|---------------------------|---------------------------|
|  | Notes | \$                        | \$                        |
| <b><u>ASSETS</u></b>                   |       |                           |                           |
| <b>NON-CURRENT ASSETS</b>              |       |                           |                           |
| Motor Vehicles                         |       | 5,858,117                 | 6,848,217                 |
| Furniture & Equipment                  |       | <u>26,185,909</u>         | <u>26,341,906</u>         |
|  | 4     | <b>32,044,026</b>         | <b>33,190,123</b>         |
| <b>CURRENT ASSETS</b>                  |       |                           |                           |
| Inventories                            |       | 231,412                   | 755,747                   |
| Receivables                            | 5     | 82,547,467                | 80,125,419                |
| Cash in Hand                           |       | <u>175,000</u>            | <u>125,000</u>            |
|  |       | <b>82,953,879</b>         | <b>81,006,166</b>         |
| <b>TOTAL ASSETS</b>                    |       | <u><u>114,997,905</u></u> | <u><u>114,196,289</u></u> |
| <b><u>EQUITY &amp; LIABILITIES</u></b> |       |                           |                           |
| <b>EQUITY</b>                          |       |                           |                           |
| Gov't Capital Contribution             | 6     | 11,496,888                | 12,777,471                |
| Incorporation Reserve (MOI)            |       | 9,538,765                 | 9,538,765                 |
| Accumulated Surplus/(Deficit)          | 7     | <u>71,250,426</u>         | <u>44,123,507</u>         |
|  |       | <b>92,286,079</b>         | <b>66,439,743</b>         |
| <b>CURRENT LIABILITIES</b>             |       |                           |                           |
| Bank Overdraft                         | 8     | 6,387,043                 | 30,684,922                |
| Payables                               | 9     | <u>16,324,786</u>         | <u>17,071,624</u>         |
|  |       | <b>22,711,829</b>         | <b>47,756,546</b>         |
| <b>TOTAL EQUITY &amp; LIABILITIES</b>  |       | <u><u>114,997,905</u></u> | <u><u>114,196,289</u></u> |

These Financial Statements were approved for issuance on June 24, 2015 by:

Accountant:   
Mrs. Natalie Brhamdeow

Director:   
Ms. Beverley Alert

**GOVERNMENT INFORMATION AGENCY  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER, 2009**

|  | Incorporation<br>Reserve | Revaluation<br>Reserve | Government<br>Contribution | Accumulated<br>Surplus | Total             |
|--|--------------------------|------------------------|----------------------------|------------------------|-------------------|
|  | G\$                      | G\$                    |                            | G\$                    | G\$               |
| Balance as at 31 December, 2007        | 9,538,765                | -                      | 12,626,534                 | 26,138,824             | 48,304,123        |
| Net Surplus/ (Deficit) for the year    | -                        | -                      | -                          | 17,984,683             | 17,984,683        |
| Revaluation for Vehicles & Equipment   | -                        | -                      | -                          | -                      | -                 |
| Capital Subvention Received            | -                        | -                      | 5,126,000                  | -                      | 5,126,000         |
| Deferred Income                        | -                        | -                      | (4,975,063)                | -                      | (4,975,063)       |
| Net Prior Year Adjustments             | -                        | -                      | -                          | -                      | -                 |
| <b>Balance as at 31 December, 2008</b> | <b>9,538,765</b>         | <b>-</b>               | <b>12,777,471</b>          | <b>44,123,507</b>      | <b>66,439,743</b> |
| Net Surplus/ (Deficit) for the year    | -                        | -                      | -                          | 27,126,919             | 27,126,919        |
| Revaluation for Vehicles & Equipment   | -                        | -                      | -                          | -                      | -                 |
| Capital Subvention Received            | -                        | -                      | 4,790,000                  | -                      | 4,790,000         |
| Deferred Income                        | -                        | -                      | (6,070,583)                | -                      | (6,070,583)       |
| Net Prior Year Adjustments             | -                        | -                      | -                          | -                      | -                 |
| <b>Balance as at 31 December, 2009</b> | <b>9,538,765</b>         | <b>-</b>               | <b>11,496,888</b>          | <b>71,250,426</b>      | <b>92,286,079</b> |

The accompanying notes form an integral part of these financial statements.

**GOVERNMENT INFORMATION AGENCY  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER, 2009**

|   | 2009                | 2008                |
|---|---------------------|---------------------|
|   | \$                  | \$                  |
| <b>Operating Activities</b>   |                     |                     |
| Surplus/(Deficit) for the period  | 27,126,919          | 17,984,683          |
| <i>Adjustments for:</i>   |                     |                     |
| Depreciation & Amortisation   | 6,070,583           | 4,975,063           |
| <b>Operating profit before working capital changes</b>                                      | <u>33,197,502</u>   | <u>22,959,746</u>   |
| (Increase)/Decrease in Inventories  | 524,335             | 141,136             |
| (Increase)/Decrease in Receivables  | (2,422,048)         | (32,383,867)        |
| Increase/(Decrease) in Payables   | (746,838)           | 17,071,624          |
| Increase/(Decrease) in Suspense A/C   | -                   | -                   |
| <b>Net cashflow generated from operations</b>   | <u>30,552,951</u>   | <u>7,788,639</u>    |
| <b>Investing Activities</b>   |                     |                     |
| Acquisition of Non-Current Assets   | (4,924,489)         | (7,746,784)         |
| Revaluation   | -                   | -                   |
| <b>Net cashflow generated from investing activities</b>                                     | <u>(4,924,489)</u>  | <u>(7,746,784)</u>  |
| <b>Financing Activities</b>   |                     |                     |
| Government Contribution (Capital Subventions)   | 4,790,000           | 5,126,000           |
| Deferred Income   | (6,070,583)         | (4,975,063)         |
| <b>Net cashflow generated from financing activities</b>                                     | <u>(1,280,583)</u>  | <u>150,937</u>      |
| <b>Net Increase/(Decrease) in cash &amp; cash equivalents</b>                               | 24,347,879          | 192,810             |
| <b>Cash and cash equivalents at the beginning of the year</b>                               | <u>(30,559,922)</u> | <u>(30,752,732)</u> |
| <b>Cash and cash equivalents at end of the year</b>   | <u>(6,212,043)</u>  | <u>(30,559,922)</u> |
| <b>Reconciliation of Cash &amp; Cash Equivalents as per Statement of Financial Position</b> |                     |                     |
| Cash in Hand  | 175,000             | 125,000             |
| Bank Overdraft  | (6,387,043)         | (30,684,922)        |
| <b>Total</b>  | <u>(6,212,043)</u>  | <u>(30,559,922)</u> |



**GOVERNMENT INFORMATION AGENCY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER, 2009**

**NOTE 1. BACKGROUND**

The Government Information Agency (GINA) was established on 15 October, 2001 via a Cabinet Decision as a subvention agency under the Office of the President and served as a replacement for the Ministry of Information and the Guyana Information Service.

The vision of GINA is to present a vital and significant contribution with the Government for an enhanced quality of life for all Guyanese through fulfilling the Government and the public's information needs.

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies applied in the preparation of these financial statements are set out below.

**(a.) Accounting Concept & Convention**

The Financial Statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP). All transactions are reported in Guyana Dollars.

**(b.) Depreciation & Amortisation**

Depreciation/Amortisation is calculated using the "Straight Line Method" and is based on the following rates per annum:

|                             |     |
|-----------------------------|-----|
| Motor Vehicles              | 10% |
| Office Furniture/PBX System | 5%  |
| Office Equipment            | 10% |
| Video/Editing Equipment     | 20% |
| Mini Recorders              | 25% |

**c.) Stocks**

Stocks are valued at the lower of cost or net realizable value and cost is arrived at using the "First-in, First-out" (FIFO) method.

**d.) Government Contribution**

Contributions from the Government are only recognized when received and when there is reasonable assurance that the Agency will comply with any conditions attached to it.

Contributions received as compensation for costs already incurred or for immediate financial support, with no future related costs, are recognized as income in the period in which it was received. Those relating to assets are presented as deferred income and are amortised over the expected useful life of the assets.

**GOVERNMENT INFORMATION AGENCY  
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)  
FOR THE YEAR ENDED 31 DECEMBER, 2009**

**NOTE 3. PERSONNEL & DIRECTORS REMUNERATION**

Key Management Personnel: The sum of \$ 11,846,340 was paid to five (5) key Management employees for the year 2009.

Board of Directors: GINA does not have a Board of Directors.

**NOTE 4. NON-CURRENT ASSETS SCHEDULE**

| Description                      | Motor Vehicles<br>\$ | Equipment<br>\$   | Total<br>\$       |
|----------------------------------|----------------------|-------------------|-------------------|
| Cost/Valuation at Jan 1, 2009    | 9,901,000            | 43,987,709        | 53,888,709        |
| Additions (8827 A/C)             | -                    | 4,924,489         | 4,924,489         |
| Disposals                        | -                    | -                 | -                 |
| Revaluation                      | -                    | -                 | -                 |
| <b>Cost/Val Dec 31, 2009</b>     | <b>9,901,000</b>     | <b>48,912,198</b> | <b>58,813,198</b> |
| Acc. Dep'n at Jan 1, 2009        | 3,052,783            | 17,645,806        | 20,698,589        |
| Depreciation - Current Year      | 990,100              | 5,080,483         | 6,070,583         |
| Disposals                        | -                    | -                 | -                 |
| <b>Acc. Dep'n @ Dec 31, 2009</b> | <b>4,042,883</b>     | <b>22,726,289</b> | <b>26,769,172</b> |
| <b>NBV at Dec 31, 2009</b>       | <b>6,848,217</b>     | <b>26,341,903</b> | <b>33,190,120</b> |
| <b>NBV at Dec 31, 2009</b>       | <b>5,858,117</b>     | <b>26,185,909</b> | <b>32,044,026</b> |

**Breakdown of Additions to Equipment at Cost**

| Description             | Amount (\$)      |
|-------------------------|------------------|
| Office Furniture        | 629,390          |
| Office Equipment        | 2,289,492        |
| Video/Editing Equipment | 2,005,607        |
| <b>Total</b>            | <b>4,924,489</b> |

**GOVERNMENT INFORMATION AGENCY  
 NOTES TO THE FINANCIAL STATEMENTS (Cont'd)  
 FOR THE YEAR ENDED 31 DECEMBER, 2009**

**NOTE 5. RECEIVABLES**

| Description    | 2009              | 2008              |
|----------------|-------------------|-------------------|
|                | \$                | \$                |
| Sundry Debtors | 82,408,467        | 79,593,259        |
| Staff Loans    | 139,000           | 532,160           |
| <b>Total</b>   | <b>82,547,467</b> | <b>80,125,419</b> |

**NOTE 6. GOV'T CAPITAL CONTRIBUTION**

| Description                 | 2009              | 2008              |
|-----------------------------|-------------------|-------------------|
|                             | \$                | \$                |
| Balance b/f                 | 12,777,471        | 12,626,534        |
| Capital Subvention Received | 4,790,000         | 5,126,000         |
| Deferred Income             | (6,070,583)       | (4,975,063)       |
| <b>Balance</b>              | <b>11,496,888</b> | <b>12,777,471</b> |

**NOTE 7. ACCUMULATED SURPLUS/(DEFICIT)**

| Description                                     | 2009              | 2008              |
|---|-------------------|-------------------|
|   | \$                | \$                |
| Accumulative Surplus/(Deficit) at Jan 01        | 44,123,507        | 26,138,824        |
| Prior Year Adjustment                           | -                 | -                 |
| <b>Adjusted Accum. Surplus/(Deficit)</b>        | <b>44,123,507</b> | <b>26,138,824</b> |
| Surplus/(Deficit) for Current Year              | 27,126,919        | 17,984,683        |
| <b>Accumulative Surplus/(Deficit) at Dec 31</b> | <b>71,250,426</b> | <b>44,123,507</b> |

**NOTE 8. BANK OVERDRAFT**

| Description            | 2009               | 2008                |
|------------------------|--------------------|---------------------|
|                        | \$                 | \$                  |
| Scotia Bank A/C # 8827 | 2,963,449          | 861,557             |
| Scotia Bank A/C # 9161 | (9,350,491)        | (31,546,479)        |
| <b>Balance</b>         | <b>(6,387,043)</b> | <b>(30,684,922)</b> |

**GOVERNMENT INFORMATION AGENCY  
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)  
FOR THE YEAR ENDED 31 DECEMBER, 2009**

**NOTE 9. PAYABLES**

| <b>Description</b> | <b>2009</b>       | <b>2008</b>       |
|--------------------|-------------------|-------------------|
|                    | <b>\$</b>         | <b>\$</b>         |
| Sundry Creditors   | 15,458,223        | 16,625,715        |
| Accruals           | 866,563           | 445,909           |
| <b>Total</b>       | <b>16,324,786</b> | <b>17,071,624</b> |

**NOTE 10. EMPLOYMENT COST**

Expenditure under this category comprises of the following:

| <b>Description</b> | <b>2009</b>       | <b>2008</b>       |
|--------------------|-------------------|-------------------|
|                    | <b>\$</b>         | <b>\$</b>         |
| Salaries           | 32,599,823        | 31,426,548        |
| Gratuity           | 5,628,011         | 6,256,071         |
| Stipend            | 390,200           | 1,157,919         |
| Honorarium         | 128,725           | 63,535            |
| PAYE               | 6,924,971         | 7,296,266         |
| Employer NIS       | 3,911,587         | 4,138,980         |
| Advances           | 866,000           | 1,287,160         |
| Other Deductions   | 3,621             | 235,605           |
| <b>Total</b>       | <b>50,452,938</b> | <b>51,862,084</b> |

**NOTE 11. MATERIALS, EQUIPMENT & SUPPLIES**

Expenditure under this category comprises of the following:

| <b>Description</b>                 | <b>2009</b>        | <b>2008</b>        |
|------------------------------------|--------------------|--------------------|
|                                    | <b>\$</b>          | <b>\$</b>          |
| Medical Supplies                   | 51,264             | 24,675             |
| Office Materials & Supplies        | 6,201,848          | 4,682,758          |
| Printing & Non -Printing Materials | 200,733,574        | 142,362,919        |
| <b>Total</b>                       | <b>206,986,686</b> | <b>147,070,352</b> |

**GOVERNMENT INFORMATION AGENCY  
 NOTES TO THE FINANCIAL STATEMENTS (Cont'd)  
 FOR THE YEAR ENDED 31 DECEMBER, 2009**

**NOTE 12. RENTAL & MAINTENANCE OF BUILDINGS**

Expenditure under this category comprises of the following:

| Description             | 2009<br>\$       | 2008<br>\$       |
|-------------------------|------------------|------------------|
| Maintenance of Building | 1,445,731        | 3,235,552        |
| Cleaning Supplies       | 376,118          | 184,317          |
| <b>Total</b>            | <b>1,821,849</b> | <b>3,419,869</b> |

**NOTE 13. TRANSPORT, TRAVEL & POSTAGE**

Expenditure under this category comprises of the following:

| Description               | 2009<br>\$       | 2008<br>\$       |
|---------------------------|------------------|------------------|
| Traveling and Subsistence | 2,202,640        | 1,796,789        |
| Postage                   | 733,593          | 857,198          |
| <b>Total</b>              | <b>2,936,233</b> | <b>2,653,987</b> |

**NOTE 14. MAINTENANCE OF EQUIPMENT**

Expenditure under this category comprises of the following:

| Description                    | 2009<br>\$     | 2008<br>\$     |
|--------------------------------|----------------|----------------|
| Maintenance of AC Units        | -              | -              |
| Fax                            | -              | -              |
| Maintenance of Other Equipment | 576,036        | 858,594        |
| <b>Total</b>                   | <b>576,036</b> | <b>858,594</b> |

**GOVERNMENT INFORMATION AGENCY  
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)  
FOR THE YEAR ENDED 31 DECEMBER, 2009**

**NOTE 15. UTILITY CHARGES**

Expenditure under this category comprises of the following:

| Description         | 2009             | 2008             |
|---------------------|------------------|------------------|
|                     | \$               | \$               |
| Telephone Charges   | 2,199,835        | 1,482,070        |
| Electricity Charges | 3,300,000        | 3,900,000        |
| Water Charges       | -                | -                |
| <b>Total</b>        | <b>5,499,835</b> | <b>5,382,070</b> |

**NOTE 16. OTHER SERVICES PURCHASED**

Expenditure under this category comprises of the following:

| Description              | 2009             | 2008             |
|--------------------------|------------------|------------------|
|                          | \$               | \$               |
| Weeding                  | 150,000          | 165,000          |
| Other Cleaning Services  | 85,956           | 81,821           |
| Other Services Purchased | 1,861,693        | 2,007,917        |
| <b>Total</b>             | <b>2,097,649</b> | <b>2,254,738</b> |

**NOTE 17. OTHER OPERATING EXPENSES**

Expenditure under this category comprises of the following:

| Description            | 2009             | 2008             |
|------------------------|------------------|------------------|
|                        | \$               | \$               |
| National & Other event | 1,546,838        | 821,356          |
| Meals and Refreshment  | 2,915,157        | 3,043,903        |
| Website Ads            | -                | -                |
| Others                 | 670,774          | 443,504          |
| Training               | 61,440           | 157,013          |
| <b>Total</b>           | <b>5,194,209</b> | <b>4,465,776</b> |



## 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>

245/SO: 31/2/2015

19 August 2015

Ms. Beverley Alert  
Director  
Government Information Agency  
Area 'B' Homestretch Avenue  
D'Urban Backlands  
Georgetown.

Dear Ms. Alert,

RE: AUDIT OF THE FINANCIAL STATEMENTS  
OF THE GOVERNMENT INFORMATION AGENCY  
FOR THE YEAR ENDED 31 DECEMBER 2009

Following the audit of the Financial Statements of the Government Information Agency (GINA) for the year ended 31 December 2009; the findings hereunder were discussed with your Accountant and are now forwarded to you for appropriate action.

2. The audit was conducted in accordance with Generally Accepted Auditing Standards, including those of the International Organisation 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 were free of material misstatements.

3. The main purpose of the audit was to express an opinion on the financial statements and evaluate the operations of the GINA to ascertain whether:

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

- e) Essential records are maintained, and the internal management controls, rules and procedures established and applied are sufficient to safeguard the controls of stores and other property.

## FINDINGS AND RECOMMENDATIONS

### A. Statement of Financial Position

Current Assets: \$82,953,879

Receivables: \$82,547,467

4. The sum of \$82.547M was stated as receivables for the period reviewed. Included in the amount stated as receivables is the sum of \$82.408M in relation to Sundry Debtors. However, audit examination of the debtor's schedule and other related records verified amounts totalling \$80.258M reflecting a difference of \$2.150M (see appendix 1). Also, there is no policy in place for provision for bad debt should they become uncollectable. As a result, the completeness, accuracy and validity of the amount stated as receivables in the financial statements could not be determined.

*Recommendation:* The Audit Office recommends that the Management of the Agency seek to implement the relevant policy to ensure debts are collected when they become payable.

*Management Response:* The Agency presented Debtors report for \$82,408,467 which has all the relevant information (date, receipt numbers, invoice numbers and amounts) for audit verification. At the time this report was presented, an independent forensic audit was being conducted, completion of which may shed some light on the difference identified by the Audit Office, Ministry of Finance, barring which, the Agency requests further perusal of its financial records. The Agency is in the process of seeking to recover all debts. Should these efforts fail, the Agency would have to pursue measures to write off unpaid debts.

5. Notwithstanding the response of Management, attempts to verify the difference proved futile.

Petty Cash: \$175,000

6. The sum of \$175,000 represents Petty Cash for the period under review. However, a Petty Cash Book was not presented for audit scrutiny. As a result, the completeness, accuracy and validity of the amount stated as Petty Cash in the financial statements could not be determined.

*Recommendation:* The Audit Office recommends that the Management of the Agency take steps to present the Petty Cash Book for audit examination.

*Management Response:* At the time of the audit the petty cash book couldn't be located but all the petty cash vouchers were presented to the auditors.



Current Liabilities: \$22,711,829

Bank Overdraft: (\$6,387,043)

7. The amount of (\$6.387M) represents an overdrawn position of bank balances as at 31 December 2009 for the two bank accounts. An audit examination of the bank statements and other related records revealed the following:

- i. There was no evidence that bank reconciliations were prepared and duly signed by a Certifying Officer;
- ii. Reconciling items remained outstanding for long periods and dated as far back as 2005;
- iii. In relation to Accounts No. 9161, reconciling items totalling (\$28.222M) included amounts for unrepresented cheques, over-deposits and deposits not posted to Cash Book totalling (\$8.847M), (\$15.066M) and (\$7.269M) respectively (see appendix 2);
- iv. With regards to Accounts No. 8827, reconciling items with a net value of (\$1.870M) and included outstanding deposits and unrepresented cheques totalling \$17.492M and respectively (\$4.111M) (see appendix 3);
- v. The lists of unrepresented cheques for the two Bank Accounts stated above did not reflect the dates of the cheques, hence it could not be determined if the cheques were stale dated; and
- vi. The Audit Office sought to independently confirm the bank balances, however, at the time of reporting this has not been forthcoming.

8. As a result, the completeness, accuracy and validity of the amount stated as Bank Overdraft in the financial statements could not be determined.

*Recommendation:* The Audit Office recommends that the Management of the Agency ensure that (i) bank reconciliation statements are prepared and certified by a senior officer; (ii) long outstanding amounts in bank reconciliation statements are cleared; (iii) bank accounts are not left in overdraft for long periods; (iv) dates of cheques must be easily identifiable by their dates in all the records of the Agency; (v) and follow up action are taken to have bank confirmations received on a timely manner.

*Management Response:* Management of the Agency will make the necessary corrections in the future. Journals are being done to clear the long outstanding amount and the reconciliation statements are being sign. Cheques will be easily identified. Management have noted all the recommendations and will take the necessary measures to have them implemented.

## **B. Statement of Comprehensive Income**

Expenditure: \$289,370,787

Employment Cost: \$50,452,938

9. The amount of \$50.453M represents employment cost for the year under review. An examination of personal files and related records revealed that employees received ten percent instead of the authorized six percent increase in salaries. A letter from the Agency dated 16 December 2009 requesting approval from the Finance Secretary (FS) for the aforementioned payment was submitted for audit examination. However, approval from the FS was not provided to substantiate the additional four percent payment totalling \$536,662 to thirty one employees for the period July to December 2009 (see appendix 4). As a result, the completeness, accuracy and validity of the amount stated as Employment Cost in the financial statements could not be determined.

*Recommendation:* The Audit Office recommends that the Management of the Agency ensure that all payments of remuneration should be approved by the relevant authorities before such payments are made.

*Management Response:* A 10% salary increase was given to all State Media employees by the President at the time.

Fuel and Lubricants: \$2,548,431

10. The amount of \$2.548M represents fuel & lubricants for the period under review. However, log books were not presented for the vehicles under the control of the Agency. As a result, we could not verify the quantity of fuel purchased for the period.


*Recommendation:* The Audit Office recommends that the Management of the Agency take necessary action to ensure that Log books are properly secured for audit examination.

*Management Response:* At the time of Audit the log books couldn't be located. There is a log book system that is in place.

C. General

11. The Audit Office wishes to express its sincere appreciation for the cooperation given to its officers during the course of the audit. In keeping with the Audit Office's policies, a reply is expected within fourteen (14) days of the receipt of this letter.

Yours sincerely,

  
★ **AUDIT OFFICE** ★  
T. Pyle  
Audit Manager  
for Auditor General  
OF GUYANA

Name of Entity: Government Information Agency

Year of Audit: 2009

Appendix 1

A difference of \$2.150M was reflected for Debtors between the audited figure of \$80.258M and the amount of \$82.408M stated in the Financial Statements. See details below for further breakdown.

| <b>Follow up adjustment to Debtors</b> | <b>Audited Figures<br/>\$</b> |
|--|-------------------------------|
| Opening Debtors                        | 79,593,259                    |
| <b><u>Adjustments</u></b>              |                               |
| Total Invoices for 2009                | 209,447,462                   |
| Opening Balance<br>plus Total Invoices | 289,040,721                   |
| Less: Receipts                         | 196,134,433                   |
| Total Debtors                          | 92,906,288                    |
| Less Cina Ads                          | 12,647,791                    |
| Final Debtors                          | 80,258,497                    |
| Amount as per Financial Statement      | 82,408,467                    |
| Difference                             | - 2,149,970                   |

**Name of Entity: Government Information Agency**

**Year of Audit: 2009**

**Appendix 2**

There were fifteen unrepresented cheques totalling \$8.847M for the year under review.

**Scotiabank Account # 9161**

| <b>Item No.</b> | <b>Cheque #</b> | <b>Amount \$</b>    |
|-----------------|-----------------|---------------------|
| 1               | 131             | 1,648,810.00        |
| 2               | 409             | 8,000.00            |
| 3               | 1255            | 20,000.00           |
| 4               | 1261            | 41,440.00           |
| 5               | 1268            | 130,700.00          |
| 6               | 1290            | 22,000.00           |
| 7               | 1293            | 154,628.00          |
| 8               | 1305            | 1,000,000.00        |
| 9               | 1307            | 1,140,008.00        |
| 10              | 1310            | 708,637.00          |
| 11              | 1311            | 115,536.00          |
| 12              | 1312            | 1,011,832.00        |
| 13              | 1313            | 113,587.00          |
| 14              | 1314            | 2,722,250.00        |
| 15              | 1315            | 9,860.00            |
| <b>Total</b>    |                 | <b>8,847,288.00</b> |

| <b>Description</b> | <b>Amount \$</b> |
|--------------------|------------------|
| Over deposits      | 15,066,175       |

| <b>Description</b>               | <b>Amount \$</b> |
|----------------------------------|------------------|
| Deposits not posted to cash book | 7,269,000        |

Name of Entity: Government Information Agency

Year of Audit: 2009

**Appendix 3**

There were thirty - five outstanding deposits totalling \$17.492M for the year under review.

Scotiabank Account # 8827

| Item No. | Particulars                                       | Amount            | \$ |
|----------|---|-------------------|----|
| 1        | Outstanding Deposit- with Recpt - Jan             | 66,216            |    |
| 2        | Outstanding deposit - Recpt - Feb                 | 1,016,000         |    |
| 3        | Outstanding Deposit- with Recpt - March           | 49,500            |    |
| 4        | Outstanding Deposit- with Recpt - April           | 96,800            |    |
| 5        | Outstanding Deposit- with Recpt - May             | 3,900             |    |
| 6        | Outstanding Deposit- with Recpt - June            | 13,600            |    |
| 7        | Outstanding Deposit- with Recpt - July            | 13,621            |    |
| 8        | Deposit - with Recpt - Aug.                       | 923,300           |    |
| 9        | Outstanding Deposit- with Recpt - Sept            | 5,740             |    |
| 10       | Outstanding Deposit - with Recpt - Oct.           | 4,290             |    |
| 11       | Outstanding Deposit - with Recpt - Nov            | 40,702            |    |
| 12       | Outstanding Deposit - with Recpt - Dec.           | 2,590             |    |
| 13       | Outstanding Deposit - with Recpt - Jan 2006       | 13,000            |    |
| 14       | Outstanding Deposit - with Recpt - Feb 2006       | 7,000             |    |
| 15       | Outstanding Deposit - with Recpt - Mar 2006       | 54,400            |    |
| 16       | Outstanding Deposit - with Recpt - April 2006     | 13,654,968        |    |
| 17       | Outstanding Deposit - with Recpt - May 2006       | 456,800           |    |
| 18       | Outstanding Deposit - with Recpt - June 2006      | 1,600             |    |
| 19       | Outstanding Deposit - with Recpt - July 2006      | 2,320             |    |
| 20       | Outstanding Deposit - with Recpt - August 2006    | 3,311             |    |
| 21       | Outstanding Deposit - with Recpt - Septe 2006     | 20,000            |    |
| 22       | Outstanding Deposit - with Recpt - January 2007   | 4,775             |    |
| 23       | Outstanding Deposit - with Recpt - May 2007       | 6,000             |    |
| 24       | Outstanding Deposit - with Recpt - June 2007      | 250               |    |
| 25       | Outstanding Deposit - with Recpt - June 2007      | 1,000             |    |
| 26       | Outstanding Deposit - with Recpt - Aug 2007       | 500               |    |
| 27       | Outstanding Deposit - with Recpt - September 2007 | 1,500             |    |
| 28       | Outstanding Deposit - with Recpt - January 2008   | 720,500           |    |
| 29       | Outstanding Deposit - with Recpt - Aug 2008       | 13,000            |    |
| 30       | Outstanding Deposit - with Recpt - Oct 2008       | 750               |    |
| 31       | Outstanding Deposit - with Recpt - Feb 2009       | 2,220             |    |
| 32       | Outstanding Deposit - with Recpt - Mar 2009       | 45,677            |    |
| 33       | Outstanding Deposit - with Recpt - May 2009       | 10,500            |    |
| 34       | Outstanding Deposit - with Recpt - July 2009      | 260               |    |
| 35       | Outstanding Deposit - with Recpt - Nov 2009       | 235,486           |    |
|          | <b>Total</b>                                      | <b>17,492,076</b> |    |

**Name of Entity: Government Information Agency**

**Year of Audit: 2009**

**Appendix 3 Con't**

There were thirty - six unrepresented cheques totalling \$4.111M for the year under review.

**Scotiabank Account # 8827**

| Item No.     | Cheque # | Amount<br>\$        |
|--------------|----------|---------------------|
| 1            | 2264     | 86,400.00           |
| 2            | 2571     | 7,000.00            |
| 3            | 2620     | 10,380.00           |
| 4            | 2757     | 11,600.00           |
| 5            | 3043     | 53,140.00           |
| 6            | 4550     | 7,068.00            |
| 7            | 4828     | 4,000.00            |
| 8            | 5055     | 44,288.00           |
| 9            | 5180     | 19,535.00           |
| 10           | 5352     | 10,000.00           |
| 11           | 5420     | 4,800.00            |
| 12           | 5726     | 59,693.00           |
| 13           | 5837     | 200,000.00          |
| 14           | 5853     | 56,620.00           |
| 15           | 6425     | 10,000.00           |
| 16           | 6728     | 17,967.00           |
| 17           | 6735     | 206,974.00          |
| 18           | 6792     | 41,760.00           |
| 19           | 6824     | 40,155.00           |
| 20           | 6827     | 338,534.00          |
| 21           | 6836     | 426,300.00          |
| 22           | 6845     | 318,021.00          |
| 23           | 6849     | 290,000.00          |
| 24           | 6852     | 142,331.00          |
| 25           | 6853     | 30,000.00           |
| 26           | 6855     | 16,356.00           |
| 27           | 6856     | 95,520.00           |
| 28           | 6857     | 323,135.00          |
| 29           | 6858     | 706,926.00          |
| 30           | 6859     | 64,512.00           |
| 31           | 6862     | 179,950.00          |
| 32           | 6863     | 38,400.00           |
| 33           | 6864     | 78,522.00           |
| 34           | 6865     | 53,460.00           |
| 35           | 6866     | 92,880.00           |
| 36           | 6867     | 25,000.00           |
| <b>Total</b> |          | <b>4,111,227.00</b> |

**Name of Entity: Government Information Agency**

**Year of Audit: 2009**

**Appendix 4**

Thirty - one employees were overpaid salaries totalling \$536,662. See table below for details.

| #            | NAME OF EMPLOYEE     | POSITION                 | BASIC SALARY as at JUNE, 2014 | BASIC SALARY WITH 6% INCREASE | BASIC SALARY WITH 10% INCREASE | DIFF. | PERIOD    | Overpaid \$    |
|--------------|----------------------|--------------------------|-------------------------------|-------------------------------|--------------------------------|-------|-----------|----------------|
| 1            | Alicia Browne        | Trainee Accounts Clerk   | 32,046                        | 33,969                        | 35,251                         | 1,282 | July-Dec. | 7,693          |
| 2            | Baby Farida Khan     | Cleaner                  | 36,003                        | 38,163                        | 39,603                         | 1,440 | July-Dec. | 8,639          |
| 3            | Christine Prasad     | Receptionist             | 32,046                        | 33,969                        | 35,251                         | 1,282 | July-Dec. | 7,693          |
| 4            | Churainaine Meghoo   | Accountant               | 66,096                        | 70,062                        | 72,706                         | 2,644 | July-Dec. | 15,865         |
| 5            | Curtis Setal         | Cameraman/Editor         | 45,780                        | 48,527                        | 50,358                         | 1,831 | July-Dec. | 10,987         |
| 6            | David De Groot       | Media Monitor            | 128,585                       | 136,300                       | 141,444                        | 5,144 | July-Dec. | 30,863         |
| 7            | Fabian Clowes        | Communication Officer    | 84,121                        | 89,168                        | 92,533                         | 3,365 | July-Dec. | 20,188         |
| 8            | Felicia Persaud      | Secretary                | 52,500                        | 55,650                        | 57,750                         | 2,100 | July-Dec. | 12,600         |
| 9            | Hemwattie Persaud    | Administrative Manager   | 147,873                       | 156,745                       | 162,687                        | 5,942 | July-Dec. | 35,650         |
| 10           | John Da Silva        | Research Officer         | 67,518                        | 71,569                        | 74,270                         | 2,701 | July-Dec. | 16,206         |
| 11           | Karen Persaud        | Advertising Coordinator  | 205,735                       | 218,079                       | 226,309                        | 8,230 | July-Dec. | 49,379         |
| 12           | Neaz Subhan          | Director                 | 228,900                       | 242,634                       | 251,790                        | 9,156 | July-Dec. | 54,936         |
| 13           | Onika Holder         | Communication Officer    | 70,000                        | 74,200                        | 77,000                         | 2,800 | July-Dec. | 16,800         |
| 14           | Remalio Persaud      | IT/Layout Officer        | 68,250                        | 72,345                        | 75,075                         | 2,730 | July-Dec. | 16,380         |
| 15           | Shanta Gaberdhan     | Editor-in-Chief          | 165,209                       | 175,122                       | 181,730                        | 6,608 | July-Dec. | 39,651         |
| 16           | Shaundell Greene     | Asst. SPO/ General Clerk | 51,503                        | 54,593                        | 56,653                         | 2,060 | July-Dec. | 12,359         |
| 17           | Latchman Khamraj     | IT/Layout Officer        | 65,000                        | 68,900                        | 71,500                         | 2,600 | July-Dec. | 15,600         |
| 18           | Leslyn Lowe          | Communication Officer    | 75,000                        | 79,500                        | 82,500                         | 3,000 | July-Dec. | 18,000         |
| 19           | Duleep Narain        | Editor                   | 130,522                       | 138,353                       | 143,574                        | 5,221 | July-Dec. | 31,324         |
| 20           | Chattergoon Jadoopat | Cameraman                | 45,000                        | 47,700                        | 49,500                         | 1,800 | July-Dec. | 10,800         |
| 21           | Michael Ignatius     | Officer Assistant        | 40,000                        | 42,400                        | 44,000                         | 1,600 | July-Dec. | 9,600          |
| 22           | Dasrat Rajkumar      | Driver                   | 50,000                        | 53,000                        | 55,000                         | 2,000 | July-Dec. | 12,000         |
| 23           | Erika Haag           | Research Officer         | 65,000                        | 68,900                        | 71,500                         | 2,600 | July-Dec. | 15,600         |
| 24           | Vindiya Tumeshwar    | Communication Officer    | 75,000                        | 79,500                        | 82,500                         | 3,000 | July-Dec. | 18,000         |
| 25           | Darshanie Yussuf     | Communication Officer    | 78,750                        | 83,475                        | 86,625                         | 3,150 | July-Dec. | 6,300          |
| 26           | Shurland Thomas      | Trainee Cameraman        | 35,000                        | 37,100                        | 38,500                         | 1,400 | July-Aug. | 2,800          |
| 27           | Bonita Lowden        | Communications Officer   | 75,000                        | 79,500                        | 82,500                         | 3,000 | July-Aug. | 6,000          |
| 28           | Naoni Tyndell        | Accountant               | 78,750                        | 83,475                        | 86,625                         | 3,150 | July-Aug. | 6,300          |
| 29           | Imdaad Sattaur       | Communications Officer   | 75,000                        | 79,500                        | 82,500                         | 3,000 | July-Nov. | 15,000         |
| 30           | Fernando DeGoias     | Driver                   | 57,225                        | 60,659                        | 62,948                         | 2,290 | July-Nov. | 11,448         |
| 31           | Deoram Singh         | Cameraman                | 50,000                        | 53,000                        | 55,000                         | 2,000 | July      | 2,000          |
| <b>Total</b> |                      |                          |                               |                               |                                |       |           | <b>536,662</b> |