

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

**FOR THE YEAR ENDED
31 DECEMBER 2011**

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

AUDITED FINANCIAL STATEMENTS OF THE
GOVERNMENT INFORMATION AGENCY
FOR THE YEAR ENDED TO 31 DECEMBER 2011

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Audit Office of Guyana

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127/SO: 31/2/2016

17 May 2016

Mr. Omar Shariff
Permanent Secretary
Office of the Prime Minister
Shivnarine Chanderpaul Drive
Georgetown.

Dear Mr. Shariff,

AUDIT OF THE FINANCIAL STATEMENTS OF THE
GOVERNMENT INFORMATION AGENCY (GINA)
FOR THE YEAR ENDED 31 DECEMBER 2011

We wish to inform you that we have completed the audit of the above-mentioned Agency for the year ended 31 December 2011. 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,





Audit Office of Guyana

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AG: 35/2016

17 May 2016

REPORT OF THE AUDITOR GENERAL
ON THE FINANCIAL STATEMENTS OF THE
GOVERNMENT INFORMATION AGENCY
FOR THE YEAR ENDED 31 DECEMBER 2011

I have audited the accompanying financial statements of the Government Information Agency (GINA), which comprised of the statement of financial position as at 31 December 2011, 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 Generally Accepted Accounting 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 Organisation 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 judgment, 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 the accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

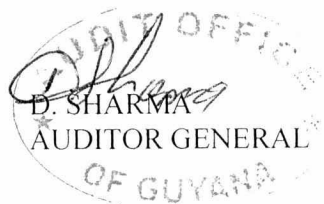
I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Basis for Qualified Opinion

The amount of \$103,237,896 represents Receivables for the year under review. An examination of the Debtors' Age Analysis revealed that there were 61 debtors with balances totalling \$97,872,884 which represents 94% of the total debtors which were outstanding over the 90 days period. Further, there was no evidence that the Agency has a policy for provision of bad debts in place.

Opinion

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, 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 2011, and of its financial performance and its cash flows for the year then ended in accordance with Generally Accepted Accounting Principles.





AUDIT OFFICE
63 HIGH STREET
KINGSTON
GEORGETOWN
GUYANA

**GOVERNMENT INFORMATION AGENCY
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER, 2011**

	Notes	2011 \$	2010 \$
<u>ASSETS</u>			
NON-CURRENT ASSETS			
Motor Vehicles		7,966,250	4,868,017
Furniture & Equipment		<u>27,152,257</u>	<u>25,885,503</u>
	4	35,118,507	30,753,520
CURRENT ASSETS			
Inventories		835,129	1,077,266
Bank	8	889,553	2,530,657
Receivables	5	103,237,896	84,187,892
Cash in Hand		<u>180,000</u>	<u>175,000</u>
		105,142,578	87,970,815
TOTAL ASSETS		<u>140,261,085</u>	<u>118,724,335</u>
<u>EQUITY & LIABILITIES</u>			
EQUITY			
Gov't Capital Contribution	6	11,745,584	9,754,211
Incorporation Reserve (MOI)		9,538,765	9,538,765
Accumulated Surplus	7	<u>81,951,957</u>	<u>71,958,693</u>
		103,236,306	91,251,669
CURRENT LIABILITIES			
Payables	9	<u>37,024,779</u>	<u>27,472,669</u>
		37,024,779	27,472,669
TOTAL EQUITY & LIABILITIES		<u>140,261,085</u>	<u>118,724,335</u>

These Financial Statements were approved for issuance on February 22, 2016 by:

Accountant: 
Mrs. Natalie Brhamdeow

Director: 
Ms. Beverley Alert

**GOVERNMENT INFORMATION AGENCY
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER, 2011**

	Notes	2011 \$	2010 \$
INCOME			
Current Subvention		111,496,000	99,099,999
Sale of Ads		122,744,576	195,754,528
Other Income		45,662,834	6,617,031
Deferred Income		8,008,624	6,742,677
TOTAL INCOME		287,912,034	308,214,235
EXPENDITURE			
Employment Cost	10	67,543,246	54,610,337
Material, Equipment and Supplies	11	162,133,543	214,867,176
Fuel and Lubricant		5,357,932	3,261,666
Rental & Maintenance of Building	12	2,174,692	1,484,841
Transport, Traveling and Postage	13	4,002,977	3,297,945
Security charges		4,586,873	4,246,203
Maintenance of Equipment	14	2,272,936	446,214
Utility charges	15	4,705,241	5,820,345
Vehicle Spares and services		2,928,042	2,131,418
Other Service Purchased	16	7,999,761	351,532
Other Operating Expenses	17	6,204,904	10,415,081
Depreciation & Amortisation		8,008,624	6,742,677
TOTAL EXPENDITURE		277,918,771	307,675,435
NET SURPLUS		9,993,264	538,800

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

**GOVERNMENT INFORMATION AGENCY
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER, 2011**

	Incorporation Reserve	Revaluation Reserve	Government Contribution	Accumulated Surplus	Total
	G\$	G\$	G\$	G\$	G\$
Balance as at 31 December, 2010	9,538,765	-	11,496,888	71,419,893	92,455,546
Net Surplus for the year	-	-	-	538,800	538,800
Capital Subvention Received	-	-	5,000,000	-	5,000,000
Deferred Income	-	-	(6,742,677)	-	(6,742,677)
Balance as at 31 December, 2010	9,538,765	-	9,754,211	71,958,693	91,251,669
Net Surplus for the year	-	-	-	9,993,264	9,993,264
Capital Subvention Received	-	-	10,000,000	-	10,000,000
Deferred Income	-	-	(8,008,624)	-	(8,008,624)
Balance as at 31 December, 2011	9,538,765	-	11,745,587	81,951,957	103,236,309

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

**GOVERNMENT INFORMATION AGENCY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER, 2011**

	2011	2010
	\$	\$
Operating Activities		
Surplus for the period	9,993,264	538,800
<i>Adjustments for:</i>		
Depreciation & Amortisation	8,008,624	6,742,677
Operating profit before working capital changes	18,001,888	7,281,477
(Increase)/Decrease in Inventories	242,137	(845,854)
(Increase)/Decrease in Receivables	(19,050,004)	(1,470,958)
Increase/(Decrease) in Payables	9,552,110	11,147,883
Net cashflow generated from operations	8,746,131	16,112,548
Investing Activities		
Acquisition of Non-Current Assets	(12,373,611)	(5,452,171)
Net cashflow generated from investing activities	(12,373,611)	(5,452,171)
Financing Activities		
Government Contribution (Capital Subventions)	10,000,000	5,000,000
Deferred Income	(8,008,624)	(6,742,677)
Net cashflow generated from financing activities	1,991,376	(1,742,677)
Net Increase/(Decrease) in cash & cash equivalents	(1,636,104)	8,917,700
Cash and cash equivalents at the beginning of the year	2,705,657	(6,212,043)
Cash and cash equivalents at end of the year	1,069,553	2,705,657
Reconciliation of Cash & Cash Equivalents as per Statement of Financial Position		
Cash in Hand	180,000	175,000
Bank	889,553	2,530,657
Total	1,069,553	2,705,657

**GOVERNMENT INFORMATION AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER, 2011**

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

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, 2011**

NOTE 3. PERSONNEL & DIRECTORS REMUNERATION

Key Management Personnel: The sum of \$15,501,468.00 was paid to seven (7) key Management employees for the year 2011.

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

NOTE 4A. NON-CURRENT ASSETS SCHEDULE

Description	Motor Vehicles \$	Equipment \$	Total \$
Cost/Valuation at Jan 1, 2011	9,901,000	54,364,369	64,265,369
Additions (8827 A/C)	4,400,000	7,973,611	12,373,611
Cost/Val Dec 31, 2011	14,301,000	62,337,980	76,638,980
Acc. Dep'n at Jan 1, 2011	5,032,983	28,478,866	33,511,849
Depreciation - Current Year	1,301,767	6,706,857	8,008,624
Acc. Dep'n @ Dec 31, 2011	6,334,750	35,185,723	41,520,473
NBV at Dec 31, 2011	7,966,250	27,152,257	35,118,507
NBV at Dec 31, 2010	4,868,017	25,885,503	30,753,520

NOTE 4B. The Agency policy is that the yearly depreciation value be less off the fixed assets as deferred income.

Breakdown of Additions to Equipment at Cost

Description	Amount (\$)
Motor Vehicle	4,400,000
Office Furniture	1,126,094
Office Equipment	6,626,173
Video/Editing Equipment	221,344
Total	12,373,611

GOVERNMENT INFORMATION AGENCY
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
FOR THE YEAR ENDED 31 DECEMBER, 2011

NOTE 5. RECEIVABLES

Description	2011	2010
	\$	\$
Sundry Debtors	103,197,896	83,937,892
Staff Loans	40,000	250,000
Total	103,237,896	84,187,892

NOTE 6. GOV'T CAPITAL CONTRIBUTION

Description	2011	2010
	\$	\$
Balance b/f	9,754,211	11,496,888
Capital Subvention Received	10,000,000	5,000,000
Deferred Income	(8,008,624)	(6,742,677)
Balance	11,745,587	9,754,211

NOTE 7. ACCUMULATED SURPLUS/(DEFICIT)

Description	2011	2010
	\$	\$
Accumulative Surplus at Jan 01	71,958,693	71,419,893
Prior Year Adjustment	-	-
Adjusted Accum. Surplus	71,958,693	71,419,893
Surplus for Current Year	9,993,264	538,800
Accumulative Surplus at Dec 31	81,951,957	71,958,693

NOTE 8. BANK

Description	2011	2010
	\$	\$
Scotia Bank A/C # 8827	12,149,145	25,740,191
Scotia Bank A/C # 9161	(11,259,592)	(23,209,534)
Balance	889,553	2,530,657

GOVERNMENT INFORMATION AGENCY
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
FOR THE YEAR ENDED 31 DECEMBER, 2011

NOTE 9. PAYABLES

Description	2011	2010
	\$	\$
Sundry Creditors	33,815,221	25,447,647
Accruals	3,209,558	2,025,022
Total	37,024,779	27,472,669

NOTE 10. EMPLOYMENT COST

Expenditure under this category comprises of the following:

Description	2011	2010
	\$	\$
Salaries	45,731,030	36,848,628
Gratuity	7,165,987	6,384,081
Stipend	566,922	242,579
Honorarium	-	282,100
PAYE	8,775,362	6,386,612
NIS	4,252,955	3,601,337
Advances	789,300	865,000
Other Deductions	261,690	-
Total	67,543,246	54,610,337

NOTE 11. MATERIALS, EQUIPMENT & SUPPLIES

Expenditure under this category comprises of the following:

Description	2011	2010
	\$	\$
Medical Supplies	46,380	31,475
Office Materials & Supplies	6,170,619	3,951,100
Printing & Non -Printing Materials	155,916,544	210,884,601
Total	162,133,543	214,867,176

GOVERNMENT INFORMATION AGENCY
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
FOR THE YEAR ENDED 31 DECEMBER, 2011

NOTE 12. RENTAL & MAINTENANCE OF BUILDINGS

Expenditure under this category comprises of the following:

Description	2011	2010
	\$	\$
Maintenance of Building	2,132,392	1,290,393
Cleaning Supplies	42,300	194,448
Total	2,174,692	1,484,841

NOTE 13. TRANSPORT, TRAVEL & POSTAGE

Expenditure under this category comprises of the following:

Description	2011	2010
	\$	\$
Traveling and Subsistence	2,088,590	2,238,400
Postage	1,914,387	1,059,545
Total	4,002,977	3,297,945

NOTE 14. MAINTENANCE OF EQUIPMENT

Expenditure under this category comprises of the following:

Description	2011	2010
	\$	\$
Maintenance of AC Units	-	82,000
Fax	161,820	253,030
Maintenance of Other Equipment	2,111,116	111,184
Total	2,272,936	446,214

GOVERNMENT INFORMATION AGENCY
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
FOR THE YEAR ENDED 31 DECEMBER, 2011

NOTE 15. UTILITY CHARGES

Expenditure under this category comprises of the following:

Description	2011	2010
	\$	\$
Telephone Charges	1,677,678	2,155,342
Electricity Charges	3,000,000	3,600,000
Water Charges	27,563	65,003
Total	4,705,241	5,820,345

NOTE 16. OTHER SERVICES PURCHASED

Expenditure under this category comprises of the following:

Description	2011	2010
	\$	\$
Weeding	245,000	90,000
Other Cleaning Services	155,116	79,467
Other Services Purchased	7,599,645	182,065
Total	7,999,761	351,532

NOTE 17. OTHER OPERATING EXPENSES

Expenditure under this category comprises of the following:

Description	2011	2010
	\$	\$
National & Other event	2,048,407	2,183,527
Meals and Refreshment	2,956,763	2,547,715
Others	1,194,538	5,673,839
Training	5,196	10,000
Total	6,204,904	10,415,081



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169/SO: 31/2/2016

17 May 2016

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

Dear Ms. Alert,

AUDIT OF THE FINANCIAL STATEMENTS
OF THE GOVERNMENT INFORMATION AGENCY
FOR THE YEAR ENDED 31 DECEMBER 2011

The audit of the financial statements of the Government Information Agency (GINA) for the year ended 31 December 2011 has been completed. 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 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 of material misstatements.

3. The main purpose of the audit was to express an opinion on the financial statements and to evaluate the operations of 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 Agency;
- (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 charged to an account have been applied to the purpose or purposes 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 control of stores and other property.

FINDINGS AND RECOMMENDATIONS

A. Statement of Financial Position

Non-Current Assets: \$35,118,507

4. The amount of \$35.118M represents Non-Current Assets for the year under review. An examination of the records and physical examination of the assets revealed that they were not assigned an asset number neither were the serial number inserted into the Fixed Assets Register contrary to Section 28 of the Stores Regulations 1993. As a result, it could not be ascertained whether the assets examined were those which were initially purchased.

Recommendation: The Audit Office recommends that Management of the Agency take the necessary steps to ensure that the assets are marked and the register properly written up

Management's Response: The assets have "GINA" marked on them but we were advised to put the year and the serial numbers on them also. Management of the Agency noted the Audit Office recommendation and the changes were made in 2014.

Current Assets: \$105,142,577

Inventories: \$835,129

5. The amount of \$835,129 represents inventory for the year under review. A comparison of the Stock Master List provided by the Accountant and the year-end cash and stock count for the year ended 31 December 2011 which was observed by the Audit Office, revealed that the quantities of various items listed on the year-end stock sheet did not match those quantities that were listed on the Stock Master List. Also, values were not stated on the year-end stock sheet and as a result, the accuracy, completeness and validity of the amount shown on the financial statement could not be ascertained.

Recommendation: The Audit Office recommends that the Management of Agency put systems in place to ensure that all values and quantities are recorded on the year end stock sheets so as to verify the accuracy in the financial statements.

Management's Response: The inventories have been an audit query over the years, but due to the fact that the Audit of the Agency Accounts is so far behind, Management couldn't make any changes to the stock because the Auditors are auditing more than one year's simultaneously. The changes were made in 2014 where we created bin cards along with Peachtree print out.

6. During the stock count for the year ended 31 December 2011, it was observed that a number of obsolete items were found in the stores. At the time of the audit in May 2015, this situation still remains the same.

Recommendation: The Audit Office recommends that the Management of the Agency take the necessary action to dispose of the obsolete items.

Management's Response: These items in the stores can't be dispose of until there are audited. Some of these items are part of our assets that haven't been audited yet.

Most of these obsolete item the IT and the Camera Departments use them for parts. Management had the store cleaned up and these items are stored in a more decent manner.

Bank: \$889,553

7. The amount of \$889,553 represents Cash at Bank as at 31 December 2011. An examination of the records revealed that a reconciling item of a credit memo valued at \$426,720 was reflected on the bank reconciliation statements for Bank A/C No. 9161 for the year under review however; the details of this memo could not be ascertained.

Recommendation: The Audit Office recommends that the Management of the Agency take the necessary action to determine the source of the credit memo.

Management's Response: The credit memo on the bank statement for \$426,720 was in June 2009 this is for the payment of advertisement placed in 2009. It was Journal out in the Financial year 2012.

8. Included in the amount of \$889,553 is an overdraft of \$11.260M reflected for Bank Account No. 9161 as at 31 December 2011.

Recommendation: The Audit Office recommends that the Management of the Agency take the necessary steps to investigate the overdraft with a view of having it cleared.

Management's Response: The bank statement didn't indicate an overdraft. The overdraft on the bank reconciliation statement is due to the discrepancy that had to be journal out. The journals were done in the financial year 2012.

9. Amounts totalling \$3.343M and \$410,520 represent reconciling items which were reflected on the bank reconciliation statements for bank account nos. 8827 and 9161 respectively for the year under review. However, supporting documentations were not produced to substantiate these amounts. As a result, the amounts shown on the bank reconciliation statements could not be verified.

Recommendation: The Audit Office recommends that the Management of the Agency locate the necessary documentations so as to ensure that the bank reconciliation statements can be substantiated.

Management's Response: These items are petty cash overstated, credit correction; receipt overstated, service charges etc. These amounts are since 2004 to 2009. Journals were done in the financial year 2012 to clear these items.

Audit Follow Up: Your response is noted. However, at the time of reporting in February 2016, the journals produced did not relate to the findings.

Receivables: \$103,257,896

10. The amount of \$103.258M represents Receivables for the year under review. An examination of the Debtors' Age Analysis revealed that there were 61 debtors with balances totalling \$97.873M which represents 94% of the total debtors which were outstanding over the 90 days period. Further, there was no evidence that the Agency has a policy for provision of bad debts in place. See Appendix I.

Recommendation: The Audit Office recommends that the Management of the Agency take the necessary action to have a policy for provision of bad debts implemented.

Management's Response: The Agency can't write off any debt if the organization is still in existence. Management must exhaust all possible opinions before asking for approval to write off a debt.

Equity: \$103,236,309

Incorporation Reserve (MOI): \$9,538,765

11. An amount of \$9.539M represents Incorporation Reserve as at 31 December 2011. However, at the time of reporting (May 2015) no information was provided to substantiate this amount. This figure showed no movement from the previous year. As a result, the accuracy, validity and completeness of the amount shown could not be verified.

Recommendation: The Audit Office recommends that the Management of the Agency provide the necessary records or related documents to substantiate this amount.

Management's Response: This amount is a figure that keeps coming forward from when the Agency was Ministry of Information. I think that this amount was the amount of monies that was transfer from Ministry of Information to Government Information. Management will investigate the amount.

B. Statement of Comprehensive Income

Expenditure: \$277,918,771

12. The amount of \$277.919M represents total expenditure. An examination of a sample of payment vouchers for Bank Accounts Nos. 8827 and 9161 revealed the following observations:

Bank Account No. 8827

- (a) Payment voucher with cheque no. 7767 dated 2 March 2011 for an amount of \$480,000 was seen, however, the officer preparing the voucher did not sign and only a handwritten invoice was seen with a listing of the parts and its cost for the vehicle.
- (b) Twenty four vouchers totalling \$11.549M had no signature of the checking officer. See Appendix II.
- (c) Supporting documentation was not seen for a payment voucher valued at \$205,000 paid on cheque no. 7781 which was expended for overseas expenses for the Director.
- (d) The amount of \$40,000 was expended under drugs and medical supplies to facilitate medical expenses for the Director's driver. This expenditure is considered personal and should not have been met from Agency's funds.
- (e) The Agency's system in place for purchases are as follows:

Limit (\$)	Approved by
Below 240,000	Head of the Agency
240,001 to 999,999	Office of the President
Over 1,000,000	National Procurement and Tender Administration

However, an examination of a sample of purchases revealed the following observations as summarized below and detailed at Appendix III:

No of payments	Account No.	Value (\$)	Remarks
27	8827	12,335,816	Approvals from Office of the President not seen
17	9161	4,656,626	
2	8827	3,145,650	Tender Board Approval not seen

Bank Account No. 9161

- (f) There was no evidence on the voucher payable to Guyana National Newspapers Ltd. in the sum of \$1M that the officer preparing the voucher acknowledged doing so. In addition, twenty five payment vouchers were not signed by the checking officer in the sum of \$14.498M and the approving signatures were not seen on six payment vouchers totalling \$1.846M. See Appendix IV.

Recommendation: The Audit Office recommends that the Management of the Agency put systems in place to address the above shortcomings.

Management's Response: Management responded as follows:

- (a) The voucher wasn't signed prepared by because the Officer was on leave the voucher was prepared by the Officer that signed checked by that officer can't sign both places. The invoice for this voucher was handwritten and it's for repairs done to one of the Agency's vehicle PKK 762.
- (b) If one of the Officers is on leave the other person has to fill in. The person who signed checked by was on leave so they will only be a prepared by signed and approved by.

Audit Follow Up: Your response is noted. However, there was no evidence that the person filling in, signed as checked by.

The person filling in will sign prepared by because that person is preparing the voucher at the time.

- (c) There is a letter from the Ministry of Foreign Affairs attached to the voucher. Ministry of Foreign Affairs will have the cabinet approval which will have more details.

Audit Follow Up: Despite your response, please note that the letter attached to the voucher did not indicate the amount of expenditure to be incurred on this journey, also, all overseas expenditure should at all times be cleared with the relevant bills/receipts for expenses incurred.

- (d) The driver got sick on the job, Management seen it fit to assist him because he was working at the time he got ill.
- (e) These amount is more than one invoices add up together. The approval limit is for single invoice.

Audit Follow Up: Your response is noted, however, the relevant approval should have be sought for each invoice.

- (f) Like I mentioned earlier, if an Officer is on leave or not around for some reason or the other that signature will be missing.
- (g) The person that prepared the voucher will signed prepared by and the two signatures to the account before signing approved by will check the voucher.

Audit Follow Up: Your response is noted. However, Management should implement systems so that proper checks and balances are carried out at all times.

Employment Cost: \$67,543,246.

13. The amount of \$67.543M represents Employment Cost for the year under review. An examination of the records revealed that proper recruitment controls were not in place, since it was observed that applications letters were not seen for two employees, references were not seen for ten employees, and academic certificates were not seen for seven employees. As a result, it could not be easily determined as to whether proper systems were in place for the recruitment of employees within the Agency. See Appendix V.

Recommendation: The Audit Office recommends that the Management of the Agency put systems in place to ensure that recruitments are done properly.

Management's Response: Management will put systems in place to ensure that proper recruitments are done.

14. Audit examination of Payroll file revealed an overpayment of one employee who was paid lieu in leave of twenty seven days totalling \$274,175 instead of \$210,932 a difference of \$63,243 which was overpaid to the employee.

Recommendation: The Audit Office recommends that the Management of the Agency make effort to recover the amount overpaid.

Management's Response: Acknowledged. However, effort will be made to recover the overpayment made.

15. Amounts totalling \$1.639M were paid to twenty four employees as stipend. An examination of the employees' contracts did not indicate such payments. As a result, the reasons for such payments could not be determined.

Recommendation: The Audit Office recommends that the Management of the Agency take the necessary steps to validate the additional payments of a stipend to these employees.

Management's Response: Acknowledged. However, the amount actually represents responsibility allowance paid to the employees after an evaluation of their duties and responsibilities.

C. General

16. The Audit Office wishes to express its gratitude for the co-operation given by the staff of the Agency during the course of this audit. In keeping with the Audit Office's policies, a response to this report is expected within thirty (30) days of its receipt.

Yours sincerely,



J. Dillon
Audit Manager
for Auditor General

A circular stamp from the Audit Office of Guyana is visible, containing the text "AUDIT OFFICE OF GUYANA" around the perimeter and a star on the left side.

Appendix I

Receivables that was outstanding over the 90 days period

No.	Name of Debtor	Amount \$
1	Agri. Sector Development Unit	276,232
2	Audit Office of Guyana	153,360
3	Board of Industrial Training	24,360
4	Caribbean Development Bank	184,032
5	Cheddi Jagan International Airport Corp	565,370
6	Demerara Harbour Bridge	97,468
7	EFA/FTI	88,608
8	Guyana Revenue Authority	251,642
9	Guyana Defence Force	4,353,203
10	Government Information Agency	26,105,069
11	GINA ADS UNIT	9,852,845
12	Guyana Land & Surveys Commission	211,978
13	Guyana National Bureau of Standards	110,419
14	Guyana Public Hospital Corporation	184,032
15	Guyana Power & Light	846,548
16	Georgetown Solid Waste Mng Prog	307,270
17	Guyana Medical Board	186,758
18	Guyana Prison Service	28,798
19	GUYSUCO	4,167,756
20	Guyana Water Inc.	291,044
21	Guyana Forestry Commission	195,084
22	Guyana Police Force	30,030
23	Health Sector Development Unit	1,386,041
24	Hydrometeorological Division	198,347
25	Museum of African Heritage	515,346
26	Mayor & City Council	27,264
27	Maritime Administration	168,355
28	Ministry of Agriculture - PS	3,276,747
29	Ministry of Agriculture - Min Sect	7,649,323
30	Ministry of Amerindian Affairs	727,792
31	Ministry of Culture	7,032,544
32	Ministry of Finance	333,980
33	Ministry of Lab. Human Service & S S	2,473,908
34	Ministry of Health	1,710,243
35	Ministry of Home Affairs	461,290

No.	Name of Debtor	Amount \$
36	Ministry of Housing	232,425
37	Ministry of Local Government	1,174,002
38	Ministry of Public Works	2,593,432
39	Ministry of Tourism	2,162,488
40	Ministry of Education - PS	565,046
41	Material Management Unit	2,330,422
42	National Drainage & Irrigation Authority	1,999,072
43	National Road Safety	262,611
44	National School of Dance	136,888
45	National Centre for Edu. Resource Develop	1,032,454
46	New Guyana Marketing Corp.	1,968,402
47	National Climate Unit	42,941
48	Office of the President	170,627
49	Police Complaints Authority	39,951
50	Parliament Office	47,325
51	Region 1	825,550
52	Region 3	1,707,634
53	Region 4	1,463,167
54	Region 5	177,899
55	Region 6	2,419,029
56	Region 9	271,735
57	Registrar General	82,951
58	Rights of the Child Commission	95,424
59	Support for Competitiveness Programme	198,320
60	Transport & Harbours Department	1,297,763
61	Women & Gender Equality Commission	102,240
Total		97,872,884

Appendix II

Vouchers not signed by checking officer for A/C # 8827

Cheque Number	Payee	Amount \$	No. of Vouchers
8262	Metro Office and Industrial Supply	230,021	1
8328	Metro Office and Industrial Supply	194,200	1
8281	GreenTech Printing & Graphics	950,000	1
82802	F&H Printing Establishment	626,400	1
8283	A1 Print Shop	1,300,900	1
8404	A1 Print Shop	1,844,750	1

Cheque Number	Payee	Amount \$	No. of Vouchers
8406	GreenTech Printing & Graphics	1,550,000	2
8422	Pressy's Enterprise	245,699	1
8282	F&H Printing Establishment	1,212,200	3
8279	Guyana Oil Company	389,647	1
8443	Guyana Oil Company	605,722	1
8339	Cummings Electrical Co. Ltd	127,420	1
8444	R&T Taxi Service	225,960	1
8454	Camex Ltd	250,271	1
8423	National Communications Network	300,000	1
8445	RK's Security	684,724	1
8340	Cofax Business Centre	127,020	1
8275	RameshwarSookdeo	410,000	1
8292	KavitaGanpat	75,000	1
8453	Khan's Catering	58,600	1
8274	R&T Taxi Service	139,980	1
Total		11,548,514	24

Appendix III

Relevant approvals for purchases not seen

Payee	No. of Payments	Amounts \$	Remarks
<i>(A/C 8827)</i>			
Metro Office Industrial Supply	2	876,176	Office of the President approvals not seen
Pro Graphics	4	1,416,240	
Guyana Times Inc	2	1,113,600	
F&H Printing Establishment	5	2,082,200	
Green TechInc	3	2,500,000	
Mohan Auto Repair	1	480,000	
Camex	1	250,271	
Jiffi Lubes	1	259,840	
RK's Security	5	2,078,463	
USA Global Export	1	371,126	
Collette Jones Chin	1	497,900	
Ramesh Sookdeo	1	410,000	
<i>Total</i>	<i>27</i>	<i>12,335,816</i>	
<i>(A/C 9161)</i>			
National Media & Co	1	500,000	
Television Guyana	2	612,799	
Multi Technology Vision	2	368,960	
CNS Incorporated	4	765,342	
Tarzie Transmission Services	2	321,800	
HBTv	3	709,340	
New Guyana Co.	1	497,700	
Guyana Times	1	430,685	

Green Tech Printing	1	450,000	
<i>Total</i>	<i>17</i>	<i>4,656,626</i>	
(A/C 8827)			
A1	2	3,145,650	Tender Board approval not seen
<i>Total</i>	<i>2</i>	<i>3,145,650</i>	

Appendix IV

Vouchers not signed by the checking officer

A/C 9161

Cheque Number	Payee	Amount \$
2013	National Media & Co	500,000
2010	Television Guyana	580,853
2007	Brutal Tracks Recording Studio	92,800
2006	Multi Technology Vision	178,860
2003	Naim Chan	60,000
2002	CNS Inc	263,093
2001	Little Rock Television Station	69,020
2000	Tarzie Transmission Services	115,000
1994	Guyana National Newspaper Ltd	1,000,000
1991	WRHM Television	36,720
1990	Television Guyana Inc	32,216
1989	National Communications Network	963,745
1985	HBTv	224,460
1984	Guyana Times	430,685
1983	Guyana National Newspaper Ltd	1,000,000
1975	WRHM Television	63,070
1974	New Guyana Co.	749,700
1969	Brutal Tracks	140,057
1965	Guyana National Newspaper Ltd	1,000,000
1958	National Communication Network	547,091
1955	CNS Inc	230,236
1952	HBTv	252,300
1951	Guyana National Newspaper Ltd	5,616,893
1949	National Television Network	160,800
1944	National Television Network	190,100
Total		14,497,699

List of vouchers not signed by approving officer

A/C 9161

Cheque No.	Payee	Amount \$
1918	Tarzie Transmission Services	206,800
1919	National Communications Network	681,268
1921	CNS Incorporated	123,053
1923	CNS Incorporated	151,960
1925	Green Tech Printing	450,000
	HBTV	232,580
Total		1,845,661

Appendix V (Joiners)

<u>Employees without application</u>	<u>Employees without Academic Certificates</u>
Alana Manniram	Courdel Glasgow
Anson Lekha	Nafeeza Yahya
<u>Employees without references</u>	Leroy Lyttle
Leroy Lyttle	Reshma Tahal
Syneika Thorne	Randy Prashad
Anil Seelall	Roger Bhulai
Rondald Dwarka	Ursulla Ramdayal
Roopnarine Sammi	
Maccalia Santos	
Kapil Singh	
Alana Maniram	
Anson Lekha	
Ursulla Ramdayal	